

Cabinet



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Thursday, 28 November 2019

A meeting of the **Cabinet** of North Norfolk District Council will be held in the Council Chamber - Council Offices, Holt Road, Cromer, NR27 9EN on **Friday, 6 December 2019 at 2.00 pm.**

At the discretion of the Chairman, a short break will be taken after the meeting has been running for approximately one and a half hours

Members of the public who wish to ask a question or speak on an agenda item are requested to arrive at least 15 minutes before the start of the meeting. It will not always be possible to accommodate requests after that time. This is to allow time for the Committee Chair to rearrange the order of items on the agenda for the convenience of members of the public. Further information on the procedure for public speaking can be obtained from Democratic Services, Tel:01263 516010, Email:emma.denny@north-norfolk.gov.uk.

Anyone attending this meeting may take photographs, film or audio-record the proceedings and report on the meeting. Anyone wishing to do so should inform the Chairman. If you are a member of the public and you wish to speak on an item on the agenda, please be aware that you may be filmed or photographed.

Emma Denny
Democratic Services Manager

To: Mr A Brown, Mrs S Bütikofer, Mrs A Fitch-Tillett, Ms V Gay, Mr G Hayman, Mr R Kershaw, Mr N Lloyd and Mr E Seward

All other Members of the Council for information.
Members of the Management Team, appropriate Officers, Press and Public



If you have any special requirements in order to attend this meeting, please let us know in advance
If you would like any document in large print, audio, Braille, alternative format or in a different language please contact us

Heads of Paid Service: Nick Baker and Steve Blatch
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A G E N D A

1. TO RECEIVE APOLOGIES FOR ABSENCE

2. MINUTES

1 - 8

To approve, as a correct record, the minutes of the meeting of the Cabinet held on 04 November 2019

3. PUBLIC QUESTIONS AND STATEMENTS

To receive questions and statements from the public, if any.

4. ITEMS OF URGENT BUSINESS

To determine any other items of business which the Chairman decides should be considered as a matter of urgency pursuant to Section 100B(4)(b) of the Local Government Act 1972

5. DECLARATIONS OF INTEREST

Members are asked at this stage to declare any interests that they may have in any of the following items on the agenda. The Code of Conduct for Members requires that declarations include the nature of the interest and whether it is a disclosable pecuniary interest

6. MEMBERS' QUESTIONS

To receive oral questions from Members, if any

7. OVERVIEW & SCRUTINY MATTERS

To consider any matters referred to the Cabinet by the Overview & Scrutiny Committee for reconsideration by the Cabinet in accordance within the Overview and Scrutiny Procedure Rules

8. HOMELESS AND ROUGH SLEEPING STRATEGY 2019 - 2024

9 - 54

Summary: The Homeless Act 2002 requires all Local Authorities to undertake a review of homelessness in their area and publish a Homelessness Strategy based on its findings every 5 years.

Options considered:

1. Do nothing. This option was discounted as the Act requires a review is carried out and published every 5 years
2. Review the homelessness within the area. This option was adopted as it ensures the Council carries out its duties as per the Homeless Act 2002.

Conclusions: A review of homelessness has been undertaken and the key findings from the review of the current services have identified 5

Aims to carry forward to improve and enhance the service.

Recommendations: **Cabinet adopt the Homelessness & Rough Sleeping Strategy 2019-2024**

Reasons for Recommendations: To ensure that the Councils Homelessness Strategy is reviewed and published as determined by the Homeless Act 2002.

LIST OF BACKGROUND PAPERS AS REQUIRED BY LAW

(Papers relied on to write the report, which do not contain exempt information and which are not published elsewhere)

National Drivers:

Homeless Act 2002 & The Homelessness Code of Guidance

Localism Act (2011)

Making Every Contact Count (2012)

The Welfare Reform Act (2012)

The Deregulation Act (2015)

The Care Act (2014)

Homelessness Reduction Act (2017)

Rough Sleeping Strategy August (2018)

Local Policies:

Housing Strategy

Tenancy Strategy

Empty Homes Policy

Housing Allocation Scheme

Contact Officer, telephone number and email:

Lisa Grice, Housing Options Manager

Lisa.grice@north-norfolk.gov.uk, 01263 516164

9. FEES AND CHARGES 2020-2021

55 - 88

Summary: This report recommends the fees and charges for 2020/21 that will come into effect from April 2020.

Options considered: Alternatives for the individual service fees and charges now being proposed will have been considered as part of the process in arriving at the fees presented within the report.

Conclusions: The fees and charges as recommended will be used to inform the income budgets for the 2020/21 budget. Approval for the fees ahead of presenting the detailed budgets allows for implementation of changes where applicable and also informs the 2020/21 budgets.

Recommendations: **That Cabinet agree and recommend to Full Council:**
a) The fees and charges from 1 April 2020 as included in Appendix A.
b) That Delegated Authority be given to the

Section 151 Officer, in consultation with the Portfolio Holder for Finance and relevant Heads of Service, to agree those fees and charges not included within Appendix A as required as outlined within the report

Reasons for Recommendations: To approve the fees and charges as set out in the report that will be used to inform the 2020/21 budget process.

Cabinet Member(s) Ward(s) affected: All
Cllr Eric Seward

Contact Officer, telephone number and email:
Lucy Hume, 01263 516246, lucy.hume@north-norfolk.gov

10. TREASURY MANAGEMENT HALF YEARLY REPORT 2019/20

89 - 96

Summary: This report sets out the Treasury Management activities actually undertaken during the first half of the 2019/20 Financial Year compared with the Treasury Management Strategy for the year.

Options Considered: This report must be prepared to ensure the Council complies with the CIPFA Treasury Management and Prudential Codes.

Conclusions: Treasury activities for the half year have been carried out in accordance with the CIPFA Code and the Council's Treasury Strategy.

Recommendations: That the Council be asked to RESOLVE that The Treasury Management Half Yearly Report 2019/20 is approved.

That the Council be asked to APPROVE changes to the Counterparty Limits.

Reasons for Recommendation: Approval by Council demonstrates compliance with the Codes.

Cabinet Member(s) Ward(s) affected: All
Eric Seward

Contact Officer, telephone number and email:
Lucy Hume, 01263 516246, lucy.hume@north-norfolk.gov.uk

11. MEDIUM TERM FINANCIAL STRATEGY - 2020/21 TO 2023/24

97 - 144

Summary: This report presents an updated Medium Term Financial Strategy (MTFS) for the period 2020/21 to 2023/24. The strategy has been updated to support the Corporate Plan for the period 2019 to 2022.

Options considered: The MTFS has been refreshed in the year and provides an updated financial projection in support of the 2020/21 budget process.

Conclusions: The financial position for 2020/21 is currently showing a small surplus with deficits in future years. The MTFS identifies the key themes and priorities for the Council in seeking to reduce the forecast budget gap.

Recommendations: **It is recommended that:**
1) Members consider and note:
a) The current high level financial forecast for the period 2020/21 to 2023/24;
b) The current capital funding forecasts;
2) Members consider and recommend to Full Council:
a) The revised reserves statement as included at Appendix 2 to the financial strategy.

Reasons for Recommendations: To refresh the Medium Term Financial Strategy in line with the Corporate Plan and to inform the detailed budget work for 2020/21.

Cabinet Member(s)	Ward(s) affected
Cllr Eric Seward	All

Contact Officer, telephone number and email: Duncan Ellis, Head of Finance and Assets, 01263 516330, duncan.ellis@north-norfolk.gov.uk

12. ANNOUNCEMENT OF AWARD DECISION FOR WASTE & RELATED SERVICES CONTRACT 145 - 162

Summary: Having followed an EU procurement process, two compliant bids have been assessed against the award evaluation criteria. This report recommends the award of the contract and makes recommendation in respect of the costed option of food waste and other provisional items.

Options considered: Options considered include whether it was viable to introduce a food waste collection service from first commencement date.

Conclusions:

There is a statutory duty to provide waste collections and to separately collect recycling. The award of this contract for waste and recycling collection will ensure the statutory duty is met.

The procurement has been undertaken jointly with Breckland Council and King's Lynn and West Norfolk Borough Council as a single contract covering the three Councils

A full OJEU procurement process has been followed for this procurement and all legal obligations have been met. External legal support was provided by Bevan Brittan for the procurement and preparation of the contract.

A costed option has been obtained for the introduction and delivery of food waste collections.

The award of contract must be to the most economically advantageous tender.

Recommendations:

- 1. That the most economically advantageous tender for the contract for the provision of waste and related services submitted by Bidder B is accepted, subject to formal contract and satisfactory conclusion of the statutory standstill time.**
- 2. Cabinet do not approve the implementation of a food waste collection at service implementation.**
- 3. That Cabinet delegate authority to the Head of Environmental Health, to implement provisional items in relation to clinical waste collections and garden waste disposal.**

Reasons for Recommendations:

To ensure the continued delivery of waste and recycling collections, other collections services, street cleansing and grounds maintenance services across the district. Bidder B offers the most economically advantageous tender.

The additional cost implications of introducing a food waste collection service make it unviable at first Commencement date.

Provisional items within the contract allow for the smooth running of the contract and options

to secure the most cost effective delivery method. To provide sufficient flexibility for the effective management of the contract implementation in respect of provisional items, relating to clinical waste collection and garden waste disposal, should be delegated to the Head of Environmental Health

Cabinet Member(s) Cllr Nigel Lloyd, Environment

Contact Officer, telephone number and email:
Steve Hems, Head of Environmental Health, 01263 516182,
steve.hems@north-norfolk.gov.uk

13. EXCLUSION OF PRESS AND PUBLIC

To pass the following resolution:

“That under Section 100A(4) of the Local Government Act 1972 the press and public be excluded from the meeting for the following item of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraphs 3 of Part I of Schedule 12A (as amended) to the Act.”

14. PRIVATE BUSINESS

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CABINET

Minutes of the meeting of the Cabinet held on Monday, 4 November 2019 at the Council Chamber - Council Offices, Holt Road, Cromer, NR27 9EN at 10.00 am

Committee

Members Present:

Mrs S Bütikofer (Chair)	Mr A Brown
Mrs A Fitch-Tillett	Ms V Gay
Mr R Kershaw	Mr N Lloyd
Mr E Seward	

Members also attending:

Officers in Attendance:

Corporate Director and Head of Paid Service (SB), Democratic Services Manager, Head of Legal & Monitoring Officer, Head of Finance and Asset Management/Section 151 Officer, Democratic Services and Governance Officer (Scrutiny), Head of Economic and Community Development, Policy and Performance Management Officer and Head of Environmental Health

Also in attendance:

Press and Public

Apologies for Absence:

Mr G Hayman

1 MINUTES

The minutes of the meeting of Cabinet held on 7th October 2019 were approved as a correct record and signed by the Chairman.

2 PUBLIC QUESTIONS AND STATEMENTS

None received.

3 ITEMS OF URGENT BUSINESS

None received.

4 DECLARATIONS OF INTEREST

None received.

5 MEMBERS' QUESTIONS

The Chairman reminded members that they could ask questions throughout the meeting as issues arose.

6 OVERVIEW & SCRUTINY MATTERS

The Overview & Scrutiny Committee had held an additional meeting to consider the draft framework of the Corporate Plan. Ten recommendations had been made to Cabinet and the Leader responded to them in turn:

- 1) To share with Overview & Scrutiny Committee Members as soon as possible, the resident's survey used to inform the Corporate Plan, together with relevant distribution and return metrics. The Committee agreed that Cabinet should be notified of their concerns that the survey had not been shared in time for the drafting of the recommendations below and thus wasn't available to support validation of the 6 themes.

The Leader said that the residents' survey had now been shared with all Members. The return metrics were not shared as they were used for political purposes. She acknowledged that it would have been beneficial to have shared the survey earlier but said that it had taken some time to locate a blank copy.

- 2) That two copies of the final version of the Corporate Plan be placed in all public libraries (including mobile libraries) across the district and a copy sent to every parish clerk, to provide accessibility for members of the public without internet access.

The Leader said that Cabinet accepted this recommendation and would give further consideration as to whether copies sent to the parish clerks should be electronic only.

- 3) That consideration be given to renaming the 'Affordable Housing' theme 'Local Homes for Local People', as this has broader application.

The Leader said that the housing theme would be renamed 'Local Homes for Local need'.

- 4) That consideration be given to including a reference to the 'sustainability' of existing businesses, both in the heading and underlying content of the 'Boosting Business Growth' theme of the Corporate Plan. The revised title of "Boosting Business Sustainability and Growth" was supported.

The Leader informed Members that Cabinet accepted this recommendation and the theme would be 'Boosting Business Sustainability and Growth'.

- 5) That consideration be given to identifying the specific barriers faced when doing business in North Norfolk within the Business theme of the Corporate Plan.

This would be addressed as part of the delivery plan phase.

- 6) To share a summary of the feedback from the environmental consultation undertaken at the Greenbuild event held in September.

This feedback had already been shared with all Members.

- 7) To give consideration to renaming the 'Customer Focus' theme to encompass everyone who used the Council's services. The options discussed included: People Focus, Resident Focus, Service User Focus, etc, but 'Customer Focus'

gained most support.

The Leader said that consideration had been given to renaming this theme but that a suitable replacement could not be agreed upon.

- 8) To consider adding an additional descriptor to the Environment theme title - such as "Protecting the Environment"; the Cabinet Member had advised 'Climate Change, Coast and Environment' could be an option.

Members were advised that this theme would be renamed 'Climate Change, Coast and Environment'.

- 9) To remove the high level challenge statements from future documents, as they had now served their purpose.

There had never been any intention to use the high level challenge statements beyond the policy sprint phase and they would not appear in any future documents.

The Leader thanked the Overview & Scrutiny Committee for providing all Members with the opportunity to fully engage with the development of the Corporate Plan. She invited the Chairman of the Overview & Scrutiny Committee to comment. Cllr N Dixon began by thanking the Leader for her response to the recommendations. He said that this was the first piece of pre-scrutiny undertaken with this Administration and the framework of the Corporate Plan had been exposed to all Members in a way that had never been done before. In terms of outcome it was a positive experience and he hoped that the recommendations reflected that. The opportunity for every member to submit questions in advance of the meeting had helped the process considerably and he was satisfied that the Corporate Plan had been as well scrutinised as it could be.

Referring to the residents' survey, Cllr Dixon said that the committee felt that it was a crucial piece of evidence to enable effective scrutiny and this had led to the request for a copy of the survey and the supporting data. The fact that it was not available for the meeting meant that recommendation 1 was not a statement of validation. He acknowledged the Leader's concerns about sharing the return metrics but said that there may be a further request to look at them later as they would add weight to the validation process. Cllr Dixon added that this reinforced the need to develop an Executive / Scrutiny protocol. He concluded by saying that all of the responses set out by the Leader to the Committee's recommendations reflected the consideration given to them.

The Leader thanked Cllr Dixon. She said that the return metrics were politically driven so it was unlikely that they would be shared. However, there had been a substantial amount of research undertaken since the results were collated which supported the findings.

7 BUDGET MONITORING REPORT 2019/20 - PERIOD 6

Cllr Seward, Portfolio Holder for Finance, introduced this item. He referred Members to page 7 of the report where a number of recommendations were outlined. The position for two of these had changed since the report was published and he asked the Head of Finance to outline the changes to Members.

The Head of Finance referred Members to section 4.10 of the report and the Norfolk

Business Rates Pool. He said that when the report was written consideration was being given to removing South Norfolk District Council from the Pool as they had the largest rateable value of NHS Property and this could be detrimental to the Pool if the NHS Trust's application for mandatory rate relief was successful. Since then, however, it had been agreed that South Norfolk should remain in the Pool.

The Head of Finance then referred to section 6.2 of the report which outlined details of the further release of funds for various capital projects. He said that it was necessary to clarify points relating to the purchase of waste vehicles. It was intended that the purchase could be funded through borrowing and this would be agreed when the decision was required to be taken. It was therefore suggested that a 'budget envelope' of up to £4.5m was agreed to allow for flexibility. Annual revenue borrowing costs would be £600k and it was anticipated that there would be a reduction in the waste contract costs.

Cllr J Rest sought clarification that the vehicles would be ready when they were needed. The Head of Environmental Health replied that he was aware of the lead in time and there was provision for contractors to provide temporary vehicles whilst delivery of the new vehicles was awaited. Brexit was causing uncertainty about when new vehicles could be provided and this was challenging.

The Head of Finance then drew Members' attention to the following:

Recommendation 2 – the Council was required to have external advice on asset valuations and the recommendation referred to a new contract for this work that was costing £68,000.

Section 6.1 – North Walsham Heritage Action Zone – the report referred to approval by Full Council in October. This should instead refer to Cabinet in October, with final approval at Full Council in November.

It was proposed by Cllr Seward and seconded by Cllr V Gay that Recommendation 3 should be amended to:

'To agree and recommend to Full Council the increases to the capital programme budgets for the schemes identified within paragraph 6.2 of the report. The funding for the first five schemes is to be financed from capital receipts, the £4.5m for the waste vehicles is currently anticipated to come from borrowing, the estimated average annual impact of the borrowing is estimated to be in the region of £600k per annum and will be taken account of as part of the waste contract award and the 2020/21 budget process.'

It was then proposed by Cllr Seward, seconded by Cllr Gay and

RESOLVED to:

- 1) note the contents of the report and the current budget monitoring position;
- 2) agree to the release of £68,000 from the Asset Management Reserve to fund the Asset Valuation Programme;
- 3) To agree and recommend to Full Council the increases to the capital programme budgets for the schemes identified within paragraph 6.2 of the report. The funding for the first five schemes is to be financed from capital receipts, the £4.5m for the waste vehicles is currently anticipated to come from borrowing, the estimated average annual impact of the borrowing is estimated to be in the region of £600k per annum and will be taken account of

as part of the waste contract award and the 2020/21 budget process.

Reasons for the decision:

To update Members on the current budget monitoring position for the Council.

8 MARKET TOWN INITIATIVE - ROUND THREE FUNDING REPORT

Cllr R Kershaw, Portfolio Holder for Economic and Career Development, introduced this item. He thanked the Democratic Services & Governance Officer (Scrutiny) for his hard work in supporting the project and confirmed that £30k was requested with £22,089.67 of funding available. Just £85.17 remained in the fund. Cllr Kershaw said that he hoped the Overview & Scrutiny Committee would continue to monitor the progress and outcomes of all of the applications that had received funding.

The Leader said that the Market Towns Initiative (MTI) had had a very positive effect on North Walsham and had led to the success of the High Street Heritage Action Zone bid for the town.

Cllr Seward said that the MTI fund had allocated a substantial amount towards the refurbishment of the precinct in North Walsham. The work was due to be completed shortly and he said that he hoped that the Council would publicise the positive outcomes.

It was proposed by Cllr R Kershaw, seconded by Cllr E Seward and

RESOLVED

1. That Cabinet approve the MTI Working Group's recommendations to award £22,004.50 of funding to applications outlined in the report.
2. That Cabinet request the Overview & Scrutiny Committee to continue to monitor the progress and outcomes of all applications that receive funding.
3. That any remaining or returned MTI funds be retained in the general reserve.
4. Delegated authority be given to The Head of Economic and Community Development to agree suitable conditions in respect of the approved applications, issue grant decision letters, and make any necessary funding adjustments in accordance with the delegated authority policy.

9 CORPORATE PLAN 2019 - 2023

The Leader introduced this item. She said that it was a strategic document that would inform the 'direction of travel' for the Council for the next four years. She thanked the staff for all their hard work in supporting the process.

Cllr J Rest thanked the Leader for giving the Independent Group the opportunity to engage with the process and feed in their comments. He referred to recommendation two of the report and sought clarification of the term 'minor revisions' The Leader replied that any such changes would be in relation to phrasing or grammar not headings of financial information.

Cllr N Dixon said that it had been an engaging and enlightening process and that there was no excuse for not knowing what was 'coming down the track'. He referred to the Corporate Plan from 2007 which was just presented to Members in its final format. The current Corporate Plan was a positive reflection of progress.

The Leader thanked both Members for their comments and said that the Administration was keen to work with everyone.

It was proposed by Cllr S Butikofer, seconded by Cllr R Kershaw and

RESOLVED to:

1. Agree the content of the draft Corporate Plan 2019 – 2023 as a statement of the Council's intent and ambition for the term of this Council administration.
2. Authorises the Corporate Director and Head of Paid Service, in consultation with the Leader of the Council, to agree any minor revisions and changes to the final draft of the Corporate Plan document and thereafter the format / design of the document for publication, following adoption by Full Council.
3. That Cabinet publishes its draft Delivery Plan by February 2020.

To recommend to Council:

That Full Council adopts the Corporate Plan 2019 – 2023

Reason for the decision:

The Corporate Plan details the Council's ambitions and intent for the next four years. It will provide the framework and context for the Council's service provision, project interventions and resource allocation (financial and staffing) for the period through to 2023. The Plan will be subject to annual review to ensure that it continues to reflect the Council's priorities and objectives throughout the next four years in response to emerging trends, policy developments and legislation.

10 SHANNOCKS HOTEL SITE SHERINGHAM - COMPULSORY PURCHASE

The Leader began by asking Members support for continuing the discussion in open session. This was agreed.

Cllr R Kershaw, Portfolio Holder for Economic and Career Growth, then introduced the item. He said that the Shannoeks Hotel had long blighted Sheringham and there was a need to move forward now with a compulsory purchase order (CPO). He acknowledged that this was a drastic measure to take but there had been no response from the owner.

Cllr A Brown asked the Head of Legal when the legal process would start and whether there were adequate resources in place to support it, The Head of Legal confirmed that there were sufficient resources in place and that if an Inquiry was held then the position would be reviewed and provision made. Regarding the process, she said that notices would be served within the next 6 weeks.

It was proposed by Cllr R Kershaw, seconded by Cllr A Brown and

RESOLVED

1. That the Council makes a Compulsory Purchase Order in respect of the Shannoeks.
2. The Head of Finance and Asset Management is delegated to simultaneously resurrect purchase negotiations with the owner.

Reasons for the decision:

To achieve the redevelopment of the Shannoeks which has stood empty for many years, attracting significant negative comment from the public, thereby bringing about a regeneration of this area of Sheringham, for the economic and social well-being of the area.

11 ADDITIONAL INFORMATION

The Leader informed Members that the Cabinet meeting on Monday 2nd December was being rescheduled for Friday 6th December to allow sufficient time for the completion of the evaluation of final tenders for the waste contract. It had been agreed that the three councils involved in the joint procurement would hold their Cabinet meeting on 6th December to make the award decision.

12 EXCLUSION OF PRESS AND PUBLIC

13 PRIVATE BUSINESS

The meeting ended at 10.33 am.

Chairman

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Homeless & Rough Sleeping Strategy 2019 - 2024

Summary: The Homeless Act 2002 requires all Local Authorities to undertake a review of homelessness in their area and publish a Homelessness Strategy based on its findings every 5 years.

Options considered: 1. Do nothing. This option was discounted as the Act requires a review is carried out and published every 5 years
2. Review the homelessness within the area. This option was adopted as it ensures the Council carries out its duties as per the Homeless Act 2002.

Conclusions: A review of homelessness has been undertaken and the key findings from the review of the current services have identified 5 Aims to carry forward to improve and enhance the service.

Recommendations: **Cabinet adopt the Homelessness & Rough Sleeping Strategy 2019-2024**

Reasons for Recommendations: To ensure that the Councils Homelessness Strategy is reviewed and published as determined by the Homeless Act 2002.

LIST OF BACKGROUND PAPERS AS REQUIRED BY LAW

(Papers relied on to write the report, which do not contain exempt information and which are not published elsewhere)

National Drivers:
Homeless Act 2002 & The Homelessness Code of Guidance
Localism Act (2011)
Making Every Contact Count (2012)
The Welfare Reform Act (2012)
The Deregulation Act (2015)
The Care Act (2014)
Homelessness Reduction Act (2017)
Rough Sleeping Strategy August (2018)
Local Policies:
Housing Strategy
Tenancy Strategy
Empty Homes Policy
Housing Allocation Scheme

Contact Officer, telephone number and email:

Lisa Grice
Housing Options Manger
Lisa.grice@north-norfolk.gov.uk
01263 516164

1. Introduction

- 1.1 The Homelessness Act 2002 Section 1(1) requires all Local Authorities to undertake a review of homelessness in their area and publish a Homelessness Strategy based upon the findings of the review every 5 years. North Norfolk District Council have undertaken reviews in 2003, 2008, 2014 & the recent review 2019
- 1.2 The Strategy covers homelessness, homelessness prevention and rough sleeping and seeks to deliver an enhanced housing options service, responds to the Acts of Parliament and statutory guidance that sets out the Governments intentions for protecting homeless people, preventing homelessness and ending rough sleeping.
- 1.3 In formulating the strategy, a housing authority will need to consider the necessary levels of activity required to achieve the aims set out in the paragraph below and sufficiency of the resources available to them as revealed by the review under Section 3(1) of the 2002 Act a homeless strategy means a strategy to:
 - a) Identifying action that can be taken to prevent homeless in the district;
 - b) Providing suitable services and accommodation for people who are, or may become homeless; and
 - c) Supporting people who are homeless or potentially homeless and those who were formally homeless and need support, to prevent them becoming homeless again.
- 1.5 The Strategy must cover:
 - 1) Advice and Information
 - 2) Early Identification
 - 3) Pre-Crisis Intervention
 - 4) Preventing Recurring Homelessness
 - 5) Partnership arrangements

2. Key Findings

- 2.1 With continuing demands and challenges and following recent changes to Welfare Reform and the introduction of the Homeless Reduction Act 2017 the council has worked extremely hard to ensure that the customer has been the main focus whilst striving to improve the service and implement the Council's aspirations and aims.
- 2.2 Historically, homelessness within North Norfolk had been relatively low with 90 households being accepted in 2013/14 and 206 homeless decisions being made in 2014/15 compared to 201 in 2003/04. Evidence now shows that since 2013/14 there has been a steady increase of customers presenting to the authority as homeless or at risk of being homeless, this is despite the council putting in place prevention measures and offering early advice to individuals that approach the service.
- 2.3 At the end of financial year 17/18 the authority made decisions on 191 homelessness applications, accepted duties to house 124 and prevented 66 clients from being homeless.

- 2.4 Since the introduction of the Homeless Reduction Act 2017 evidence shows the authority is now working with individual customers for a longer period of time and the nature of these cases is increasingly becoming more complex with ongoing support being provided by the team. Within the county of Norfolk there has been a reduction of support services and this is now impacting on the team. During financial year 2018/2019 the team assessed the following cases:

Initial Assessment	430
Assessed as owned a duty	421
Prevention Duty owned	279
Relief Duty owned	142
Not Homeless	9

- 2.5 The main reason for customers seeking assistances with homelessness has remained consistent over the years with the main reasons being as follows:
- 123 households in 2018/19 were given notice by their landlord
 - 89 households were under threat of losing their social housing tenancy
 - 73 families/friends being unable to accommodate

- 2.6 In the 2011 census the population of North Norfolk was 101,499 and is made Approximately 52% females and 48% males. The average age of people in North Norfolk is 47, while the median age is higher at 5.

Most clients presenting to the authority are in the 25-44 age group with 75+ age group being negligible.

- 2.7 Within the Housing Reduction Act 2017 there is now a requirement to capture around data around support needs of clients where the authority has accepted duties under the Prevention & Relief duty.

3. Successes from the last Strategy

- 3.1 This Strategy will continue to build on the success of the previous Homeless Strategy 2014 – 2019 which identified 5 key aspirations being:

- Work with registered providers
- Improve Housing Advice/Options/Solutions
- Not to place any families in Bed & Breakfast accommodation unless in an emergency and for no longer than 6 weeks and provide suitable temporary accommodation
- Aspiration to deliver the challenge set to deliver 'A Gold Standard Service'
- Deliver Customer focused Service Standards

- 3.2 Details of these success can be shown in Appendix 1 with the main document

4. Key Objectives for North Norfolk District Council in Preventing Homeless & Rough Sleeping 2019 – 2024

- 4.1 The review of homeless within the district has identified that there have been A significant number of achievements. However, to ensure the service continues to provide an excellent level of service we need to ensure that the council continues to challenge service delivery. Taking this on board there are

some key areas of work that have been identified to improve service delivery but also to continue with the strong working relationship we have with both statutory and voluntary agencies.

4.2 Early intervention and Prevention of Homelessness

To achieve our aim, we will:

- Ensure Housing Options services continue to be accessible offering a range of housing options to meet individuals housing and support needs.
- Produce guidance for officers in the allocation of financial assistances in preventing homelessness.
- Continue to Strengthen partnership working around the prevention of homelessness with Registered Providers, Norfolk Local Authorities and Norfolk County Council.
- To produce a Service Level Agreement with Registered Provides that supports the work the teams do in proactively prevent homelessness due to rent arrears.
- Support & work in partnership with local Registered Providers to sign up-to meet the 9 Commitments of “Homes for Cathy” to relieve Homelessness.
- To keep under review, the joint working Protocols with Norfolk County Council for 16/17 year olds and Intentionally Homeless families.
- Continue to work with the Early Help Hub to intervene at the earliest opportunity to prevent people from becoming homeless.
- Provide a seamless service with a single named Housing Options Officer working with the applicant from initial interview to closure.
- To work with the Norfolk Integrated Housing and Community Support Service led by Together to support people with poor mental health.
- To work with the Mental Health Trust in production of a county wide Mental Health Discharge and Homelessness Prevention Protocol.
- To work with the Local Prison to produce a county wide Prison Release and Homelessness Prevention Protocol.

4.3 Increase Access to Good Quality Accommodation in the Private Rented Sector

To achieve our aim, we will:

- Pilot a Private Rented Sector Officer to work with landlords to provide a range of suitable options for homeless clients this could include:
 - Private Sector Leasing
 - Long term lets
 - Short term lets
- Pilot Tenancy Sustainment Officer – the post holder will give additional reassurance to private landlords to encourage them to take clients that have been rough sleeping or have a history of rough sleeping to enable the tenant to sustain long term tenancies.
- Pursue the formation of a trusted landlord with the intention of
 - acquiring a suitable mix of long term lets to meet identified need.

4.3 Working with local partners to provide solutions which prevent homelessness

To achieve our aim, we will:

- Work with local partners to ensure the wider needs of all households are considered when developing Housing Support plans and ensure that support is provided to access and sustain accommodation
- Work with the current refuge provider 'Leeway' to improve move on plans for domestic abuse victims leaving refuges.
- Promote more joined up working with other registered providers, health, prison and probation services to prevent homelessness on discharge where appropriate
- Work closely with partners in the criminal justice sector through Multi-Agency Risk Assessment conference (MARAC) and multi-agency public protection arrangement (MAPPA) arrangement to provide appropriate support and advise.
- Continue to work closely with Norfolk County Council in ensuring the provision of hostels and supporting housing provision for people who have been homeless or who are at risk of being homeless remains within North Norfolk. Currently these services are provided by Notting Hill Genesis for adults and young people being The Benjamin Foundation & Empanda.

4.4 Reduce the incidence of Rough Sleeping in the District

To achieve this the authority will:

- Employ Rough a Sleeper Co-Ordinator
- Employ a Complex Health Worker
- Employ a Tenancy Sustainment Officer
- Spot Purchase Accommodation for identified rough sleepers to enable assessment of needs to be carried out
- Provide tenancy starter packs once rough sleeper has secured accommodation
- Offer Tenancy Training courses
- Adopt a 'No Second Night Out Model' or an effective local alternative

4.5 To Reduce the use of temporary accommodation for households accepted as homeless and where temporary accommodation has to be used to ensure that it is a reasonable standard and in a location which enables the household to maintain stability.

To achieve our aim, we will:

- To keep under review, the available temporary accommodation units to ensure that we have a suitable supply of good quality temporary accommodation that can be used to meet the needs of all households that approach the authority
- Support the purchase and supply of suitable properties across the district to be used as temporary accommodation
- Produce a Temporary Accommodation Procedure along with risk assessment, suitability requirement and out of area protocol.

- To actively reduce the need for temporary accommodation by working with customers in a more proactive way to prevent or relieve homelessness

5 Consultation

5.1 The principles of the Homelessness Strategy was discussed at Overview & Scrutiny, to which they made two recommendations being:

1. To recommend that costings and resource implications be included in the Strategy.
2. To recommend that costings and resource implications be included in the Strategy.

The document was available on the council's website and key partners were email and through a recent article within the EDP this highlighted that the document was out to consultation.

5.2 Four responses were received to the consultation; these were from:

Robert Cooper, Head of Integrated Commissioning Norfolk County Council/Norwich CCG

Maureen Begley, Commissioning Programme Manager, Adult Social Care, Norfolk County Council

Katie Docherty, Housing Manager, Broadland Housing Association

Linda Owen member of the public

5.3 Please find attached copies of the emails received which shows the comments made, these suggestions have been were appropriate built into the body of the Strategy.

6 Conclusion

6.1 The Homeless Act 2002 requires all Local Authorities to undertake a review of homelessness in their area and publish a Homelessness Strategy based on its findings every 5 years.

The proposed Homelessness Strategy 2019-2024 has been subject to wide consultation and now requires adoption by the Council. Once adopted the new Strategy will form the basis of delivering the key objectives that have been highlighted within the strategy. It will also ensure that the service the customer receives is both informative and relevant to their individual circumstances.

7 Implications and Risks

Once the Homeless Strategy has been adopted by full Council, the implementation of the strategy will commence.

8 Financial Implications and Risks

There are no related costs to the implementation of the Homelessness Strategy

9 Sustainability

There are no specific sustainability issues related to the Homelessness Strategy

10 Equality and Diversity

An equality impact assessment has been carried out within the Allocation Scheme

11 Section 17 Crime and Disorder considerations

There are no specific Section 17 Crime and Disorder Considerations related to the Homelessness Strategy. The Strategy does link with the Allocations Scheme which does allow us to state that where an applicant has been guilty of behaviour serious enough to make them unsuitable to be a tenant we can disqualify them so they are unable to join the housing register until such a time as it can be shown that they would be suitable to be a tenant.

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HOMELESSNESS AND ROUGH SLEEPING STRATEGY 2019 - 2024

Lisa Grice

NORTH NORFOLK DISTRICT COUNCIL

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1. Introduction

The Homeless Act 2002 Section 1(1) requires all Local Authorities to undertake a review of homelessness in their area and publish a Homelessness Strategy based upon the findings of the review every 5 years. North Norfolk District Council has undertaken reviews in 2003, 2008, 2014 and 2019.

Both the review and the development of the strategy were undertaken in consultation with key partners and stakeholders operating within the district.

The strategy covers homelessness, homelessness prevention, and rough sleeping and seeks to deliver an enhanced housing options service, responds and relates to the Acts of Parliament and statutory guidance that set out the Governments intentions for protecting homeless people, preventing homelessness and ending rough sleeping.

In formulating the strategy, a housing authority will need to consider the necessary levels of activity required to achieve the aims set out in the paragraph below and the sufficiency of the resources available to them as revealed by the review, Under Section 3(1) of the 2002 Act a homelessness strategy means for a strategy to:

- a) Identifying action that can be taken to prevent homelessness in the district;
- b) Providing suitable services and accommodation for people who are, or may become homeless; and
- c) Supporting people who are homeless or potentially homeless and those who were formally homeless and need support, to prevent them becoming homeless again.

The Strategy must cover:

- **Advice and Information:** available to residents in the district, or who may return to the district, which assists them in having appropriate information or access to services that will help to prevent them becoming homeless.
- **Early identification:** authorities should consider how they might identify people at risk of homelessness at an earlier stage, and the interventions that could be put in place to prevent them from being threatened with or becoming homeless. The 'Duty to Refer' should engage public bodies to assist with earlier identification, and housing authorities should develop local protocols or referral arrangements with appropriate agencies, whether or not they are included within that duty.
- **Pre-crisis intervention:** authorities should consider whether sufficient activity is in place to intervene proactively where a household may be at risk of homelessness in the future. This might include, for example, having joint working arrangements with environmental health services to ensure tenants are not displaced through enforcement action other than in a planned way, involving children's early help services to support families at risk of losing their social tenancy, or funding a court duty advice service that identifies households at risk of mortgage repossession or loss of private rented accommodation.
- **Preventing recurring homelessness:** an analysis of local data should identify applicants most at risk of repeat homelessness which will inform decisions about allocation of resources, particularly for rehousing related support to help sustain settled accommodation.
- **Partnership arrangements:** the homelessness strategy should set out how partners will be involved in all of the above activities, and what practical arrangements are

needed (for example, joint protocols and procedures) to ensure the continued commitment to joint working to prevent homelessness improve outcomes and reduce the incidents of rough sleeping across the district of North Norfolk.

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2. National Drivers

Since the previous strategy was published there have been a number of fundamental changes which have had an impact on how homelessness has evolved and how local authorities respond to these issues.

Below are a number of key policies that will have a direct impact on how the local authority delivers its services in the life time of this new strategy.

The Homeless Code of Guidance explains how the Act should be implemented. In practice it is a guide that tells the Council how to review the effectiveness of its homelessness provisions and to produce a new strategy every five years. It states the requirements that all organisations, within all sectors, whose work can help to prevent homelessness and/or meet the needs of homeless people in their district, must be involved in the development of the strategy.

The Localism Act (2011) allowed local authorities to adopt a more robust approach towards a local residency connection in their housing allocations policy and also granted local authorities the power to discharge their homeless duty by placing households in the private sector.

Making Every Contact Count (2012) encouraged agencies to work together to target those at risk of homelessness.

The Welfare Reform Act (2012) created the biggest change to the welfare system for over 60 years, giving people on benefits increased personal responsibility for money management and improved incentives to work.

No Second Night Out (2011) aimed at tackling the problem of rough sleepers by ensuring that any new homeless person should have a chance to find accommodation and not to fall into a rough sleeping lifestyle. It is also recommended that partners work together to tackle underlying causes of rough sleeping and improve support services to help people access healthcare and employment. Within the Homeless Reduction Act 2017 Government has set out a cross government manifesto to reduce the number of people sleeping rough with the aim to halve rough sleeping by 2022 and eliminate it altogether by 2027.

The Deregulation Act (2015) Introduced protection for private rented tenants against so called retaliatory evictions which occur when a tenant makes a legitimate complaint to their landlord about the condition of their property and instead of carrying-out the repair the landlord serves them with an eviction notice. All new Assured Shorthold tenants starting on or after 1st October 2015 are covered by the provisions of the Act.

The Care Act (2014) sets out how peoples care and support needs should be met and introduces the right to an assessment for anyone, including carers and self-funders in need of support. The purpose of a needs assessment is to identify any adults needs, how they impact on their well-being and the outcomes they want to achieve, which could include access to supported housing.

Homelessness Reduction Act (2017) The introduction of this Act is the most significant change to the Homelessness legislation since it was first introduced in 1970. The Homeless Reduction Act 2017 (HRA) strengthens statutory duties to prevent homelessness for all eligible applicants including those who do not have priority need or may be considered intentionally homeless and regardless of local connection. The HRA 2017 Act also creates a new duty on certain public authorities to refer users of their services who are threatened with homelessness to a housing authority of their choice, which enables earlier identification of people at risk of becoming homeless through their interactions with other services.

Rough Sleeping Strategy (August 2018) – The strategy sets out the vision to support every person who sleeps rough off the streets and into a home by 2027. This is backed up by £100 million funding over the next two years. Rough sleeping is the most extreme form of homelessness and it is therefore right that action is taken to help people off the streets.

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3. Local Policies

This homelessness strategy supports and works alongside the following North Norfolk District Council strategies and policies:

Housing Strategy:

https://portal.north-norfolk.gov.uk/doc-centre/Documents/Housing_Strategy_2016-2020.pdf#search=housing%

North Norfolk District Councils Housing Strategy 2016-2020. This strategy is split into two sections:

- New Housing
- Existing Housing and meeting housing related needs

In addition, there is a separate action plan which details how the actions and interventions identified in the strategy will be delivered:

New Housing

The Council's priorities for new housing are to:

- Deliver more new homes across the district
- Ensure that new homes are of the right size, type and tenure to meet the needs of current and future occupiers
- Ensure that new homes support the economic needs of the district

Existing Housing and meeting Housing related needs:

The Councils priorities for existing housing and meeting housing related needs are too:

- Make the most effective use of the existing housing stock
- Ensure that existing housing is fit for purpose and contributes to the health and wellbeing of its occupiers
- Ensure a range of support is available for those that require it
- Reduce the number of long term empty homes

Tenancy Strategy:

https://portal.north-norfolk.gov.uk/doc-centre/Documents/Tenancy_Strategy.pdf#search=tenancy%20strategy

The Council would like to achieve the following objectives through its Tenancy Strategy:

- To maintain stable and sustainable communities especially in more rural parts of the district where local community infrastructure such as schools and shops are supported by balanced populations including newly forming households and young families
- To make better use of the existing social housing stock through enabling a reduction in under-occupation

- To ensure that specialist accommodation can be made available to households most in need

Empty Homes Policy:

https://portal.north-norfolk.gov.uk/doc-centre/Documents/Empty_Homes_Policy.pdf#search=empty%20homes%20policy

The Council has set itself an ambition that ‘Everyone in North Norfolk should have the opportunity to buy or rent a decent home at a price they can afford, in a community where they want to live or work’.

This requires that the existing housing stock in North Norfolk is used efficiently and effectively and that the number of properties which are empty is minimised to increase the supply of housing to meet housing need and housing demand.

Properties become empty for a number of reasons and most are reoccupied within a short period of time. Recent report by ‘Action on Empty Homes’ reported the following number of empty homes across the district

2017 - 603

2018 – 482 (total homes 54,801)

Reduction of 121

<https://www.actiononemptyhomes.org/facts-and-figures>

The Empty Homes Policy focuses on bringing long term empty properties back into use that otherwise would remain empty through the Enforcement Board and currently are working on 32 complex cases.

Housing Allocation Scheme:

https://portal.north-norfolk.gov.uk/doc-centre/Documents/Housing_Allocations_Scheme.pdf#search=housing%20allocation%20scheme

The Allocation scheme has been developed in accordance with the Housing Act 1996 Part VI as amended by the Localism Act 2011. The scheme has been developed to utilize the flexibilities afforded by the Localism Act 2011 to achieve the Councils ambition that ‘everyone in North Norfolk should have the opportunity to buy or rent a decent home at a price they can afford in a community where they want to live or work’. The scheme has also been developed in line with the Councils Housing Strategy objectives to make best use of the existing housing stock and support vulnerable residents to live independently in the community.

The Scheme consists of three registers being:

- Housing Register – will include those applicants in the very highest levels of housing need, including homeless applicants where the authority has accepted, Final Duties, Prevention Duties or Relief Duties
- Housing Options Register – will include those in lower levels of housing need

- Transfer Register – will include all tenants in social or affordable rented properties within the district of North Norfolk

Your Choice Your Home

The Allocation Scheme sits alongside 'Your Choice Your Home' (YCYH) which is a choice based lettings system. YCYH works in partnership with all Registered Social Landlords within the district of North Norfolk. This enables transparent allocation of all properties advertised through Your Choice Your Home with strong partnership working. The group meets on a regular basis to review the scheme and discuss particular issues facing the district. The agreed objectives of the Scheme are as follow:

- To ensure that there is transparency and choice in the way that affordable housing is allocated in North Norfolk by:
 - Improving the customer experience of applying for and being part of the housing list by providing clear information on what affordable housing is available across the district and advertising vacant properties for let or sale.
 - Enabling the customer to gain an understanding of the likelihood of obtaining an affordable home and to empower them to take control of their housing situation through the provision of information, advice and support.
- To ensure that the best use is made of the housing stock so that the needs and aspirations of applicants and existing tenants can be met as often as possible.
- To ensure that housing is allocated taking into account housing need and ensure that applicants in high housing need are given reasonable opportunity to meet their housing need.
- To operate the scheme so that it is open and fair, quick and easy to use and consistently operated by all the parties.
- To ensure that the scheme is operating in accordance with statutory requirements and that it is not directly or indirectly discriminating against applicants on the basis of age, race, religion and belief, ethnic group, gender or gender reassignment, sexual orientation, marriage and partnership, pregnancy and maternity or disability.

Within the last financial year 2018/19 there were 395 lets through Your Choice Your Home, 91 of these went to customers that had been assessed under the Homeless Reduction Act 2017 at risk of being homeless or were homeless.

Partnership working with Norfolk County Council and Norfolk Local Authorities:

The authority has a strong working relationship with Norfolk County Council and Local Authorities and have worked closely together on key documents which have been formulated to be used across the county of Norfolk.

The authorities have jointly been key in the planning and funding of the homelessness and rough sleeping prevention initiative which covers some of the tenancy support for people who have been homeless in North Norfolk and extends to the joint funding for Severe Weather Emergency Provision arrangements when these are needed.

The authority and Norfolk County council jointly fund a range of hostel and supported housing provision for people who have been homeless or who are at risk provided by Notting Hill Genesis for adults and Benjamin Foundation and Empanda for young people.

Young Person Protocol for 16 & 17 year olds has jointly been produced with Norfolk County council and the other Local Authorities within Norfolk. This document details joint working and responsibilities in relation to duties owned between Children Services & District councils.

Intentionally Homeless families protocol has jointly been produced with Norfolk County council and the other Local Authorities within Norfolk. This document details joint working and responsibilities in relation to duties between Children Services and District Councils.

These documents ensure that the customer is placed at the centre of these relationships.

Severe Weather Emergency Provision (SWEP) – joint funding arrangements with Norfolk County Council as and when these are needed. Arrangements are made with local Hostel - Notting Hill Genesis, local B&B provides to ensure that no one has to sleep rough in the district when the weather is severe.

4. Key Findings

With continuing demands and challenges and following recent changes to Welfare Reform and the introduction of the Homeless Reduction Act 2017 the council has worked extremely hard to ensure that the customer has been the main focus whilst striving to improve the service and implement the Council's aspirations and aims.

Historically, homelessness within North Norfolk had been relatively low with 90 households being accepted in 2013/14 and 206 homeless decisions being made in 2014/15 compared to 201 in 2003/04. Evidence now shows that since 2013/14 there has been a steady increase of customers presenting to the authority as homeless or at risk of being homeless, this is despite the council putting in place prevention measures and offering early advice to individuals that approach the service.

	14/15	15/16	16/17	17/18
Assessed	148	165	148	191
Accepted Duty	85	95	95	124
Intentional Homeless	7	12	5	3
Non-Priority Need	42	41	30	48
Not Homeless	14	17	18	16
Ineligible	0	0	0	0
Prevented	71	48	62	66

At the end of financial year 17/18 the authority made decisions on 191 homelessness applications, accepted duties to house 124 and prevented 66 clients from becoming homeless.

Since the introduction of the Homeless Reduction Act 2017 on 3 April 2018 evidence shows the authority is now working with individual customers for a longer period of time and the nature of these cases is increasingly becoming more complex with ongoing support being provided by the team. Within the county of Norfolk there has been a reduction of support services and this is now impacting on the team. During financial year 2018/2019 the team assessed the following cases:

Initial Assessment	430
Assessed as owned a duty	421
Prevention Duty owned	279
Relief Duty owned	142
Not Homeless	9

Of these:

223 clients were prevented from being homeless

148 clients were relieved from being homeless
Made Main Duty decisions of 66 case of these:

Homeless + priority need + unintentional	39
Homeless + priority need + intentional	6
Homeless + No priority need	20
Not Homeless	1

Data obtained:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/831054/Assessments_201903.xlsx

Main Reason for Approach

The main reason for customers seeking assistances with homelessness has remained consistent over the years with the main reasons being as follows:

- 123 households in 2018/19 were given notice by their landlord
- 89 Households were under threat of losing their social housing tenancy
- 73 families/friends being unable to accommodate them any longer

Data obtained:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/831054/Assessments_201903.xlsx

Since 2018, the Housing Options team have been working closely with its largest Social Housing Landlord to prevent evictions due to rent arrears.

2018/19 – 110 cases of which: 67 prevented from being evicted
10 Closed due to no contact/moved
5 Unsuccessful (Evicted)
28 cases still being supported

Age Profile

In the 2011 census the population of North Norfolk was 101,499 and is made up of approximately 52% females and 48% males. The average age of people in North Norfolk is 47, while the median age is higher at 51, and this has been further confirmed in a recent article in the Eastern Daily Press (Sept 2019) that confirmed the following:

While the average age in the country is 40 years old, that figure rises to 48 years, 11 months in North Norfolk.

The figures come from an analysis by price comparison website comparethemarket.com, which looked at the UK's generation split to discover just where the youngest places and oldest places are.

The UK's Top 3 Oldest Places (and average age):

-North Norfolk - 48 years, 11 months

-Rother - 48 years, 2 months

-East Lindsey - 47 years, 1 month

The UK's Top 3 Youngest Places (and average age):

-Manchester - 33 years, 2 months

-Slough - 34 years, 2 months

-Nottingham - 34 years, 5 months

Most clients presenting to the authority are in the age group 25-44 with 75+ age group being negligible. This could be considered as unusual given the high proportion of elderly people in the district. However, the majority of such households are owner occupiers with no mortgage commitment which is reflective of the local census carried out in 2011.

Data obtained:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/831054/Assessments_201903.xlsx

Support Needs

Within the Homeless Reduction Act 2017 there is now a requirement to capture data around support needs of clients where the authority has accepted duties under the Prevention and Relief duty. This has shown that 38% of the clients that the authority has been assessed as having a support need. This is further backed up from the complexity of the clients that the team are now working with.

Total Households Assessed as owed a duty	421
Total Households assessed as having a support need	160

Data obtained:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/831054/Assessments_201903.xlsx
refer to table at page 9

Household Type

2018/19 of the 279 households that approached the authority for assistants the largest was single parents (85) and Families (79), with 115 singles approaching the service

Household type owed a:	prevention Duty	relief duty
Single parent with dependent children - Male	14	1
Single parent with dependent children - Female	71	28
Single parent with dependent children - Other / gender not known	0	0
Single adult - Male	68	64
Single adult - Female	46	39
Single adult - Other / gender not known	1	1
Couple with dependent children	48	4
Couple / two adults without dependent children	24	5
Three or more adults with dependent children	4	0
Three or more adults without dependent children	3	0
Not known	0	0

Data obtained:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/831054/Assessments_201903.xlsx – refer to table at page 9

Rough Sleeping

Rough Sleeping across the district is transient in nature with rough sleepers moving in to the area for a short period of time before moving on. The authority has seen an increase of rough sleepers over the last three years, this can be shown in the table below. Of those that are determined as rough sleeping, the majority do have a connection to North Norfolk, however just recently there has been an increase in rough sleepers with no connection to North Norfolk. When having discussions with rough sleepers to establish the reasons for coming to North Norfolk it is common for them to be escaping problems where they were previously living the main locations they have fled are Norwich, Kings Lynn & Great Yarmouth, and of these the majority have abandoned tenancies or have tenancies still open to them in those areas.

	2016	2017	2018
England	4134	4751	4677
East England	604	615	484
North Norfolk	2	5	9

MHCLG AUTUMN STATS 2016/17/18 Rough Sleepers increase year on year

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/778662/RS_STATS_2018_LiveTables.xlsx

To support the Governments Rough sleeping agenda, the service was successful in securing Rapid Rehousing Pathway and Rough Sleeping Initiative grant funding totalling £112,536. The funding has enabled the appointment of 3 new team members supporting the work to preventing homelessness and Rough Sleeping including:

- 1 x 2 year fixed post – Rough Sleeper Co-Ordinator
- 1 x 1 year fixed post - Complex Health Officer– focus on supporting those that are rough sleeping to engage with services and those at risk of rough sleeping

- 1 x year fixed post - Tenancy Sustainment Officer – to support those that were rough sleeping or previous rough sleeping to maintain tenancies
- Fund Starter Packs for those that have been rough sleeping and secured tenancies
- Spot purchase B&B accommodation for rough sleepers to enable assessment

5. Successes from the last Strategy

This Strategy will continue to build on the success of the previous Homeless Strategy 2014 – 2019 which identified 5 key aspirations being:

- Work with registered providers
- Improve Housing Advice/Options/Solutions
- Not to place any families in Bed & Breakfast accommodation unless in an emergency and for no longer than 6 weeks and provide suitable temporary accommodation
- Aspiration to deliver the challenge set to deliver 'A Gold Standard Service'
- Deliver Customer Focused Service Standards

Details of these successes can be shown at Appendix 1

6. Key Objectives for North Norfolk District Council in Preventing Homelessness and Rough Sleeping 2019 – 2024

The review of homelessness within the district has identified that there have been a significant number of achievements. However, to ensure the service continues to provide an excellent level of service we need to ensure that the council continues to challenge service delivery. Taking this on board there are some key areas of work that have been identified to improve service delivery but also to continue with the strong working relationship we have with both statutory and voluntary agencies.

The Strategy proposes the following key objectives

1. Early Intervention and Prevention of Homelessness

The Council currently works hard to provide an excellent and informative service to the customer. Key to this is providing the customer with effective housing options in a clear understandable manner and paramount to the prevention of homelessness is earlier intervention supported by the tools the authority already has in place to assist with prevention.

Tools the authority already has available:

- Loans for Damage Deposits, Rent in Advance, clearing arrears, agency fees (where applicable)
- Move on interviews offered to all clients in supported accommodation that are ready to move on
- Joint working with Discretionary Housing Benefit Team

To enhance the above the authority will:

- Ensure Housing Options services continue to be accessible offering a range of housing options to meet individuals housing and support needs.
- Produce guidance for officers in the allocation of financial assistances in preventing homelessness.
- Continue to Strengthen partnership working around the prevention of homelessness with Registered Providers, Norfolk Local Authorities and Norfolk County Council.
- To produce a Service Level Agreement with Registered Provides that supports the work the teams do in proactively prevent homelessness due to rent arrears.
- Support & work in partnership with local Registered Providers to sign up-to meet the 9 Commitments of “Homes for Cathy” to relieve Homelessness.
- To keep under review, the joint working Protocols with Norfolk County Council for 16/17 year olds and Intentionally Homeless families.
- Continue to work with the Early Help Hub to intervene at the earliest opportunity to prevent people from becoming homeless.
- Provide a seamless service with a single named Housing Options Officer working with the applicant from initial interview to closure.
- To work with the Norfolk Integrated Housing and Community Support Service led by Together to support people with poor mental health.
- To work with the Mental Health Trust in production of a county wide Mental Health Discharge and Homelessness Prevention Protocol.
- To work with the Local Prison to produce a county wide Prison Release and Homelessness Prevention Protocol.

2. Increase Access to Good Quality Accommodation in the Private Rented Sector

There is a strong corporate commitment to address affordable homes across North Norfolk and following a change in Leadership there are emerging corporate priorities with Housing being a key priority feature. The council is in the process of becoming a trusted landlord for PSR properties by the formation of a Housing Company.

North Norfolk District Council has one of the highest proportion of second homes within the UK and coupled with homes increasingly becoming used as commercial holiday lets across the district this makes it more difficult for customers to secure private rented accommodation.

To achieve this the authority will:

- Pilot a Private Rented Sector Officer to work with landlords to provide a range of suitable options for homeless clients this could include:
 - a) Private Sector Leasing
 - b) Long term lets
 - c) Short term lets
- Pilot Tenancy Sustainment Officer – the post holder will give additional reassurance to private landlords to encourage them to take clients that have been rough sleeping or have a history of rough sleeping to enable the tenant to sustain long term tenancies.
- Pursue the formation of a trusted landlord with the intention of acquiring a suitable mix of long term lets to meet identified need.

3. Working with local partners to provide solutions which prevent homelessness

Homelessness is more likely to be solved through multi-agency approach and the authority will ensure that we will work with partners to develop and provide a range of options for prevention and relieving homelessness.

To achieve this the authority will:

- Work with local partners to ensure the wider needs of all households are considered when developing Housing Support plans and ensure that support is provided to access and sustain accommodation
- Work with the current refuge provider 'Leeway' to improve move on plans for domestic abuse victims leaving refuges.
- Promote more joined up working with other registered providers, health, prison and probation services to prevent homelessness on discharge where appropriate
- Work closely with partners in the criminal justice sector through Multi-Agency Risk Assessment conference (MARAC) and multi-agency public protection arrangement (MAPPA) arrangement to provide appropriate support and advise.

- Continue to work closely with Norfolk County Council in ensuring the provision of hostels and supporting housing provision for people who have been homeless or who are at risk of being homeless remains within North Norfolk. Currently these services are provided by Notting Hill Genesis for adults and young people being The Benjamin Foundation & Empanda.

4. Reduce the incidence of Rough Sleeping in the District.

The government are committed to halving rough sleeping by 2022 and ending it by 2027. This will require central and local government, as well as local communities, faith and voluntary groups and the general public to work together.

The government has already has committed since £100 million of funding to meet its target to end rough sleeping by 2027.

North Norfolk District Council will work to reduce the incidences of rough sleeping across the district.

The Authority works in partnership with Norfolk County Council and have been key in the planning and funding of the homeless & rough sleeping agenda, the funding received is being used to part fund Rough Sleeper Co-Ordinator which is providing much needed support to rough sleepers across the district of North Norfolk.

The authority has been successful with securing £112K in funding to assist with the aims of reducing rough sleeping within the District

To achieve this the authority will:

- Employ Rough a Sleeper Co-Ordinator
- Employ a Complex Health Worker
- Employ a Tenancy Sustainment Officer
- Spot Purchase Accommodation for identified rough sleepers to enable assessment of needs to be carried out
- Provide tenancy starter packs once rough sleeper has secured accommodation
- Offer Tenancy Training courses
- Adopt a 'No Second Night Out Model' or an effective local alternative

5. To Reduce the use of temporary accommodation for households accepted as homeless and where temporary accommodation has to be used to ensure that it is a reasonable standard and in a location which enables the household to maintain stability

Due to the nature of the clients that approach the service there will always be a need for temporary accommodation. During the last 6 months this need has increased. Whilst we accept the need for temporary accommodation we need to ensure that this is suitable and of a reasonable standard. Due to the lack of suitable options within North Norfolk the authority is more likely to place a client outside of the district which is both away from the customer's support networks, employment and schooling and is also a costly option.

To achieve our aim, we will:

- To keep under review, the available temporary accommodation units to ensure that we have a suitable supply of good quality temporary accommodation that can be used to meet the needs of all households that approach the authority
- Support the purchase and supply of suitable properties across the district to be used as temporary accommodation
- Produce a Temporary Accommodation Procedure along with risk assessment, suitability requirement and out of area protocol.
- To actively reduce the need for temporary accommodation by working with customers in a more proactive way to prevent or relieve homelessness

How will we deliver key objectives?

The above objectives will be delivered over the life time of the strategy. We will continue to work on our own and in partnership with a range of agencies to ensure delivery of the objectives identified in the Service Plan delivery process. Appendix 2

7. Policy Statement

The master copy of this document, a record of review and decision making process will be held by Housing Options Team. All documentation will be available for audit if necessary.

The policy will be available to all staff, Members of the corporate document register on the intranet and for Public view within NNDC website Homeless pages

8. Document Information and Version Control

Document Name	Homelessness & Rough Sleeping Strategy
Document Description	Under take review and publish strategy of homelessness within area
Document Status	Waiting Approval
Lead Officer	Lisa Grice
Sponsor	Housing Portfolio Holder Cllr Andrew Brown
Produced by (service name)	Housing Options – Customer Services
Relevant to the Services Listed or all NNDC	All NNDC
Approved by	
Approval Date	
Type of Document	Strategy
Equality Impact Assessment Details	
Review Internal	
Next review date	

Version	Originator	Description including reason for changes	Date
V0.01	LG	Copy provided for initial discussion at CLT	01 Oct 19
V0.02	LG	Amended following CLT discussion in preparation Business Planning	07 Oct 19
V0.03	LG	Updated following consultation	08 Nov 19

Appendix 1

Successes from the last Strategy

Aim 1 – Work with Registered Providers

The focus was to improve closer working relationships with the registered providers with the introduction of Universal Credit to ensure that residents on a low income received the necessary support with the transition. A working group was set up with the main registered provider with in North Norfolk to assist with this process. Since the introduction of the Homelessness Reduction Act 2017 the authority now works much more closely with the registered provider to prevent tenants from being evicted due to rent arrears. The authority now has an officer that will work both with the registered provider, tenant, housing benefit teams and DWP to look at ways to stop the tenant from having to be evicted facing legal procedures and possible eviction. This will involve supporting the applicant to ensure that they are in receipt of the correct benefits, help with will applying for DHP payments to clear rent arrears, or offer affordable loans to clear rent arrears and prevent the eviction from going ahead. The Council is currently working with our largest RP to establish a service level agreement for managing tenants and applicants with a history of rent arrears and or anti-social behaviour to assist them to secure and sustain their tenancy.

Aim 2 – Improve Housing Advice/Options/Solutions

	2017/2018	2018/2019	2019/2020	2020/2021	Total
	£	£	£	£	£
New Burdens Funding	50,139.00	45,927.00	52,783.00	00	148,849.00
Overhaul data grant	9202.00	0.00	0.00	0.00	9,202.00
Cold Weather Fund	0.00	10,000.00	0.00	0.00	10,000.00
Flexible Homeless Grant	82,813.00	93,773.00	135,362.00	0.00	311,948.00
Flexible Homeless	0.00	65,000.00	0.00	0.00	65,000.00

Grant Top Up					
New Burdens Top up	0.00	3,548.00	0.00	0.00	3,548.00
	142,154.00	218,248.00	188,145.00	0.00	548,547.00

Service delivery is key to how we work with customers. Prior to the introduction of the Homeless Reduction Act 2017 the authority undertook a review of its service so that on 3 April 2018 the authority was able to deliver the requirements of the Homeless Reduction Act.

It was anticipated that there would be an increase in demand for services due to the strengths made with in the statutory duties to prevent homelessness for all eligible applicants, including those that do not have a priority need for may be considered intentionally homelessness and regardless of local connection.

The government has provided a 3year funding stream through Flexible Homeless Grant and New Burdens Funding:

This money has been vital to enable the council to:

- Increase staffing to add additional capacity and offer wider service provision to meet the individual needs of our clients.
- Fund training and ongoing training to ensure that the team had the skills to meet the new demands due to the changes within the Act
- Funded changes to the IT system, NNDC was a key player in the implementation of the changes with its current IT provider to ensure that all systems were compliant with the legislative requirements in advance of the 3 April 2018.
- Provide options to customers to enable them secure private rented accommodation, or enabling them to remain in tenancies by offering loans
- Provide a pilot of tenancy sustainment training to clients that are in crisis to give them the skills to secure and maintain tenancies.

Aim 3 – Not to Place any families in Bed & Breakfast accommodation unless in an emergency and for no longer than 6 weeks and provide suitable temporary accommodation.

Early effective homelessness prevention is key to enable this aim to be carried out. The authority has purchased a 2-bedroom bungalow which has been adapted to meet the needs of wheelchair users. This accommodation is able to house: disabled person, families and two single persons.

The authority continues to review its temporary accommodation usage and continues to work to the aim of not placing families into bed & breakfast unless in an emergency and will look to move the customer into self-contained room as soon as they become available.

Aim 4 – Aspiration to deliver the challenge set to deliver ‘A Gold Standard Service’

In April 2013, the National Practitioner Support Service (NPSS) was established to support local authorities to meet the 10 Local Challenges set out in the ‘Making every contact count’ report, which had been published the previous year by the Ministerial Working Group on Homelessness.

Challenge	Current Position
Adopt a corporate commitment to prevent homelessness which has buy-in across all local authority services	Complete
Actively work in partnership with the voluntary sector and other local partners to address support, education, employment and training needs	Not met
Offer a Housing Options prevention service, including written advise to all clients	Complete
Adopt a ‘No Second Night Out Model’ or an effective local alternative	Not met
Having housing pathways agreed or developed with key partner and client group that includes appropriate accommodation and support	Not met
Develop suitable private rented sector officer for all clients groups including advise and support to both clients and landlords	In progress
Actively engage in preventing mortgage repossessions including through the mortgage rescue scheme	Not met
Have a Homelessness Strategy which sets out a proactive approach to preventing homelessness and is reviewed annually so that it is responsive to emerging needs	In progress
Not place any young person aged 16 or 17 in Bed & Breakfast accommodation	Met
Not place any families in Bed & Breakfast accommodation unless in an emergency and then for no longer than 6 weeks.	Met

During the lifetime of this strategy the authority was committed to focus on these challenges and will continue to focus on these areas.

Aim 5 – Deliver Customer Focused Service Standards

The council continues with its aspiration to deliver an excellent customer focused service. Some of these elements are being delivered corporately within the Business Transformation programme.

Since the introduction of the Homeless Reduction Act 2017 the way that the Housing Options team interact with its customers has changed. The primary elements within the act brought new duties to the authority to work with customers for a longer period of time to support the customers to prevent or relieve homelessness.

DRAFT

Appendix 2

Action Plan

Aim	Action	Agency	Time Scale	Resource	Outcome
1. Early Intervention and Prevention of Homelessness					
	Ensure Housing Options services continue to be accessible offering a range of housing options to meet individuals housing and support needs				
	Produce guidance for officers in the allocation of financial assistances in preventing homelessness.				
	Continue to Strengthen partnership working around the prevention of homelessness with Registered Providers, Norfolk Local Authorities and Norfolk County Council.				
	To produce a Service Level Agreement with Registered Provides that supports the work the teams do to proactively prevent homelessness due to rent arrears.				
	Support & work in partnership with local Registered Providers to sign up-to meet the 9 Commitments of “Homes for Cathy” to relieve Homelessness.				
	To keep under review, the joint working Protocols with Norfolk				

	County Council for 16/17 year olds and Intentionally Homeless families.				
	Continue to work with the Early Help Hub to intervene at the earliest opportunity to prevent people from becoming homeless				
	Provide a seamless service with a single named Housing Options Officer working with the applicant from initial interview to closure.				
	To work with the Norfolk Integrated Housing and Community Support Service led by Together to support people with poor mental health.				
	To work with the Mental Health Trust in production of a county wide Mental Health Discharge and Homelessness Prevention Protocol.				
	To work with the Local Prison to produce a county wide Prison Release and Homelessness Prevention Protocol.				
2. Increase Access to Good Quality Accommodation in the Private Rented Sector					
	Pilot a Private Rented Sector Officer to work with landlords to provide a range of suitable options for homeless clients this could include: a) Private Sector Leasing b) Long term lets c) Short term lets				

	Pilot Tenancy Sustainment Officer – the post holder will additional reassurance to private landlords to encourage them to take clients that have been rough sleeping or have a history of rough sleeping to enable the tenant to sustain long term tenancies.				
	Pursue the formation of council managed housing company with the intention of acquiring suitable mix of long term lets and temporary accommodation to meet identified need				
3. Working with local partners to provide solutions which prevent homelessness					
	Work with local partners to ensure the wider needs of all households are considered when developing Housing Support plans and ensure that support is provided to access and sustain accommodation				
	Work with the current refuge provider 'Leeway' to improve move on plans for domestic abuse victims leaving refuges.				
	Promote more joined up working with other registered providers, health, prison and probation services to prevent homelessness on discharge where appropriate				

	Work closely with partners in the criminal justice sector through Multi-Agency Risk Assessment conference (MARAC) and multi-agency public protection arrangement (MAPPA) arrangement to provide appropriate support and advise.				
	Continue to work closely with Norfolk County Council in ensuring the provision of hostels and supporting housing provision for people who have been homeless or who are at risk of being homeless remains within North Norfolk. Currently these services are provided by Notting Hill Genesis for adults and young people being The Benjamin Foundation & Empanda.				
4. Reduce the incidence of Rough Sleeping in the District.					
	Employ a Rough a Sleeper Co-Ordinator				
	Employ a Complex Health Worker				
	Employ a Tenancy Sustainment Officer				
	Spot Purchase Accommodation for identified rough sleepers to enable assessment of needs to be carried out				
	Provide tenancy starter packs once rough sleeper has secured accommodation				

	Offer Tenancy Training courses				
	Adopt a 'No Second Night Out Model' or an effective local alternative				
5. To Reduce the use of temporary accommodation for households accepted as homeless and where temporary accommodation has to be used to ensure that it is a reasonable standard and in a location which enables the household to maintain stability	To keep under review, the available temporary accommodation units to ensure that we have a suitable supply of good quality temporary accommodation that can be used to meet the needs of all households that approach the authority				
	Support the purchase and supply of suitable properties across the district to be used as temporary accommodation				
	Produce a Temporary Accommodation Procedure along with risk assessment, suitability requirement and out of area protocol.				
	To actively reduce the need for temporary accommodation by working with customers in a more proactive way to prevent or relieve homelessness				

Lisa Grice

From: [REDACTED]
Sent: 19 October 2019 16:42
To: Lisa Grice
Subject: Homeless people

I'm sure there buildings that could be opened for the homeless I myself feel the council could even open a site with caravans to help these people so meny now says are living on the streets

Sent from Samsung tablet.

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Lisa Grice

From: [REDACTED]@broadlandgroup.org>
Sent: 05 November 2019 20:10
To: Lisa Grice
Subject: [DMARC][SPF] FW: North Norfolk District Council - Homeless & Rough Sleeping Strategy

Importance: High

Hi Lisa,

Apologies I am late in responding hopefully you can still accept my feedback.

I was pleased to see the pre-tenancy courses included in the strategy as well as the Homes for Cathy Commitments. Could I suggest that on page 16 bullet point 4 that the sentence reads to support and work in partnership with local Registered Providers please?

An example of where we see good partnership working could be Prison Protocol – if Local Authorities are all approaching this is a different way it may be more cost effective to try to work outside Local Authority boundaries or even county wide involving registered providers in this approach too. As we discussed at the Homes for Cathy forum I am sure there are many ways in which we can work across the county in a more cost effective manner to achieve commitment 2 which is to operate flexible allocations and eligibility policies which allow individual applicants set of circumstances to be considered.

When reading page 18 regarding reducing the incidences of rough sleeping I would like to know whether you would be interested in achieving a Norfolk wide approach to Housing First, or would consider this on a local basis to begin with and whether we could explore with partners a joined up approach to homelessness?

Could you clarify the comments regarding Notting Hill Genesis, is their service provided when tenants/residents withdraw from other support?

Finally it was good to see you were looking to support the purchase and supply of temporary accommodation which is something that is sparse in North Norfolk. We would be open to having a discussion about how we could be involved in this.

Again thank you for waiting for my response, happy to chat further hopefully see you soon,

Katie Docherty
Housing Manager



Broadland Housing Association
Pleasant Court, Hospital Walk,
Kings Lynn, PE30 5PR
Direct: 01603 750202, Mobile: 07738 641016
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North Norfolk District Council
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Lisa Grice

From: BEGLEY, Maureen (NHS NORTH NORFOLK CCG) [REDACTED]
Sent: 10 October 2019 16:55
To: COOPER, Robert (NHS SOUTH NORFOLK CCG); Lisa Grice
Cc: Clapham, Jo; Jeary, Toni
Subject: RE: North Norfolk District Council - Homeless & Rough Sleeping Strategy

Hello Lisa

I didn't feel I had time to respond in detail – good to see the MH hospital discharge protocol listed as part of the work. I would second what Rob says about NIHCCS and its work in supporting people with mental health needs and significant housing issues.

Regards

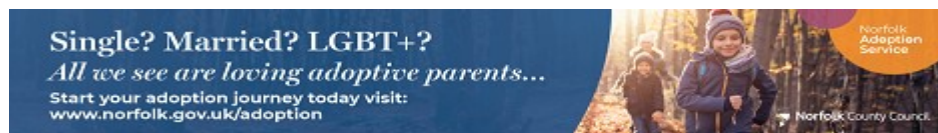
Maureen

Maureen Begley, Commissioning Programme Manager
Adult Social Care

[REDACTED]
Floor 3, County Hall, Martineau Lane, Norwich NR1 2SQ



Norfolk County Council



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Lisa Grice

From: COOPER, Robert (NHS SOUTH NORFOLK CCG) [REDACTED]
Sent: 10 October 2019 12:49
To: Lisa Grice
Cc: Clapham, Jo; Jeary, Toni; BEGLEY, Maureen (NHS NORTH NORFOLK CCG)
Subject: North Norfolk District Council - Homeless & Rough Sleeping Strategy

Importance: High

Hello Lisa.

I hope that things are well with you.

The draft NNDC Homelessness a Rough Sleeping Strategy has been shared with some of us by colleagues in Adult Social Care commissioning.

It is a very welcome document which lays out the issues and maps well NNDC's future plans for developing homelessness prevention.

However, the only mentions of the County Council in the draft are in respect of work around the joint protocols around young people and intentionally homeless families.

I think that the Strategy would be strengthened further if examples and emphasis is added which demonstrates the collaborative approach between Norfolk County Council and NNDC that contribute to homelessness prevention (ie pp 16-19). This feels particularly important as from time to time in the discussions over diminishing resources some of our respective members can become territorial over where the responsibility for housing / homelessness and care / support lies.

It would be good to see explicit acknowledgement of the partnership between NCC and NNDC behind the planning and funding of the homelessness and rough sleeping prevention initiative which covers some of the tenancy support for people who have been homeless. This also extends to joint funding for Severe Weather Emergency Provision arrangements when these are needed.

There is mention of the supportive partnership between NNDC and Notting Hill Genesis but it would be positive to see acknowledgment that NCC and NNDC jointly fund a range of hostel and supported housing provision for people who have been homeless or who are at risk provided by Notting Hill Genesis and by The Benjamin Foundation and Empanda for young people.

I guess that Maureen is likely to make this point but it would be good to acknowledge the District Council will continue to work with other services which have a positive impact in respect of homelessness in North Norfolk, in particular the Norfolk Integrated Housing and Community Support Service led by Together to support people with poor mental health. This service is funded by Norfolk County Council and the CCGs.

Kind regards

Rob

Rob Cooper
Head of Integrated Commissioning
Norfolk County Council / Norwich CCG
[REDACTED]
[REDACTED]

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FEES AND CHARGES 2020/21

- Summary: This report recommends the fees and charges for 2020/21 that will come into effect from April 2020.
- Options considered: Alternatives for the individual service fees and charges now being proposed will have been considered as part of the process in arriving at the fees presented within the report.
- Conclusions: The fees and charges as recommended will be used to inform the income budgets for the 2020/21 budget. Approval for the fees ahead of presenting the detailed budgets allows for implementation of changes where applicable and also informs the 2020/21 budgets.
- Recommendations: **That Cabinet agree and recommend to Full Council:**
a) The fees and charges from 1 April 2020 as included in Appendix A.
b) That Delegated Authority be given to the Section 151 Officer, in consultation with the Portfolio Holder for Finance and relevant Heads of Service, to agree those fees and charges not included within Appendix A as required as outlined within the report
- Reasons for Recommendations: To approve the fees and charges as set out in the report that will be used to inform the 2020/21 budget process.

LIST OF BACKGROUND PAPERS AS REQUIRED BY LAW

(Papers relied on to write the report, which do not contain exempt information and which are not published elsewhere)

Current fees and charges

Cabinet Member(s) Cllr Eric Seward	Ward(s) affected: All
---------------------------------------	-----------------------

Contact Officer, telephone number and email: Lucy Hume, 01263 516246, lucy.hume@north-norfolk.gov.uk

1. Introduction

- 1.1 The setting of the fees and charges for the next financial year forms part of the annual budget setting process. The reason for presenting them for approval ahead of the detailed budget report provides a lead in time where applicable to allow implementation of the revised charges from 1 April 2020 and also to ensure that income budgets can be updated accordingly and reflected in the budget for 2020/21 and future projections.

2. Fees and Charges 2019/20

- 2.1 Fees and charges proposals for 2020/21 have been circulated to the relevant budget managers so that income budgets can be updated as part of the budget process. Appendix A to this report provides the detail of the proposed charges for 2020/21 from 1 April 2020, these have been discussed and agreed with the relevant portfolio holders.
- 2.2 Approval to these charges in advance of the approval of the budget for the 2020/21 financial year enables Officers to make preparations for the new financial year and also enables more accurate projections for income to be factored into the budget for 2020/21 which will be presented to Members in February 2020. Any further work in this area will be reported in the budget reports in February 2020.
- 2.3 Where applicable the proposed increase to fees and charges is around 2.5% for 2020/21 (in line with inflation in the latter part of the year) or to the nearest sensible figure after allowing for rounding. The exceptions to this are for those fees and charges which are set by central government, for example planning and premises licence fees. Also a number of the Council's fees are calculated on a cost recovery basis and will be excluded for example Land Charges, Building Control and the majority of our locally set licence fees. In addition Council facilities operated by an external contractor will also be excluded as the Council has no discretion on the setting of these fees.
- 2.4 Some fees are not published as part of this process such as those relating to trade waste collection and garden bin fees. This is due to the fact that some of our costs are not known this early in the year and in order to ensure that the services operate in a financially effective manner, the setting of the associated fees is done separately under delegated powers once we are more certain of future costs.
- 2.5 As part of the Council's financial planning processes, and in an effort to address the pressures on future year's budgets, the finance team will be working with service managers next year in the run up to the 2021/22 budget setting process to undertake a more fundamental review of fees and charges. This will involve more detailed work to ensure that we fully understand our cost base so that we can ensure our charges are covering this as a minimum. Some charges are set by statute and so will be out of scope for this review.

3. Conclusion

- 3.1 The report makes recommendations for the fees and charges that will come into effect from 1 April 2020. These will inform the service income budgets that will be included within the detailed 2020/21 budget when it is presented for recommendation and approval in February 2020.

4. Financial Implications and Risks

- 4.1 For demand led services there is a risk that income will not be received as budgeted. When producing income budgets assumptions will be made around the level of income to be achieved from services, these will be based on service managers best estimates with assistance from Finance.

5. **Sustainability** – none as a direct impact.
6. **Equality and Diversity** – none as a direct impact.
7. **Section 17 Crime and Disorder considerations** - none as a direct impact.

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Fees and Charges - 2020/21

The following pages detail the current fees and charges along with three previous years .

The last two columns are proposals for the 2019/20 based on a 2% increase where applicable (As per current inflation rate) and rounded to nearest £1 or 50p as applicable for administration purposes.

Timetable for Fees and Charges Recommendations:

10th October to 28th October 2018 - consideration by service areas - finalise proposals.

18th November 2018 - Cabinet Pre agenda meeting for December Cabinet.

12th November 2019 - Deadline for Fees and Charges report.

2nd December 2019 - Cabinet report on 2020/21 Fees and Charges.

17th December 2019 - Full Council recommendation for 2020/21 Fees and Charges.

(Note - the reason for making recommendations on the fees and charges in December as opposed to February within the budget report is to ensure sufficient time for implementation and notice where applicable).

Corporate Leadership Team / Corporate Service Area

	V A T	2019/20 Charge £ : p	2020/21 Proposed Charge £ : p
ELECTIONS			
Statutory Charges			
Sale of Edited Register of Electors - Printed Copy - Basic Charge (per first 1,000 names, or part thereof).	O	£15.00	£10.00
Printed copy as above, extra 1,000 names or part thereof.	O	£5.00	£1.50
Sale of edited Register of Electors - Data Form - Basic Charge (per <u>first</u> 1,000 names or part thereof).	O	£21.50	£20.00
Data form as above, extra 1,000 names or part thereof.	O	£1.50	£1.50
Supply of Full Register and monthly updates (to credit reference agencies and government departments) - Printed Copy - Basic Charge (per first 1,000 names or part thereof).	O	£15.00	£10.00
Printed copy as above, extra 1,000 names or part thereof.	O	£5.00	£1.50
Supply of Full Register and monthly updates (to credit reference agencies and government departments) - Data Form - Basic Charge (per first 1,000 names or part thereof).	O	£21.50	£20.00
Data Form as above, extra 1,000 names or part thereof.	O	£1.50	£1.50
Sale of Marked Registers - Printed Copy - Basic Charge.	O	£10.00	£10.00
Printed copy of Marked Registers - 1,000 names or part thereof.	O	£2.00	£2.00
Data form of Marked Registers - 1,000 names or part thereof.	O	£1.00	£1.00
Sale of Overseas Elector List - Printed Copy - Basic Charge (per <u>first</u> 100 names or part thereof).	O	£15.00	£10.00
Printed copy as above, extra 100 names or part thereof.	O	£5.00	£1.50
Sale of Overseas Elector List - Data Form - Basic Charge (per <u>first</u> 100 names or part thereof).	O	£21.50	£20.00
Data form as above, extra 100 names or part thereof.	O	£1.50	£1.50

<u>Customer Services & ICT Service Area</u>	V A T	2019/20 Charge £ : p	2020/21 Proposed Charge £ : p
TOURIST INFORMATION CENTRES			
Concessionary Fares			
Application processing	T	£7.00	£10.00
FILMING*			
TV drama/advertisements/feature films			
<i>*These figures are for guidance only and any enquiries could be subject to further negotiation. Prices quoted exclude VAT.</i>			
Per Day	T	£1,590.00	£1,620.00
Per Hour	T	£260.00	£270.00
Exclusive use of NNDC owned location (e.g. Cromer Pier)	T	From £1,500.00 per day	From £1,500.00 per day
Documentaries and charities (depending on nature of organisation, subject and crew size)			
Per Day	T	From £500.00	From £500.00
Per Hour	T	From £100.00	From £100.00
Administration Charge (only charged where a fee and/or contract is appropriate)			
Standard	T	£37.00	£40.00
Less than 7 day's notice	T	£90.00	£90.00
Stills (specifically commercial advertising with props, etc.)	T	£100 - £500	£100 - £500
Education/news/weather/student/individual photographers	T	Discretionary	Discretionary
Parking (if required)	T	£16.00	£17.00
PHOTOCOPYING			
A4 and below - black and white	T	£0.15	£0.15
A4 and below - colour	T	£0.20	£0.20
A3 - black and white	T	£0.30	£0.30
A3 - colour	T	£0.60	£0.60
A2 - black and white	T	£1.20	£1.20
A2 - colour	T	£2.40	£2.40
A1 - black and white	T	£2.40	£2.40
A1 - colour	T	£4.80	£4.80
A0 - black and white	T	£3.60	£3.60
A0 - colour	T	£7.20	£7.20

Economic & Community Development & Leisure Service Area

			2019/20	2020/21
			Charge	Proposed Charge
			£ : p	£ : p
			V	
			A	
			T	
CAR PARKING				
Pay & Display Car Parks. Charges Apply Between 08:00 - 18:00				
<i>Coastal Car Parks</i>				
Cromer	- Ronton Road	T	60p for 30 minutes only, £1.50 per hour thereafter. £7 for 24 hours.	60p for 30 minutes only, £1.50 per hour thereafter. £7 for 24 hours.
East Ronton	- Beach Road	T		
Happisburgh	- Cart Gap	T		
Mundesley	- Beach Road	T		
Overstrand	- Pauls Lane	T		
Sea Palling	- Clink Road	T		
Sheringham	- Beach Road	T		
	- Station Road	T		
Wells	- Stearmans Yard	T		
Weybourne	- Beach Road	T		

Economic & Community Development & Leisure Service Area**CAR PARKING***Other Car Parks*

			V	2019/20	2020/21
			A	Charge	Proposed Charge
			T	£ : p	£ : p
Cromer	- Cadogan Road		T	60p for 30 minutes only, £1.30 for the first hour, £1 per hour thereafter. £7 for 24 hours.	60p for 30 minutes only, £1.30 for the first hour, £1 per hour thereafter. £7 for 24 hours.
	- Meadow		T		
	- Promenade (Disabled only)		T		
Holt	- Albert Street		T	60p for 30 minutes only, £1.30 for the first hour, £1 per hour thereafter. £7 for 24 hours.	60p for 30 minutes only, £1.30 for the first hour, £1 per hour thereafter. £7 for 24 hours.
	- Station Road		T		
Sheringham	- Chequers		T	60p for 30 minutes only, £1.30 for the first hour, £1 per hour thereafter. £7 for 24 hours.	60p for 30 minutes only, £1.30 for the first hour, £1 per hour thereafter. £7 for 24 hours.
	- Morris Street		T		
Wells	- Staithe Street		T	60p for 30 minutes only, £1.30 for the first hour, £1 per hour thereafter. £7 for 24 hours.	60p for 30 minutes only, £1.30 for the first hour, £1 per hour thereafter. £7 for 24 hours.
Fakenham	- Bridge Street		T		
	- The Limes		T		
	- Queens Road		T		
North Walsham	- Bank Loke		T	50p for 30 minutes only, £1.00 for 2 hours, 70p per hour thereafter. £5 for 24 hours.	50p for 30 minutes only, £1.00 for 2 hours, 70p per hour thereafter. £5 for 24 hours.
	- New Road		T		
	- Vicarage Street		T		
	- Mundesley Road		T		
	- Hornbeam Road		T		
Stalham	- High Street		T	£2.50 per day.	£2.50 per day.
				50p for 30 minutes only, £1.00 for 2 hours, 70p per hour thereafter. £5 for 24 hours.	50p for 30 minutes only, £1.00 for 2 hours, 70p per hour thereafter. £5 for 24 hours.

Economic & Community Development & Leisure Service Area

			2019/20 Charge £ : p	2020/21 Proposed Charge £ : p
			V	
			A	
			T	
CAR PARKING				
Other Charges				
Coach Parking (where permitted)	- Half day (up to 4 hours)	T	£5.00	£5.00
	- All day ticket	T	£10.00	£10.00
Carnival Day (Runton Road)	- Per Car, Per Entry	T	£7.00	£7.00
	- Per Motorcycle, Per Entry	T	£4.00	£4.00
Weekly Permit		T	£28.00	£28.00
Annual Permit	- 3 hour permit	T	£56.00	£56.00
	- 24 hour permit	T	£204.00	£204.00
Half Year Permit	- 3 hour permit	T	£31.00	£31.00
	- 24 hour permit	T	£122.00	£122.00
Quarter Year Permit	- 3 hour permit	T	£16.00	£16.00
	- 24 hour permit	T	£66.00	£66.00
Penalty Charge Notice	- Full	T	£50.00	£50.00
	- Prompt Payment	T	£25.00	£25.00
Change of Permit (change of registration)		T	£10.00	£10.00
Addition of second car registration onto Permit		O	Free	Free

Economic & Community Development & Leisure Service Area

			2019/20	2020/21
			Charge	Proposed Charge
			£ : p	£ : p
			V	
			A	
			T	
MARKETS				
Site = 4m Frontage x 5m Depth				
Cromer, Stalham and Sheringham (Weds) - Per Site				
Weekly	- April, May, June, Oct, Nov, Dec	T	£19.00	£19.00
	- July, August, Sept	T	£28.00	£28.00
	- Jan, Feb, March	T	£15.00	£15.00
Quarterly	- April - June	T	£138.00	£138.00
	- July - September	T	£224.00	£224.00
	- October - December	T	£102.00	£102.00
	- January - March	T	£82.00	£82.00
Half Yearly (Up to 2 pitches, £ per pitch)	- April - Sept	T	£255.00	£255.00
	- October - March	T	£133.00	£133.00
Half Yearly (3rd pitch +, £ per pitch)	- April - Sept	T	£204.00	£204.00
	- October - March	T	£102.00	£102.00
Sheringham (Saturday) - Per Site				
Weekly	- April, May, June, Nov, Dec	T	£31.00	£31.00
	- July, August, Sept, Oct	T	£41.00	£41.00
	- Jan, Feb, March	T	£22.00	£22.00
Quarterly	- April - June	T	£306.00	£306.00
	- July - September	T	£469.00	£469.00
	- October - December	T	£224.00	£224.00
	- January - March	T	£179.00	£179.00
Half Yearly (Up to 2 pitches, £ per pitch)	- April - Sept	T	£592.00	£592.00
	- October - March	T	£306.00	£306.00
Half Yearly (3rd pitch +, £ per pitch)	- April - Sept	T	£449.00	£449.00
	- October - March	T	£230.00	£230.00
Yearly		T	£872.00	£872.00
Other Charges				
Full Annual Payment in Advance		T	10% discount	10% discount
Refunds - Administration Fee		T	£15.00	£15.00

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Economic & Community Development & Leisure Service Area

CHALETS & BEACH HUTS

Chalets

Sheringham

Old Chalets T

New Chalets (inc. electricity) T

Cromer

West Beach T

East Beach T

Weekly Lets - Cromer & Sheringham

Low Season T

High Season T

Weekly Lets - Cromer East & Sheringham New (Serviced)

Low Season T

High Season T

Winter Lets

Per Month T

Per Week T

V
A
T

**2019/20
Charge
£ : p**

**2020/21
Proposed Charge
£ : p**

Charges set separately
under Delegated Power

Charges set separately
under Delegated Power

£85.00

£85.00

£210.00

£210.00

£95.00

£95.00

£260.00

£260.00

£65.00

£65.00

£21.00

£21.00

Economic & Community Development & Leisure Service Area			V	2019/20	2020/21
CHALETs & BEACH HUTS Cont.			A	Charge	Proposed Charge
Hut Sites			T	£ : p	£ : p
Cromer, Overstrand & Sheringham	One Year (Excluding Rates)	T	Charges set separately under Delegated Power	Charges set separately under Delegated Power	Charges set separately under Delegated Power
Mundesley	One Year (Excluding Rates)	T			
Huts					
<i>Weekly Lets</i>					
Low Season		T	£70.00	£70.00	
High Season		T	£195.00	£195.00	
Mundesley - Seasonal Let		T	Charges set separately under Delegated Power	Charges set separately under Delegated Power	
Extras:					
Charge to go onto beach hut or chalet waiting list	Per List	T	£25.00	£25.00	

Economic & Community Development & Leisure Service Area

	V A T	2019/20 Charge £ : p	2020/21 Proposed Charge £ : p
HOLT COUNTRY PARK			
School visits where Ranger's assistance required (Per Child)	E	£6.00	£6.00
Car Park			
Per car per occasion	T	£2.00	£2.00
Annual Permit (NNDC Standard Car Park Season Tickets are also valid).	T		
SPORTS CLUBS AND HUBS			
Price per session	E	£3.00	£3.00

Economic & Community Development & Leisure Service Area

		V A T	2019/20 Charge £ : p	2020/21 Proposed Charge £ : p
DUAL USE SPORTS FACILITIES				
Cromer	Sports Hall	T	£27.00	£27.00
	Badminton Court	T	£10.00	£10.00
	All Weather 5-a-side	T	£31.00	£31.00
	All Weather full	T	£51.00	£51.00
	1.5 hour birthday party	T	£77.00	£77.00
	2 hour birthday party	T	£98.00	£98.00
	Toddler party	T	£128.00	£128.00
North Walsham	Sports Hall	T	£27.00	£27.00
	Badminton Court	T	£10.00	£10.00
	Tennis Court	T	£8.00	£8.00
	Gymnasium	T	£18.00	£18.00
	1.5 hour birthday party	T	£77.00	£77.00
	2 hour birthday party	T	£97.00	£97.00
	Toddler party	T	£128.00	£128.00
Stalham	Sports Hall	T	£27.00	£27.00
	Badminton Court	T	£10.00	£10.00
	Multi Use Games Area (MUGA)	T	£26.00	£26.00
	Tennis Court	T	£8.00	£8.00
	1.5 hour birthday party	T	£77.00	£77.00
	2 hour birthday party	T	£97.00	£97.00
	Toddler party	T	£128.00	£128.00

Environmental Health Service Area

WASTE COLLECTION SERVICES

Clinical Waste - Commercial & Prescribed

Commercial Waste Bins - Collection & Hire

Commercial Recycling Bins - Collection & Hire

Sacks - Commercial & Prescribed

Bulky Items - Commercial, Prescribed & Household

Garden Bin Collection - Per Annum

EDUCATION & PROMOTION

(CIEH) Foundation Certificate in Food Hygiene

Resident or employed in North Norfolk

Other

Specially arranged courses for businesses - held at business premises for their staff only

for up to 15 candidates
per additional candidate up to maximum of 18

V
A
T

2019/20
Charge
£ : p

2020/21
Proposed Charge
£ : p

Charges set
separately under
Delegated Power

Charges set
separately under
Delegated Power

E	£58.00	£59.50
E	£74.00	£75.50
E	£712.00	£725.00
E	£48.00	£50.00

Environmental Health Service Area

	V A T	2019/20 Charge £ : p	2020/21 Proposed Charge £ : p
COMMERCIAL SERVICES			
Food Inspections			
Unfit food inspections	O	£42.00	£43.00
Food export certificates	O	£33.00	£34.00
Officer time per hour (plus VAT)	T	£38.00	£39.00
Sunday Trading Application for loading consent	O	£97.00	£99.00
Food Hygiene Rerating Visits	O	£150.00	£153.00
Registration of Food Premises			
Charge for copies of Register (or parts of)			
- Single Entry	O	£17.00	£17.50
- Part of Register	O	£464.00	£473.00
- Complete Register	O	£984.00	£1,004.00
Private Water Supplies Sampling Regulations			
Laboratory Analysis of a sample	O	The cost of analysis is recovered in full from the Relevant Person(s).	The cost of analysis is recovered in full from the Relevant Person(s).
Sampling - per visit	O	£57.00	£58.00
Other Investigations (e.g. Investigating failure)	O	£102.50	£104.50
Granting an authorisation to depart from the standard authorisation	O	£102.50	£104.50
Risk Assessments			
- Single Private Dwelling	O	£102.50	£104.50
- Small Domestic Supplies	O	£102.50	£104.50
- Large Domestic Supplies	O	£205.00	£209.00
- Commercial or Public Small	O	£205.00	£209.00
- Commercial or Public Medium	O	£307.50	£314.00
- Commercial or Public Large	O	£512.50	£523.00
- Commercial or Public Very Large	O	£512.50	£523.00
Risk Assessment Reviews			
- Single Private Dwelling	O	£52.00	£53.00
- Small Domestic Supplies	O	£52.00	£53.00
- Large Domestic Supplies	O	£102.50	£104.50
- Commercial or Public Small	O	£102.50	£104.50
- Commercial or Public Medium	O	£154.00	£157.00
- Commercial or Public Large	O	£205.00	£209.00
- Commercial or Public Very Large	O	£205.00	£290.00

Environmental Health Service Area

		V A T	2019/20 Charge £ : p	2020/21 Proposed Charge £ : p
HOUSING ACT NOTICES				
Hazard Awareness Notice				
Improvement / Suspended Improvement Notice (Section 11 & 12)	Notice with up to 3 hazards identified	O	£350.00	£357.00
Prohibition/Suspended Prohibition Order		O	£350.00	£357.00
Emergency Remedial Action		O	£350.00	£357.00
Emergency Prohibition Order	For each additional hazard included in Notice	O	£50.00	£51.00
Demolition Order		O	£50.00	£51.00
Service of second and subsequent HA2004 Statutory Notices (inc. Schedule 3 Notices for works in default)		O	£70.00	£71.50
Review of suspended HA 2004 Statutory Notices		O	£70.00	£71.50
HMO LICENSE FEES				
HMO License application fee (up to 6 units of accommodation)		O	£525.00	£535.50
Additional Unit Charge		O	£25.00	£25.50
ENVIRONMENTAL PROTECTION SERVICES				
Statutory Release Fee - Dogs (Charge includes VAT)		T	£25.00	£25.50
Kennel Charges - Base Cost (Daily Kennel Charge is paid ontop of this fee)		T	£81.00	£83.00
Daily Kennel Charge Per Day (Maximum 7 Days)		T	£9.00	£9.50
Land Enquiry (Charge includes VAT)		T	£33.00	£34.00
Contaminated Land Enquiry		T		£31.00
Temporary Stopping Place Fee		T		£40.00
FIXED PENALTY NOTICES				
Breach of CPN or PSPO	- Full Amount		£80.00	£80.00
	- New Licence valid for 1 year	O	£60.00	£60.00
Depositing Litter	- Full Amount	O	£80.00	£80.00
	- New Licence valid for 1 year	O	£60.00	£60.00
Fly Tipping (Section 33 EPA 1990)	- Full Amount	O	£300.00	£300.00
	- New Licence valid for 1 year	O	£200.00	£200.00
Failure to Produce Waste Documentation (Section 34 EPA 1990)		O	£300.00	£300.00

Environmental Health Service Area**TAXI LICENCE FEES****Taxi Licences**

	V A T	2019/20 Charge £ : p	2020/21 Proposed Charge £ : p
Licence to Drive Hackney Carriages or Private Hire Vehicles	O	£173.00	£173.00
- New Licence valid for 1 year	O	£173.00	£173.00
- New Licence valid for 3 years	O	£173.00	£173.00
- Renewal valid for 1 year	O	£173.00	£173.00
- Renewal valid for 3 years	O	£173.00	£173.00
Hackney Carriage Vehicle Licence	O	£149.00	£149.00
- New valid for 1 year	O	£149.00	£149.00
- Renewal valid for 1 year with plate	O	£149.00	£149.00
- Renewal valid for 1 year with no plate	O	£130.00	£130.00
Private Hire Vehicle Licence	O	£149.00	£149.00
- New valid for 1 year	O	£149.00	£149.00
- Renewal valid for 1 year with plate	O	£149.00	£149.00
- Renewal valid for 1 year with no plate	O	£130.00	£130.00
Private Hire Operators Licence	O	£153.00	£153.00
- New or Renewal valid for 5 years	O	£153.00	£153.00
Taxi Licence Charges			
Replacement Badge & Licence (Name Change)	O	£15.00	£15.00
Replacement Licence (Address Change)	O	£10.50	£10.50
Replacement drivers badge holder with lanyard	O	£3.00	£3.00
Windscreen pouches (additional or replacement)	O	£2.00	£2.00
Replacement plate for vehicle	O	£39.00	£39.00

Environmental Health Service Area

OTHER LICENSING

Premises Licence Fees - Gambling Act 2005

	V A T	2019/20 Charge £ : p	2020/21 Proposed Charge £ : p
Betting Premises (excluding tracks)			
- New Application	O	£2,800.00	£2,800.00
- Annual Fee	O	£560.00	£560.00
- Application to Vary	O	£1,400.00	£1,400.00
- Application to Transfer	O	£1,130.00	£1,130.00
- Application to Reinstatement	O	£1,130.00	£1,130.00
- Application for Prov. Statement	O	£2,800.00	£2,800.00
- Application (Prov. State Holders)	O	£1,130.00	£1,130.00
- Copy Licence	O	£25.00	£25.00
- Notification of Change	O	£50.00	£50.00
Tracks			
- New Application	O	£1,400.00	£1,400.00
- Annual Fee	O	£930.00	£930.00
- Application to Vary	O	£1,150.00	£1,150.00
- Application to Transfer	O	£880.00	£880.00
- Application to Reinstatement	O	£880.00	£880.00
- Application for Prov. Statement	O	£2,300.00	£2,300.00
- Application (Prov. State Holders)	O	£880.00	£880.00
- Copy Licence	O	£25.00	£25.00
- Notification of Change	O	£50.00	£50.00
Family Entertainment Centres			
- New Application	O	£1,900.00	£1,900.00
- Annual Fee	O	£700.00	£700.00
- Application to Vary	O	£935.00	£935.00
- Application to Transfer	O	£880.00	£880.00
- Application to Reinstatement	O	£880.00	£880.00
- Application for Prov. Statement	O	£1,900.00	£1,900.00
- Application (Prov. State Holders)	O	£880.00	£880.00
- Copy Licence	O	£25.00	£25.00
- Notification of Change	O	£50.00	£50.00

Environmental Health Service Area**OTHER LICENSING CONTINUED**

	V A T	2019/20 Charge £ : p	2020/21 Proposed Charge £ : p
Adult Gaming Centre			
- New Application	O	£1,900.00	£1,900.00
- Annual Fee	O	£935.00	£935.00
- Application to Vary	O	£935.00	£935.00
- Application to Transfer	O	£1,130.00	£1,130.00
- Application to Reinstatement	O	£1,130.00	£1,130.00
- Application for Prov. Statement	O	£1,900.00	£1,900.00
- Application (Prov. State Holders)	O	£1,130.00	£1,130.00
- Copy Licence	O	£25.00	£25.00
- Notification of Change	O	£50.00	£50.00
Bingo			
- New Application	O	£3,000.00	£3,000.00
- Annual Fee	O	£935.00	£935.00
- Application to Vary	O	£1,630.00	£1,630.00
- Application to Transfer	O	£1,130.00	£1,130.00
- Application to Reinstatement	O	£1,130.00	£1,130.00
- Application for Prov. Statement	O	£3,000.00	£3,000.00
- Application (Prov. State Holders)	O	£1,130.00	£1,130.00
- Copy Licence	O	£25.00	£25.00
- Notification of Change	O	£50.00	£50.00
Permits			
Family Entertainment Centres			
- Application Fee	O	£300.00	£300.00
- Change of Name	O	£25.00	£25.00
- Copy of Permit	O	£15.00	£15.00
Prize Gaming			
- Application Fee	O	£300.00	£300.00
- Annual Fee	O	£300.00	£300.00
- Change of Name	O	£25.00	£25.00
- Copy of Permit	O	£15.00	£15.00
Small Lottery Society			
- Application Fee	O	£40.00	£40.00
- Annual Fee	O	£20.00	£20.00
- Change of Name	O	£25.00	£25.00
- Copy of Permit	O	£15.00	£15.00

Environmental Health Service Area**OTHER LICENSING CONTINUED**

	V A T	2019/20 Charge £ : p	2020/21 Proposed Charge £ : p
Club Gaming			
- Application Fee Permit	O	£200.00	£200.00
- Application Fee Machine Permit	O	£200.00	£200.00
- Annual Fee Permit	O	£50.00	£50.00
- Annual Fee Machine Permit	O	£50.00	£50.00
- Change of Name	O	£25.00	£25.00
- Change of Name Machine Permit	O	£25.00	£25.00
- Copy of Permit	O	£15.00	£15.00
- Copy of Permit Machine	O	£15.00	£15.00
License Premises Gaming Machine Permit			
- Application Fee (2 or less)	O	£50.00	£50.00
- Application Fee (3 or more)	O	£150.00	£150.00
- Annual Fee	O	£50.00	£50.00
- Change of Name	O	£25.00	£25.00
- Copy of Permit	O	£15.00	£15.00
- Variation	O	£100.00	£100.00
- Transfer	O	£25.00	£25.00
Licences and certificates of suitability			
Skin piercing premises			
- Registration (one-off)	O	£248.00	£248.00
Skin piercing each additional operative at same premises			
- Registration (one-off)	O	£33.00	£33.00
Scrap Metal Dealer			
New/Renewal (3 years)	O	£443.50	£443.50
Scrap Metal Dealer			
Variation	O	£333.00	£333.00
Scrap Metal Collector			
New/Renewal (3 years)	O	£110.50	£110.50
Scrap Metal Collector			
Variation	O	£84.50	£84.50
Sex Shop or sex cinema			
	O	£2,000.00	£2,000.00
Sexual Entertainment Venue			
	O	£2,972.50	£3,000.00
Street Trading Consents			
- Non profit	O	Free	Free
- Commercial	O	£77.00	£77.00

Environmental Health Service Area**OTHER LICENSING CONTINUED**

	V A T	2019/20 Charge £ : p	2020/21 Proposed Charge £ : p
Animal Boarding			
- New/Renewal	O	£302.50	£302.50
- Variation	O	£97.50	£97.50
Verification Inspection Fee for Variation if required.	O	£45.00	£45.00
Dangerous Wild Animals (and vet fees where appropriate)			
- New/Renewal	O	£179.50	£179.50
Dog Breeding (and vet fees where appropriate)			
- New/Renewal	O	£377.50	£377.50
- Variation	O	£52.50	£52.50
(Plus Vet inspection fees if required for the above).	O	£52.50	£52.50
Pet Shop			
- New/Renewal	O	£302.50	£302.50
- Variation	O	£97.50	£97.50
Verification Inspection Fee for Variation if required.	O	£45.00	£45.00
Riding Establishment (and vet fees where appropriate)			
- New/Renewal	O	£377.50	£377.50
Plus DBS fee if required (per employee).	O	£53.60	£53.60
- Variation	O	£52.50	£52.50
(Plus Vet inspection fees ontop if required for the above).	O	£52.50	£52.50
Zoo (and vet fees where appropriate)			
- New/Renewal	O	£232.50	£232.50
Keeping Animals for Exhibition			
- New/Renewal	O	£287.50	£287.50
- Variation	O	£97.50	£97.50
Verification Inspection Fee for Variation if required.	O	£45.00	£45.00
Combination of Activities	O	Equal to the highest activity fee.	Equal to the highest activity fee.
Variation to reduce the licensable activities or numbers of animals	O	£52.50	£52.50
Transfer due to death of licensee	O	£52.50	£52.50
Reissue of Licence (Copy or Name/Address Change).	O	£10.50	£10.50

Environmental Health Service AreaV
A
T2019/20
Charge
£ : p2020/21
Proposed Charge
£ : p**OTHER LICENSING CONTINUED****Premises Licences (Alcohol)**

Premises Licences, under the Licensing Act 2003, are based on bands determined by the non-domestic rateable value of the property concerned.

The fees relating to applications for premises licences, club premises certificates and variations or conversions to existing licences are:

Band	Non-domestic rateable value		2019/20 Charge £ : p	2020/21 Proposed Charge £ : p
A	£0 - £4,300	O	£100.00	£100.00
B	£4,301 - £33,000	O	£190.00	£190.00
C	£33,001 - £87,000	O	£315.00	£315.00
D	£87,001 - £125,000	O	£450.00	£450.00
E	£125,001 and over	O	£635.00	£635.00

Annual charges relating to the above are:

Band	Non-domestic rateable value		2019/20 Charge £ : p	2020/21 Proposed Charge £ : p
A	£0 - £4,300	O	£70.00	£70.00
B	£4,301 - £33,000	O	£180.00	£180.00
C	£33,001 - £87,000	O	£295.00	£295.00
D	£87,001 - £125,000	O	£320.00	£320.00
E	£125,001 and over	O	£350.00	£350.00
Personal Licence	- Initial Fee	O	£37.00	£37.00

Environmental Health Service Area**OTHER LICENSING CONTINUED****Additional Fees and Charges**

		V A T	2019/20 Charge £ : p	2020/21 Proposed Charge £ : p
Application for copy of licence or summary on theft, loss etc. of premises licence or summary				
Notification of change of name or address (holder of premises licence)				
		O	£10.50	£10.50
Application to vary to specify individual as premises supervisor				
		O	£23.00	£23.00
Application to transfer premises licence				
		O	£23.00	£23.00
Interim authority notice				
		O	£23.00	£23.00
Application for making of a provisional statement				
		O	£315.00	£315.00
Application for copy of certificate or summary on theft, loss etc. of certificate or summary				
		O	£10.50	£10.50
Notification of change of name or alteration of club rules				
		O	£10.50	£10.50
Change of relevant registered address of club				
		O	£10.50	£10.50
Temporary event notices				
		O	£21.00	£21.00
Application for copy of notice on theft, loss etc. of temporary notice				
		O	£10.50	£10.50
Application for copy of notice on theft, loss etc. of personal licence				
		O	£10.50	£10.50
Notification of change of name or address (personal licence)				
		O	£10.50	£10.50
Notice of interest in any premises				
		O	£21.00	£21.00
Application for a minor variation to a premises licence or club premises licence				
		O	£89.00	£89.00
Mobile Home Act 2013 (MHA 2013)				
New Park Home Licence				
	Units - 1-5	O	£210.00	£210.00
	Units - 6-24	O	£225.00	£225.00
	Units - 25-29	O	£240.00	£240.00
	Units - 100 plus	O	£270.00	£270.00
Annual Licence Fee				
	1-3	O	£0.00	£0.00
	4-5	O	£120.00	£120.00
	6-24	O	£180.00	£180.00
	25-29	O	£240.00	£240.00
	100 plus	O	£270.00	£270.00
Licence Transfer				
	n/a	O	£97.50	£97.50
Licence Variation				
	n/a	O	£97.50	£97.50
Deposit of Site Rules				
	n/a	O	£45.00	£45.00

Environmental Health Service Area

V
A
T

2019/20
Charge
£ : p

2020/21
Proposed Charge
£ : p

ENFORCEMENT TEAM CHARGES

High Hedges Complaint

T

£445.00

£445.00

Legal & Democratic Service Area

	V A T	2019/20 Charge £ : p	2020/21 Proposed Charge £ : p
LEGAL SERVICES			
Legal Work (exclusive of VAT charged)			
Mortgage Redemption			
Preparation of a new lease			
Sale of land			
Preparation of License	T	At Solicitors Hourly Rate.	At Solicitors Hourly Rate.
Private Mortgage			
Quest re: second Mortgage			
Agreement - section 18 Public Health Act 1936			
Legal Work in connection with release of covenant			

Planning Service Area

	V A T	2019/20 Charge £ : p	2020/21 Proposed Charge £ : p
LAND CHARGES			
LLC1			
Official Search of - One Part	T	£0.00	£0.00
Official Search of - Whole			
- Electronic Search	E	£24.00	£24.00
- Additional Parcel	E	£2.00	£2.00
CON 29 Enquiries			
One Parcel			
- Electronic Search	T	£79.00	£79.00
- Additional Parcel	T	£17.50	£17.50
Optional Enquiries			
Printed	T	£18.00	£18.00
Additional	T	£20.00	£20.00
Other Fees relating to Local Land Charges			
Registration of a charge in Part 11 of the Register (Light Obstruction Notice)	E	£74.00	£74.00
Filing a judgement order or application for variation or cancellation of any entry in Part 11 of the Register (Light Obstruction Notice)	E	£7.00	£7.00
Filing a definitive certificate of the Lands Tribunal under rule 10 (3) of the Local Land Charges Rules 1977	E	£3.00	£3.00
Inspection of documents filed under Rule 10 in respect of each parcel of land	E	£3.00	£3.00
Office copy of any entry in the Register (not including a copy or extract of any plan or document filed pursuant to 1977 Rules)	E	£0.00	£0.00

Planning Service AreaV
A
T2019/20
Charge
£ : p2020/21
Proposed Charge
£ : p**PLANNING****Pre-Application Service****Major Applications**

*These fees will be charged upon the submission of proposals for pre-application advice.
For advice on the service provided see separate note.

Outline Applications

Site area up to 2.5 ha.	Per 0.1 ha.	T	£120.00	£120.00
Site area over 2.5 ha.	(Plus £36 per additional 0.1 ha.) (Maximum £36,000)	T	£3,000.00	£3,000.00

Erection of Dwellings (Full or Reserved Matters)

(including change of use to dwellings)

10 to 50 dwellings	Cost for ten. Additional £120 for every dwelling on top	T	£120.00	£1,200.00
Over 50 dwellings	(Plus £36 per additional dwelling) (Maximum £72,000)	T	£6,000.00	£6,000.00

Erection of Buildings (Non-residential)

Floor space 1,000 - 3,750 sq.m.	Per 75 sq.m.	T	£120.00	£960.00
Floor space over 3,750 sq..m.	(Plus £36 per additional 75 sq.m.) (Maximum £36,000)	T	£6,000.00	£6,000.00

Erection of Agricultural Buildings

Floor space 1,000 - 4,215 sq.m.	For 1st 1000 sq.m. (Plus £120 per additional 75 sq.m. after 1000 sq.m.)	T	£120.00	£120.00
Floor space over 4,215 sq.m.	(Plus £36 per additional 75 sq.m.) (Maximum £72,000)	T	£6,000.00	£6,000.00

Erection of Glasshouses

Floor space over 1000 sq.m.		T	£600.00	£600.00
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<u>Planning Service Area</u>	V A T	2019/20 Charge £ : p	2020/21 Proposed Charge £ : p
PLANNING CONTINUED			
<u>Erection, Alteration or Replacement of Plant or Machinery</u>			
Site area up to 5 ha.	T	£1,200.00	£1,200.00
Site area over 5 ha.	T	£6,000.00	£6,000.00
<u>Engineering or Other Operations</u>	T	£600.00	£600.00
<u>Car Parks and Service Roads for existing uses (In relation to Major planning application)</u>	T	£60.00	£60.00
<u>Change of Use of Land or Building to Dwellings</u>			
10 to 50	T	£1,200.00	£1,200.00
Over 50	T	£6,000.00	£6,000.00
<u>Other Changes of Use</u>			
Variation/Removal of a condition	T	£120.00	£120.00
Renewal of a temporary permission	T		£60.00
			£60.00
<u>Bronze</u>			
Householder or Commercial up to 50 sq. metres	O	£95.00	£95.00
1-9 dwellings on sites less than 0.5 ha. or Commercial floorspace up to 999 sq. metres	O	£295.00	£295.00
Commercial floorspace 51 - 499 sq.m. and new telecommutation masts	O	£195.00	£195.00
Other (Advert, agricultural, telecoms)		Free	Free
<u>Silver</u>			
Householder or Commercial up to 50 sq. metres	O	£195.00	£195.00
1-9 dwellings on sites less than 0.5 ha. or Commercial floorspace up to 999 sq. metres	O	£595.00	£595.00
Commercial floorspace 51 - 499 sq.m. and new telecommutation masts	O	£395.00	£395.00
Other (Advert, agricultural, telecoms)	O	Free	Free

Planning Service Area

PLANNING CONTINUED

Extras:

	V A T	2019/20 Charge £ : p	2020/21 Proposed Charge £ : p
Additional Plans	T	£95.00	£95.00
Additional Meeting	T	£95.00	£95.00
Discharging of conditions	- Non householder permission	Statutory	Statutory
	- Householder permission	Statutory	Statutory
Building Control Fees	T	Hourly rate included within calculated fee. £60.00	£60.00

Planning Service AreaV
A
T2019/20
Charge
£ : p2020/21
Proposed Charge
£ : p**PLANNING - MISCELLANEOUS**

High Hedges Complaint

T

Supply of Information on Permitted Use/History

Administrative Staff - per hour

T

£49.50

£49.50

Professional Staff - per hour

T

£97.00

£97.00

Check compliance with Conditions (for Solicitors, Agents)

Administrative Staff - per hour

T

£49.50

£49.50

Professional Staff - per hour

T

£97.00

£97.00

General Research

Administrative Staff - per hour

T

£49.50

£49.50

Professional Staff - per hour

T

£97.00

£97.00

Naming of new street, consultation process and notifica

Single Street

T

£125.00

£125.00

2-5 Streets

T

£250.00

£250.00

5+ Streets

T

£500.00

£500.00

Street numbering Schemes

1-5 Plots

T

£80.00

£80.00

6-10 Plots

T

£70.00

£70.00

11-50 Plots

T

£60.00

£60.00

50+ Plots

T

£50.00

£50.00

Change of property name

T

£25.00

£25.00

Planning Service Area

PLANNING - Policy

Inset Maps

A1 Maps

A2 Maps

A3 Maps

Admin Fee to join the Customer & Self Build Housing Register

V A T	2019/20 Charge £ : p	2020/21 Proposed Charge £ : p
O		£5.52
O		£3.12
O		£1.32
O		£25.00

Finance & Assets Service Area

		V A T	2019/20 Charge £ : p	2020/21 Proposed Charge £ : p
PROFESSIONAL ESTATE SERVICES				
	Application fee for Events (per application).	O	£50.00	£50.00
	Application fee for Events (per application) - Charitable Events	O	£25.00	£25.00
	Estate Service (Land and Property Transactions)	O	£250.00	£70.00
	Licence Admin Fee	O	£50.00	£50.00
	Disposal of Assets/Asset Proposal Admin Fee	O	£50.00	£50.00
	Licence for table with three chairs	O	£60.00	£60.00
PARKLANDS CARAVAN SITE				
Page 88	Per Site Per Year	T	£1,125.58	Increased by RPI as under Mobile Homes Act.

Treasury Management Half Yearly Report 2019/20

Introduction

The Authority adopted the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice* (the CIPFA Code) which requires the Authority to approve treasury management semi-annual and annual reports.

The Authority's treasury management strategy for 2019/20 was approved at a meeting on 27th February 2019. The Authority has invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk remains central to the Authority's treasury management strategy.

The 2017 Prudential Code includes a requirement for local authorities to provide a Capital Strategy, a summary document approved by full Council covering capital expenditure and financing, treasury management and non-treasury investments. The Authority's Capital Strategy, complying with CIPFA's requirement, was approved by full Council on 27th February 2019.

External Context

Economic background: UK Consumer Price Inflation (CPIH) fell to 1.7% year/year in August 2019 from 2.0% in July, weaker than the consensus forecast of 1.9% and below the Bank of England's target. The most recent labour market data for the three months to July 2019 showed the unemployment rate edged back down to 3.8% while the employment rate remained at 76.1%, the joint highest since records began in 1971. Nominal annual wage growth measured by the 3-month average excluding bonuses was 3.8% and 4.0% including bonuses. Adjusting for inflation, real wages were up 1.9% excluding bonuses and 2.1% including.

The Quarterly National Accounts for Q2 GDP confirmed the UK economy contracted by 0.2% following the 0.5% gain in Q1 which was distorted by stockpiling ahead of Brexit. Only the services sector registered an increase in growth, a very modest 0.1%, with both production and construction falling and the former registering its largest drop since Q4 2012. Business investment fell by 0.4% (revised from -0.5% in the first estimate) as Brexit uncertainties impacted on business planning and decision-making.

Tensions continued between the US and China with no trade agreement in sight and both countries imposing further tariffs on each other's goods. The euro area Purchasing Manager Indices (PMIs) pointed to a deepening slowdown in the Eurozone. These elevated concerns have caused key government yield curves to invert, something seen by many commentators as a predictor of a global recession.

The Bank of England maintained Bank Rate at 0.75% and in its August Inflation Report noted the deterioration in global activity and sentiment and confirmed that monetary policy decisions related to Brexit could be in either direction depending on whether or not a deal is ultimately reached.

Financial markets: After rallying early in 2019, financial markets have been adopting a more

risk-off approach in the following period as equities saw greater volatility and bonds rallied (prices up, yields down) in a flight to quality and anticipation of more monetary stimulus from central banks. Gilt yields remained volatile over the period on the back of ongoing economic and political uncertainty. Recent activity in the bond markets and PWLB interest rates highlight that weaker economic growth remains a global risk.

Credit background: There were minimal credit rating changes during the period.

Our treasury advisor Arlingclose will provide credit ratings which are specific to wholesale deposits including certificates of deposit, rather than provide general issuer credit ratings. Non-preferred senior unsecured debt and senior bonds are at higher risk of bail-in than deposit products, either through contractual terms, national law, or resolution authorities' flexibility during bail-in. Arlingclose's creditworthiness advice will continue to include unsecured bank deposits and certificates of deposit (CDs) but not senior unsecured bonds issued by commercial banks.

Local Context

On 31st March 2019, the Authority had net investments of £35.450m arising from its revenue and capital income and expenditure. The treasury management position at 30th September 2019 and the change during the year is shown in Table 1 below.

Table 1: Treasury Management Summary

	31.3.19 Balance £m	Movement £m	30.9.19 Balance £m
Long-term borrowing	0	0	0
Short-term borrowing	-3.000	-7.000	-10.000
Total borrowing	-3.000	-7.000	-10.000
Long-term investments	34.250	0	34.250
Short-term investments	4.200	-3.300	0.900
Total investments	38.450	-3.300	35.150
Net borrowing / investments	35.450	-10.300	25.150

Borrowing Strategy during the period

At 30th September 2019 the Authority held no long-term loans, (same position as at 31st March 2019), as part of its strategy for funding previous and current years' capital programmes. Some external borrowing is assumed in the current estimates of future year's capital funding, but has not yet been taken out.

The Authority's chief objective when borrowing will be to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required, with flexibility to renegotiate loans should the Authority's long-term plans change being a secondary objective.

With short-term interest rates remaining much lower than long-term rates, the Authority considers it to be more cost effective in the near term to use internal resources or borrowed rolling temporary / short-term loans instead of longer term debt.

Other Debt Activity

Although not classed as borrowing, the Authority can raise capital finance via Private Finance Initiatives and finance leases, etc. The Authority has not done this in the period to 30th September 2019.

Treasury Investment Activity

The Authority holds significant invested funds, representing income received in advance of expenditure plus balances and reserves. During the six-month period, the Authority's investment balances ranged between £34.270m and £46.985m due to timing differences between income and expenditure. The investment position is shown in table 2 below.

Table 2: Treasury Investment Position

	31.3.19 Balance £m	Net Movement £m	30.9.19 Balance £m	30.9.19 Rate of Return %
Banks & building societies (unsecured)	0.000	0.000	0.000	n/a
Covered bonds (secured)	2.250	0.000	2.250	1.01
Government (incl. local authorities)	2.000	-2.000	0.000	0.90
Corporate bonds and loans	0.000	0.000	0.000	n/a
Money Market Funds	2.200	-1.300	0.900	0.72
<i>Cash plus funds</i>	3.000	0.000	3.000	1.15
<i>Short-dated bond funds</i>	3.000	0.000	3.000	0.97
<i>Strategic bond funds</i>	5.000	0.000	5.000	3.04
<i>Equity income funds</i>	8.000	0.000	8.000	5.59
<i>Property funds</i>	5.000	0.000	5.000	3.04
<i>Multi asset income funds</i>	8.000	0.000	8.000	4.49
Total investments	38.450	-3.300	35.150	3.08

**Weighted average maturity will apply to the first five categories above and to cash plus and bond funds.*

Both the CIPFA Code and government guidance require the Authority to invest its funds prudently, and to have regard to the security and liquidity of its treasury investments before

seeking the optimum rate of return, or yield. The Authority's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.

In furtherance of these objectives, and given the increasing risk and falling returns from short-term unsecured bank investments, the Authority has diversified into more secure and/or higher yielding asset classes. The Authority's Treasury advisors, Arlingclose, compile quarterly investment benchmarking across their client base. Table 3 shows extracts from this, focussing on measures of risk (credit rating and bail-in exposure) and return (Rate of return).

Table 3: Investment Benchmarking – Treasury investments managed in-house

	Credit Score	Credit Rating	Bail-in Exposure	Weighted Average Maturity (days)	Rate of Return %
31.03.2019	3.00	AA	34%	80	0.92%
30.09.2019	6.28	A	100%	1	0.92%
Similar LAs	4.26	AA-	61%	80	0.86%
All LAs	4.28	AA-	62%	28	0.83%

*Weighted average maturity

The Authority's £32m of externally managed pooled funds generated an £0.583m income return which is used to support services in year, and £1.6m of capital growth. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Authority's investment objectives is regularly reviewed.

Non-Treasury Investments

The definition of investments in CIPFA's revised Treasury Management Code now covers all the financial assets of the Authority as well as other non-financial assets which the Authority holds primarily for financial return. This is replicated in MHCLG's Investment Guidance, in which the definition of investments is further broadened to also include all such assets held partially for financial return.

The Authority also holds £4.023m of such investments in

- directly owned property £0.923m
- loans to housing associations £3.1m

These investments are expected to generate £0.183m of investment income for the Authority in the year after taking account of direct costs, representing a rate of return of 4.5%. This compares favourably against Treasury investment rates, particularly against shorter term deposits. These investments represent a different risk to the Authority, as property investments do not carry the same interest rate or credit risk, but there is the risk of loss of income through voids and other market factors. They also require more staff time to manage than externalised pooled investments.

The Authority does not currently rely on these funds from Non-Treasury investments to balance the budget, but in a climate of reduced Government funding, is likely to do so more in the future. To guard against the risk of reducing levels of income from these investments, they are proactively managed by experienced and qualified individuals within the Authority, with external advice as required.

Treasury Performance

The Authority measures the financial performance of its treasury management activities both in terms of its impact on the revenue budget and its relationship to benchmark interest rates, as shown in table 4 below.

Table 4: Performance

	Actual £m	YTD Budget £m	Over/ (under)	Actual %	Budget %	Over/ under
Term Deposits & Covered Bonds	0.035	0.007	0.028	0.81	1.09	Under
Pooled Funds	0.583	0.607	(0.024)	3.63	3.57	Over
Total treasury investments	0.618	0.614	(0.004)	4.44	4.66	Under

Compliance

The Chief Finance Officer reports that all treasury management activities undertaken during the first 6 months of the 2019/20 financial year complied fully with the CIPFA Code of Practice and the Authority's approved Treasury Management Strategy. Compliance with specific investment limits is demonstrated in table 5 below.

Compliance with the authorised limit and operational boundary for external debt is demonstrated in table 6 below.

Table 5: Debt Limits

	H1 Maximum	30.9.19 Actual	2019/20 Operational Boundary	2019/20 Authorised Limit	Complied? Yes/No
Total debt	£12m	£10m	£15.030m	£23.400m	Yes

Since the operational boundary is a management tool for in-year monitoring it is not significant if the operational boundary is breached on occasions due to variations in cash flow, and this is not counted as a compliance failure.

Table 6: Investment Limits

	Half-year Maximum	30.9.19 Actual	2019/20 Limit	Complied? Yes/No
Any single organisation, except the UK Central and Local Government	Nil	Nil	£6m each	Yes
UK Central and Local Government	£2m	Nil	Unlimited	
Any group of organisations under the same ownership	Nil	Nil	£6m per group	Yes
Any group of pooled funds under the same management	Max £7m	Max £7m	£15m per manager	Yes
Negotiable instruments held in a broker's nominee account	£2.25m (King & Shaxon)	Nil	£10m per broker	Yes
Foreign countries	Nil	Nil	£6m per country	Yes
Registered providers and registered social landlords	Nil	Nil	£10m in total	Yes
Unsecured investments with building societies	Nil	Nil	£5m in total	Yes
Loans to unrated corporates	Nil	Nil	£5m in total	Yes
Money Market Funds	£11.425m	£0.9m	£16m in total	Yes
Real estate investment trusts	Nil	Nil	£10m in total	Yes

Treasury Management Indicators

The Authority measures and manages its exposures to treasury management risks using the following indicators.

Security: The Authority has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit score of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk.

	30.9.19 Actual	2019/20 Target	Complied?
Portfolio average credit score	6.28	6.0	No

At the half year, due to cash flows, the Authority had very low levels of liquid cash which were deposited mostly with Barclays Bank. This reduces the average credit score of the portfolio below its usual levels, so we have not complied with this indicator.

Liquidity: The Authority has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a rolling three-month period, without additional borrowing

	30.9.19 Actual	2019/20 Target	Complied?
Total cash available within 3 months	£0.9m	£3m	No

The current market for short term borrowing means liquidity is easily accessible, so it has not been necessary to hold excess liquid cash in the bank or Money Market Funds.

Interest Rate Exposures: This indicator is set to control the Authority's exposure to interest rate risk. The upper limits on the one-year revenue impact of a 1% rise or fall in interests was:

Interest rate risk indicator	30.9.19 Actual	2019/20 Limit	Complied?
Upper limit on one-year revenue impact of a 1% <u>rise</u> in interest rates	£0.04m	£0.6m	Yes
Upper limit on one-year revenue impact of a 1% <u>fall</u> in interest rates	£0.04m	£0.6m	Yes

The impact of a change in interest rates is calculated on the assumption that maturing loans and investment will be replaced at current rates.

Maturity Structure of Borrowing: This indicator is set to control the Authority's exposure to refinancing risk. The upper and lower limits on the maturity structure of all borrowing were:

	30.9.19 Actual	Upper Limit	Lower Limit	Complied?
Under 12 months	£10m	100%	0%	Yes
12 months and within 24 months	0	100%	0%	Yes
24 months and within 5 years	0	100%	0%	Yes
5 years and within 10 years	0	100%	0%	Yes
10 years and above	0	100%	0%	Yes

Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.

Principal Sums Invested for Periods Longer than a year: The purpose of this indicator is to control the Authority's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the long-term principal sum invested to final maturities beyond the period end were:

	2019/20	2020/21	2021/22
Actual principal invested beyond year end	£34.25m	£32m	£32m
Limit on principal invested beyond year end	£42m	£42m	£42m
Complied?	Yes	Yes	Yes

Outlook for the remainder of 2019/20

The global economy is entering a period of slower growth in response to political issues, primarily the trade policy stance of the US. The UK economy has displayed a marked slowdown in growth due to both Brexit uncertainty and the downturn in global activity. In response, global and UK interest rate expectations have eased dramatically.

The Authority expects Bank Rate to remain at 0.75% for the foreseeable future but there remain substantial risks to this forecast, dependant on Brexit outcomes and the evolution of the global economy. Expectations are for gilt yields to remain at low levels for the foreseeable future and the risks to be weighted to the downside; that volatility will continue to offer longer-term borrowing opportunities.

	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22
Official Bank Rate													
Upside risk	0.00	0.00	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Arlingclose Central Cas	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
Downside risk	0.50	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75

MEDIUM TERM FINANCIAL STRATEGY – 2020/21 TO 2023/24

- Summary: This report presents an updated Medium Term Financial Strategy (MTFS) for the period 2020/21 to 2023/24. The strategy has been updated to support the Corporate Plan for the period 2019 to 2022.
- Options considered: The MTFS has been refreshed in the year and provides an updated financial projection in support of the 2020/21 budget process.
- Conclusions: The financial position for 2020/21 is currently showing a small surplus with deficits in future years. The MTFS identifies the key themes and priorities for the Council in seeking to reduce the forecast budget gap.
- Recommendations: **It is recommended that:**
1) Members consider and note:
a) **The current high level financial forecast for the period 2020/21 to 2023/24;**
b) **The current capital funding forecasts;**
2) Members consider and recommend to Full Council:
a) **The revised reserves statement as included at Appendix 2 to the financial strategy.**
- Reasons for Recommendations: To refresh the Medium Term Financial Strategy in line with the Corporate Plan and to inform the detailed budget work for 2020/21.

LIST OF BACKGROUND PAPERS AS REQUIRED BY LAW

(Papers relied on to write the report, which do not contain exempt information and which are not published elsewhere)

<i>2019/20 Budget report and in year budget monitoring reports.</i>

Cabinet Member(s) Cllr Eric Seward	Ward(s) affected All
Contact Officer, telephone number and email: Duncan Ellis, Head of Finance and Assets, 01263 516330, duncan.ellis@north-norfolk.gov.uk	

1. Introduction

- 1.1 The paper attached as an appendix to this covering report sets out the Medium Term Financial Strategy (MTFS) for the period 2020/21 to 2023/24. It

sets out how both the external financial changes and internal budget pressures will impact on the overall financial position of the Council for the next four years.

- 1.2 In addition, the Financial Strategy updates the Council's high level financial projections for the medium term. It identifies the budgetary pressures on the Council during the period of the Corporate Plan by examining inflation, service pressures, income streams, reserves and the capital programme and seeks to identify strategies for addressing these areas within the overall context of the revenue and capital budgets.
- 1.3 This is the first MTFS to be based on the new Corporate Plan as approved by Full Council in November 2019.
- 1.4 Revised high level funding projections have been made and are included within the MTFS. These have been informed by the 2018/19 outturn position along with the in-year budget monitoring and updating for delivery of savings and additional income that was factored into the current and future financial forecasts as part of the 2019/20 budget process.
- 1.5 As part of the annual budget process the Financial Strategy is the first of a number of pieces of work which culminate in setting the annual budget for the forward financial year in February 2020.

2. Background

- 2.1 The Council's MTFS is the strategic document which supports the delivery of the Corporate Plan outcomes. It establishes how the Council's priorities will be achieved by setting out the framework within which resources are available over the medium term and the financial challenges facing the Council in terms of future funding gaps.
- 2.2 Traditionally this has been produced annually ahead of the budget setting process in February and an update is now due. However, best practice guidance from the Chartered Institute of Public Finance (CIPFA) recommends having a distinct split between the MTFS (which is produced ahead of the budget process) and what they consider to be a Medium Term Financial Plan (MTFP) which is considered alongside the budget.
- 2.3 The attached document has therefore been refocused to better align with this guidance.

3. MTFS vs MTFP

- 3.1 CIPFA identifies the MTFS as being the method by which the Council plans to translate its long-term goals into action by considering;
 - Where is the organisation now?
 - Where does the organisation want to be?
 - What are the organisations plans to get there?
- 3.2 It helps to ensure that the Council is 'doing the right thing' while taking account of internal strengths/weaknesses and external threats/opportunities. It should also provide a link between the Council's long-term service

objectives and its financial capacity, which effectively asks the question ‘can the strategic objectives be achieved within the available financial envelope?’

- 3.3 The aim shouldn't be to provide provisional budget figures but to provide a framework and context to support and inform the medium term planning considerations and the budget setting process.
- 3.4 Essentially the MTFS should include consideration of a broad range of factors that influence the Council's long-term financial success including;
 - The nature, level and balance of income sources;
 - Exposure to volatile income streams;
 - The cost base, especially overhead costs;
 - The financial structure and staffing levels;
 - The financial context;
 - The organisation's financial management policies, systems and processes and;
 - The relationships with key financial stakeholders.
- 3.5 The MTFP however has a distinctly different focus, being the annual review of the Council's 3-year budgetary plan, giving consideration to the financial climate at both the local and national level together with available resources and budgetary pressures.
- 3.6 It focuses on the revenue expenditure for the day-to-day running costs of providing services and also the capital expenditure which considers long-term investment in infrastructure to support service delivery and income generation.
- 3.7 The MTFP should therefore provide;
 - A system that produces budgets over 3 years which are meaningful at the level of service delivery;
 - A planning mechanism which generates objectives and targets for 3 forward years;
 - A process which draws together the financial and planning processes and ensures they are consistent;
 - A mechanism to give the Council a firm indication of available funding in the forward years and;
 - A process which allows the outturn expenditure and outputs delivered to be measured against budgeted expenditure and targets.
- 3.8 The MTFS was significantly refocused last year so it isn't felt that it needs to be fundamentally changed but application of the best practice guidance should improve the overall budget process and strengthen both the MTFS and MTFP.

4. **Financial Implications and Risks**

- 4.1 The detail within the financial strategy has highlighted the significant challenges that Local Authorities are facing in terms of the forecast funding reductions.
- 4.2 The strategy provides an update to the funding forecasts for the period 2020/21 to 2023/24.
- 4.3 The Strategy provides details of a programme of key themes that will be delivered over the period of the financial strategy that will assist in reducing the forecast budget gap.

3 Sustainability

- 3.1 This report does not raise any sustainability issues.

4. Equality and Diversity

- 4.1 This report does not raise any equality and diversity issues.

5. Section 17 Crime and Disorder considerations

- 5.1 This report does not raise any Crime and Disorder considerations.

Medium Term Financial Strategy

2020/21 to 2023/24

North Norfolk District Council

Executive Summary

North Norfolk District Council's Medium Term Financial Strategy (MTFS) is a strategic document that supports the delivery of the Corporate Plan outcomes. The MTFS establishes how the Council's priorities will be achieved by setting out the framework within which resources are available over the medium term and the financial challenges facing the Council in terms of future funding gaps. It is the method by which the Council plans translates its long-term goals into action by considering;

- Where the Council is now
- Where the Council wants to be
- What the Council's plans are to get there

The MTFS helps to ensure that the Council is 'doing the right thing' while taking account of internal strengths/weaknesses and external threats/opportunities. It should also provide a link between the Council's long-term service objectives and its financial capacity, which effectively asks the question 'can the strategic objectives be achieved within the available financial envelope?'

The aim shouldn't be to provide provisional budget figures but to provide a framework and context to support and inform the medium term planning considerations and the budget setting process. Essentially the MTFS should include consideration of a broad range of factors that influence the Council's long-term financial success.

The MTFS Aims to:

- provide a high-level assessment of the resources available to support the Corporate Plan outcomes, outlining the high level funding projections for the following four financial years (beyond the current year);
- explore the financial context in which the Council operates taking into account a number of local and national factors. These will include known spending pressures and commitments, along with forecast future funding reductions and the impact of the national economic outlook;
- explore the demands on the capital programme both in terms of ambition and resources along with the impact on the revenue account and reserve levels held by the Council;
- highlight how the Strategy links in with and supports other Council strategies and policies;
- assess the risks on which the Strategy is based;
- provide preparatory work for the following year's budget;
- address the sustainability of the Council's financial position.

The MTFS is fundamentally linked to the Corporate Plan, a summary of which can be found on the Council's website [here](#). The following diagram provides an overview of the financial processes undertaken by the Council to ensure value for money for the tax payers.



The updated high level funding forecasts in this strategy build on previous figures from the 2019/20 Budget setting exercise, which were forecasting future year deficits in the region of £2m. The updated forecasts below differ significantly from this, in the main this is due to postponement of the Fair Funding Review, Business Rates Review and the Spending Review, all of which have been impacted by the ongoing Brexit negotiations which have led to a one-year Settlement which has meant the continuation of the previous funding regime for a further year.

	<i>2020/21 Updated Projection</i>	<i>2021/22 Updated Projection</i>	<i>2022/23 Updated Projection</i>
Collection Fund - Parishes	(2,420,382)	(2,523,481)	(2,630,456)
Collection Fund - District	(6,397,258)	(6,751,054)	(7,126,515)
Retained Business Rates	(5,191,823)	(4,958,845)	(5,028,223)
Revenue Support Grant	(89,861)	0	0
New Homes Bonus	(1,233,832)	(586,071)	(468,536)
Rural Services Delivery Grant	(483,771)	0	0
Income from Government Grant and Taxpayers	(15,816,928)	(14,819,451)	(15,253,730)
(Surplus)/Deficit	(430,013)	1,012,994	931,531

The Council is currently projecting a deficit position from 2021/22 onwards. Forecasting the deficit allows the Council time to plan mitigating actions more effectively, meaning we are more likely to be successful. This strategy will explore some of the Council's plans for addressing this deficit and consider some of the assumptions included.

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1. Context

Demographic and landscape issues that set the scene for the budget and financial strategy

The population of North Norfolk is gradually increasing, with residents living longer. There is a higher than average number of residents migrating into the district, particularly in the 50-64 years' age group as people retire to the area. When compared to county and regional averages, there are far more over 55 year olds proportionately that live in North Norfolk; this puts pressure on services such as Adult Social Care in the district.

North Norfolk has a fairly low index of deprivation score, but is higher than the Norfolk and East of England averages. Areas of deprivation often require higher levels of service provision and are a budget pressure for both NNDC and the County Council. Barriers to housing services and living environment are the highest deprived domains within North Norfolk and these are increasing in deprivation.

The strongest business sectors in the district are:

- Accommodation and food services
- Manufacturing
- Arts, entertainment and recreation
- Retail

There is a higher than average number of micro-businesses in North Norfolk and this trend is increasing. This area has a lower than average number of new business start-ups. The Council offers support for its small businesses through Business Rates relief schemes.

North Norfolk has proportionally more residential property sales than the East of England average, with house prices higher than the County average. The unaffordability of houses and number of second homes is proportionally higher in North Norfolk and is on the increase. The high number of second homes particularly increases the burden on Council services, as well as affecting the sense of community in individual areas with a high number of second homes.

A large part of the North Norfolk economy is dependent on tourism and travel to the area, with the Council itself benefiting directly from tourism in the form of car parking income. Visitor trips to North Norfolk are increasing, with July, August and December being the most popular months for tourists. Overall, visitors spend and the numbers of jobs in the tourism sector are increasing.

2. Corporate Plan 2019 - 2023

'Putting our customers at the heart of everything we do'

In May 2019 a new Council was elected and the Council has adopted a new Corporate Plan which sets out the intent and ambition of the authority for the period 2019 – 2023.

The Corporate Plan details the Council's vision for the next four years. It will provide the framework and context for the Council's service provision, project interventions and resource allocation (financial and staffing) for the period through to 2023. The Plan will be subject to annual review to ensure that it continues to reflect the Council's priorities and objectives throughout the next four years in response to emerging trends, policy developments and legislation.

It reflects the essential needs and aspirations of our customers and communities and how we feel the Council can best use its resources to deliver services and outcomes that make a positive difference for everyone who lives in, works in or visits North Norfolk.

However, despite the District having a number of very positive attributes we also have some big challenges: – responding to environmental change, increasing housing supply, supporting economic growth, meeting the challenges of service delivery to rural communities and the needs of both our young people and a rapidly ageing population.

The Corporate Plan identifies six key themes where we would propose developing actions and allocating resources to respond to the challenges our district faces in the years to come as detailed below;

- Local Homes for Local Need
- Boosting Business Sustainability and Growth
- Climate, Coast and the Environment
- Quality of Life
- Customer Focus
- Financial Sustainability

Planning for the future is challenging, especially given the broad range of services we provide, and the competing demands for increasingly scarce resources. All our services are committed to making improvements and finding savings, so that the Council remains efficient, effective and meets the day to day needs of the communities we serve. The purpose of the Corporate Plan is to focus on those priorities where we need to give specific attention. It will help us target better our dwindling capital and revenue resources and help direct and focus any bids for external grant support. The Plan also provides a framework against which we can assess our progress to support the needs of our customers and communities.

The Delivery Plan, which will support the objectives contained within the Corporate Plan, is scheduled to be approved by Full Council in January 2020. This will detail how we will judge our performance; it will also be the means by which the Council agrees its improvement objectives. It will include the expected outcomes from each of the six key themes and be supported by a set of priority actions and measures through which the Council will undertake a self-assessment of the level of improvement made.

Underpinning the Corporate Plan is the day to day business that departments undertake and which will be reflected in departmental Service Plans. All Service Plans are linked to the Corporate Plan. These plans also include the performance measures by which the delivery of

wider improvement activity can be managed. The Corporate Plan is a living document and will be regularly reviewed throughout its life to reflect changes in the local, regional and national context.

The priorities within the Corporate Plan were developed by talking with, and listening to the community, Elected Members, staff and other key stakeholders all of whom have helped to shape the content of the Plan.

Our Strategic Priorities 2019 - 2023

The Delivery Plan is still under development but is expected to include a series of priority actions and measures that we will monitor to assess if we have made a difference. Progress and tracking against the identified actions and delivery of the outcomes will form a key part of the Council's performance management framework.

Investment in Priority Areas

Whilst the overall level of the Council's resources is reducing it is important that a clear focus is maintained on matching funding to priorities. This will remain a key focus over the coming years to ensure the aspirations contained within the new Corporate Plan and the projects contained within the Delivery Plan are realised.

Our Vision

In order to develop a long term plan, every organisation needs to set an aspiration of where the organisation is aiming to be in the future. This enables everyone to be united in a shared direction and purpose. The Council's aspiration is as follows:

North Norfolk District Council – putting our customers at the heart of everything we do

Our Values

Our values represent the beliefs and expected behaviour of everyone working for North Norfolk District Council. Our values, which aim to support quality services, we;

- Respect everyone and treat everyone fairly
- Are open and honest and listen
- Strive to offer the best value for money service
- Welcome new challenges and embrace change

'One Team' Team Approach

In order to deliver high quality services, we need to have excellent teams to deliver them. We recognise that our staff are our most important resource at the heart of the services we provide. We are committed to investing in staff and their development so that we have well trained and supported employees, providing professional services and who are happy and motivated in their work. The One Team approach also includes Members to ensure we work closely together to deliver our priority outcomes and that their training needs are also met as part of their ongoing development.

3. National Pressures

Some financial pressures are driven nationally and are beyond the control of the Council and may come about due to policy directions or new legislation from Central Government.

Some of these which impact NNDC are shown below

Brexit

Following the Brexit referendum result we were due to leave the European Union (EU) on 29 March 2019. This was subsequently extended to the 31 October and the revised date is now 31 March 2020. At present it is still unclear as to exactly what deal will be negotiated and how this might then impact on a raft of factors including Local Government funding, inflation, businesses, availability of labour for construction etc. Due to the level of uncertainty this poses it is flagged as a risk rather than having any quantifiable financial cost at the present time.

Volatility of investments, cost of commodities and access to funding streams are all likely to affect NNDC post-Brexit and indeed are already being felt in terms of things such as the waste contract negotiations. The focus and resource requirements of Brexit have also had an inevitable impact on the Spending Review, Fair Funding Review and Business Rates Review, all of which have slipped in terms of their original timescales and these are discussed in more detail below.

General election

Off the back of the uncertainty surrounding the ongoing Brexit negotiations a General Election has been called for 12 December. The timing of this has not been particularly helpful in terms of the Settlement announcement and this is discussed in more detail below. The result of the election will undoubtedly impact on Government spending priorities for future years but until the results are known and policies developed it will not be possible to assess any potential impact.

Low interest rates

The Bank of England bank remains at 0.75%. Investment income continues to be an important source of income and is generated from investment of the Council's reserves and surplus funds from the timing of daily cash flows. In this climate of low interest rates we've had to work hard to generate investment returns that outstrip inflation.

If this does not happen, not only does this put pressure on our budget through lost investment income, but inflation effectively erodes the spending power of the invested cash. On the upside, borrowing continues to be relatively cheap although a recent 1% increase in rates from the Public Works Loan Board (PWLB) has not been particularly helpful. However there remain a number of alternatives available to the Council as potential sources of capital funding for the council and which also provide an effective tool to help manage cash flows. As can be seen below the current rate of CPI inflation as at September 2019 is 1.7% which is significantly (0.7%) lower than at the same time last year, and our average rate of return on investments is 3.08%. The current year's budget assumes that an average rate of 3.5% (3.3% 2018/19) will be achieved delivering income of just over £1.344m (£1.3m 2018/19 outturn).

4. Local Pressures

These arise from local circumstances and demand for services. The financial effects of these must be dealt with by the Council, as there is often no external funding

Local Economic changes

NNDC derives significant sums of income from fees and charges for services such as car parking and planning. These will be affected by factors outside the Council's control, such as the weather, consumer confidence and the general health of the economy.

Waste Management

Waste management currently represents a pressure for two reasons. The first relates to the current outsourced contract, which is coming to an end in March 2020 and is in the process of being re-procured, with the new contract award expected in December. This represents a potential cost pressure as market conditions have changed since the contract was last let, during the negotiations it has also become apparent that the ongoing impact of Brexit has also led to more uncertainty around a number of connected markets which may impact on the final contract price.

Recycling income is also under threat as recent quality control developments in China have effectively closed that market with income reducing as a result although actions have been taken to reduce our exposure to this, with the majority of the exposure currently resting with Norfolk Environmental Waste Services Ltd (NEWS).

Local Council Tax Support Schemes (LCTS)

The LCTS scheme was implemented in April 2013 as a replacement to Council Tax Benefit. This change was part of wider welfare reforms to reduce expenditure, giving responsibility of the replacement scheme to Local Councils. LCTS schemes should encourage people into work and be based on the ability to pay. Previously the Council Tax Benefit scheme was 100% funded through subsidy paid to the Council from the Department for Work and Pensions (DWP).

From April 2013 each billing authority was given the discretion to set their own scheme, although at the outset the government did stipulate that the scheme would not change the 100% maximum support for low income pensioners i.e. they would receive the same level of support as they did under the system of Council Tax Benefit. Funding for LCTS is no longer received as a separate subsidy grant but is now within the overall Local Government Funding system as non ring-fenced funding within the Revenue Support Grant (RSG) and baseline funding level. The local scheme (for North Norfolk) has remained the same since the introduction of LCTS in 2013/14. The local scheme means that those of working age previously entitled to 100% maximum council tax benefit are required to pay a maximum of 8.5% of their council tax liability.

With the changes made for the rollout of Universal Credit there will be implications for the cost of LCTS schemes. The Council will need to review options going forward to ensure this remains a cost effective, affordable scheme.

Workforce

We recognise that our staff are our most important resource at the heart of the services we provide. We currently have 274 full time equivalent posts and 311 actual members of staff. Our pay bill is our most significant area of direct spend and stands at £12.1m as per the 2019/20 budget.

NNDC contributes 14.5% of the basic salary of all staff in the pension scheme. In 2019/20 this equated to nearly £1.2m.

NNDC also contributed £0.97m to reduce the deficit in the scheme in 2019/20. As a result of the triennial valuation, this will rise to £1.12m in 2020/21, £1.16m in 2021/22 and £1.19m in 2022/23 – all these figures are fixed so do not depend on the number of people in the pension scheme.

Since the last valuation, the funding position has improved from 74% to 89% and the deficit reduced from £20.530 million to £9.202 million, largely due to an increase in annual investment return from 3.8% to 4.2%. Also the investment return on assets in total from March 2016 to March 2019 was 29.1%.

Temporary accommodation

The council has a duty to provide emergency/temporary accommodation (TA) for homeless households whilst assessing their case and/or ahead of securing more permanent accommodation. A range of accommodation is currently used to cover this duty: two units owned by NNDC, some units owned by housing associations, and rooms in hotels/bed & breakfasts.

Whilst some of the costs of this accommodation are covered by housing benefit this is only payable up to 90% of the Local Housing Allowance (LHA) which is the amount set by government that can be covered by housing benefit. The difference between the actual cost and housing benefit levels is borne by the council. This has been increasing over recent years, with last year's deficit being just under £80k and current forecasts for the end of this financial year at c£170k. As well as the costs to NNDC, many of the current TA options offer poor housing conditions for often vulnerable households – accommodation that is not self-contained, not within District and is used for increasingly lengthy periods (the current longest stay in B&B style TA is 42 weeks).

5. Inflation

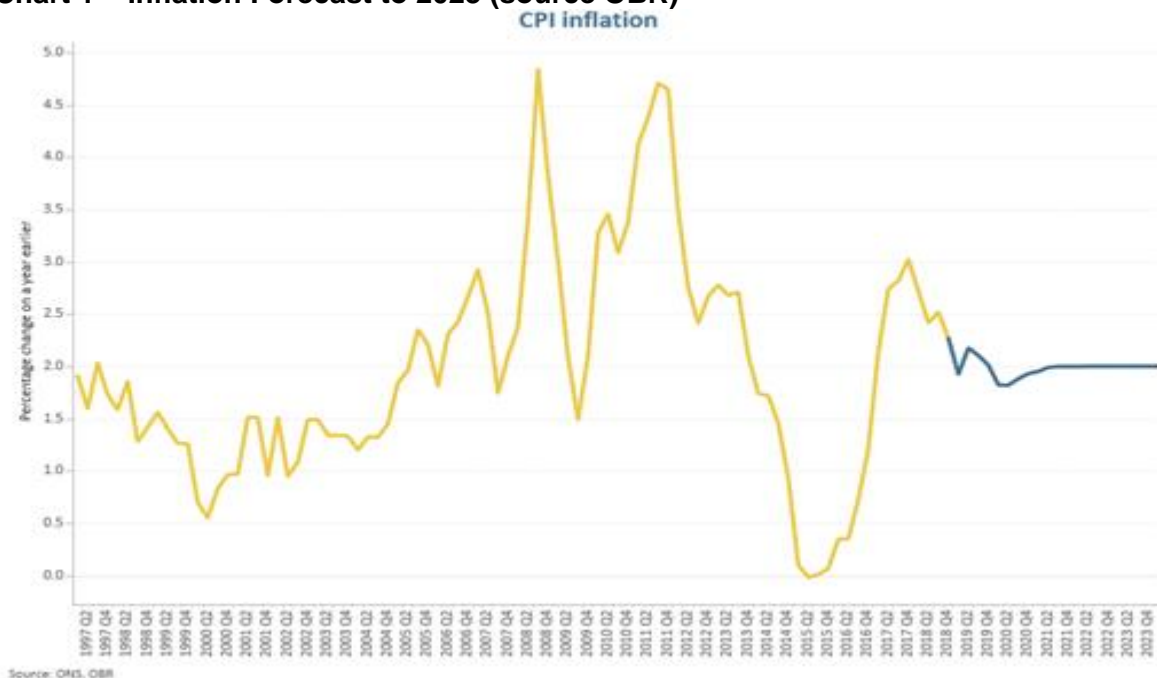
Inflation is the rate at which the prices for goods and services that the Council buys are expected to rise. At the end of September, Consumer Price Index (CPI) inflation was at 1.7%, which is now below the Bank of England’s target rate of 2%

Staff Pay - the forecasts assume an annual pay award of 2% but also turnover savings (for staff leaving and temporarily vacant posts etc) of 2%. The Council is part of a national pay agreement and as a guide for NNDC, 1% equates to approximately £108,000 annually. Therefore, should the annual pay award agreement be different to the 1% assumed, say for example by 0.5%, this would equate to an additional cost of £54,000 per annum.

General prices and contracts - the Council assumes in this financial strategy that inflation will follow the pattern in the graph below as outlined by the Office for Budget Responsibility (OBR) with general price increases being assumed at around 2%. There are also some areas and contracts, such as the waste contract, which use different indices to calculate annual increases and these are taken account of where appropriate.

Income (fees and charges) – In recent years’ budgets for fees and charges have included a 2% increase unless there have been specific reasons for higher or lower increases or alternatively the Council is not able to influence them. As part of the Council’s financial planning processes, and in an effort to address the pressures on future year’s budgets, the finance team will be working with service managers next year in the run up to the 2021/22 budget setting process to undertake a more fundamental review of fees and charges. This will involve more detailed work to ensure that we fully understand our cost base so that we can ensure our charges are covering this as a minimum.

Chart 1 – Inflation Forecast to 2023 (source OBR)



6. Funding changes

Local Government is currently going through a significant period of change in terms of the way it is funded and the way the funding elements are to be calculated for the future

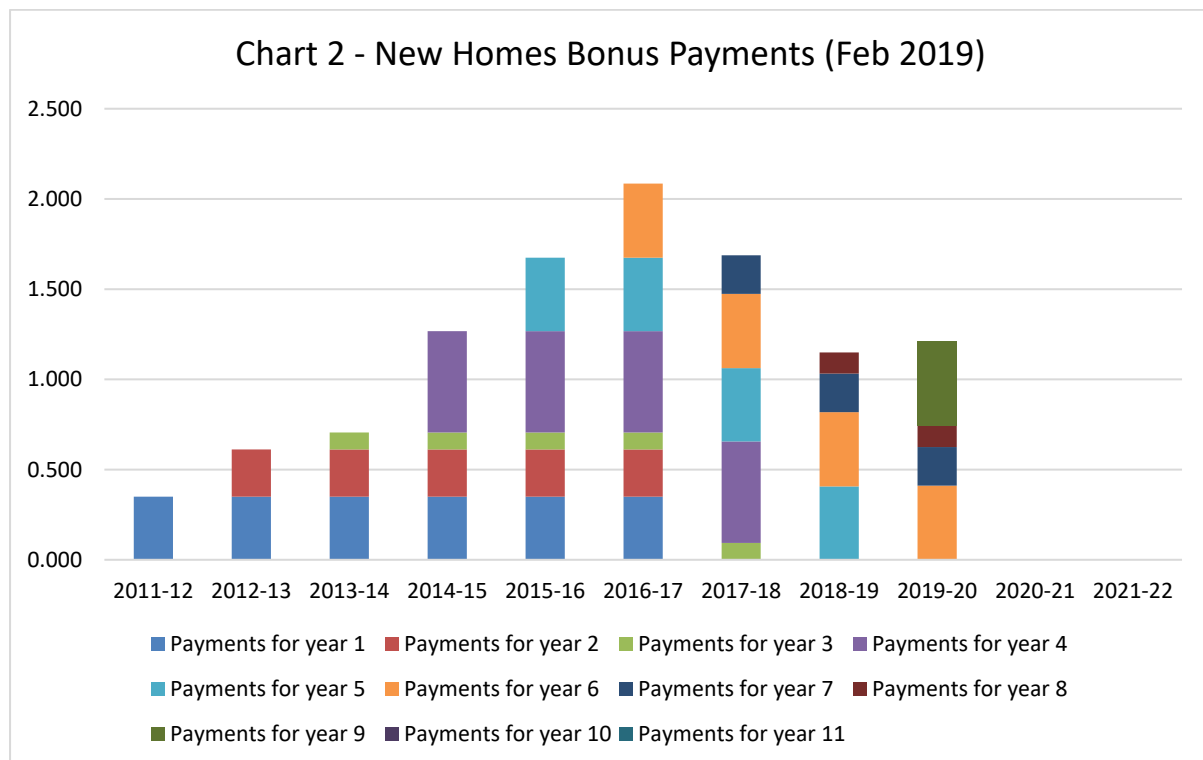
Settlement Funding – last year’s forecasts

The Local Government funding settlement is issued each year by the Ministry of Housing, Communities and Local Government (MHCLG) and for NNDC comprises several elements. These previously included Revenue Support Grant (RSG), New Homes Bonus (NHB), Baseline Funding Level (via the Business Rates Retention Scheme), Council Tax (through the setting of referendum principles) and Rural Services Delivery Grant.

RSG is an un ring-fenced grant which can be spent on services at NNDC’s discretion. This has been reducing over the past years, and 2019-20 was expected to be the last year of receipt of this grant. The allocation was just £88,000 compared to £2.4m back in 2015/16.

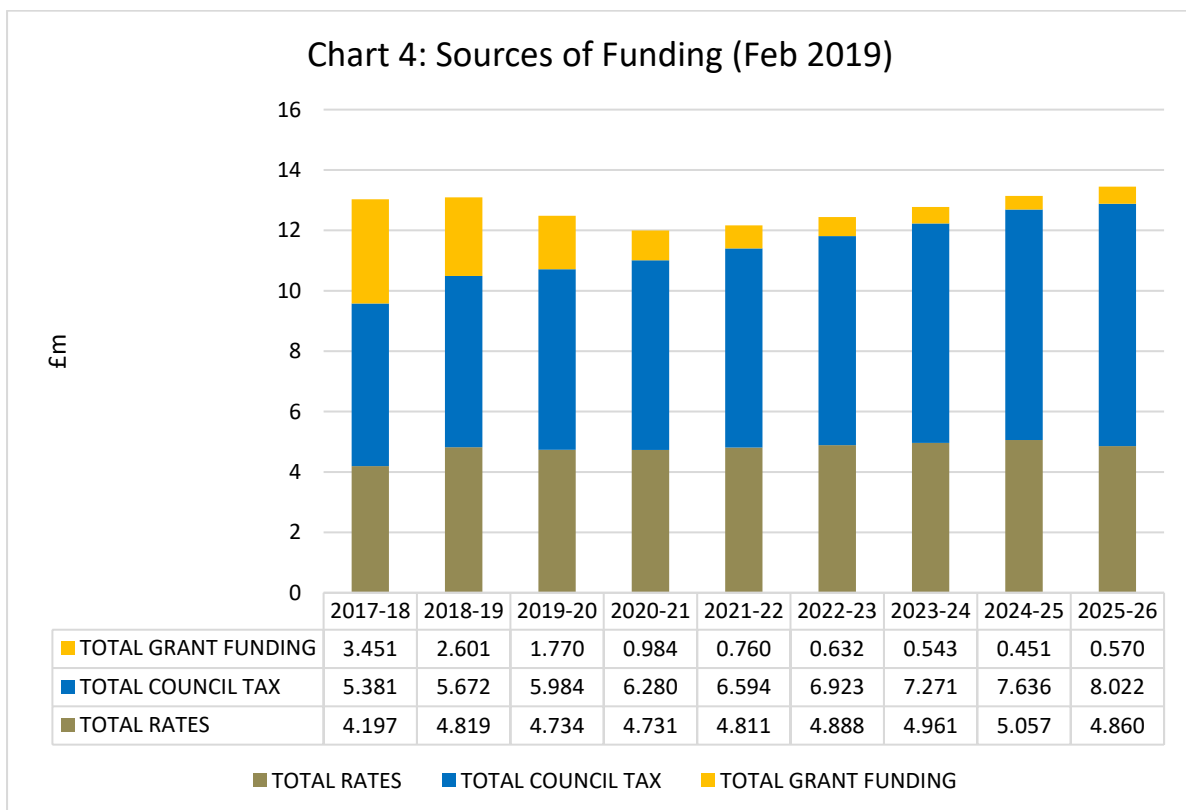
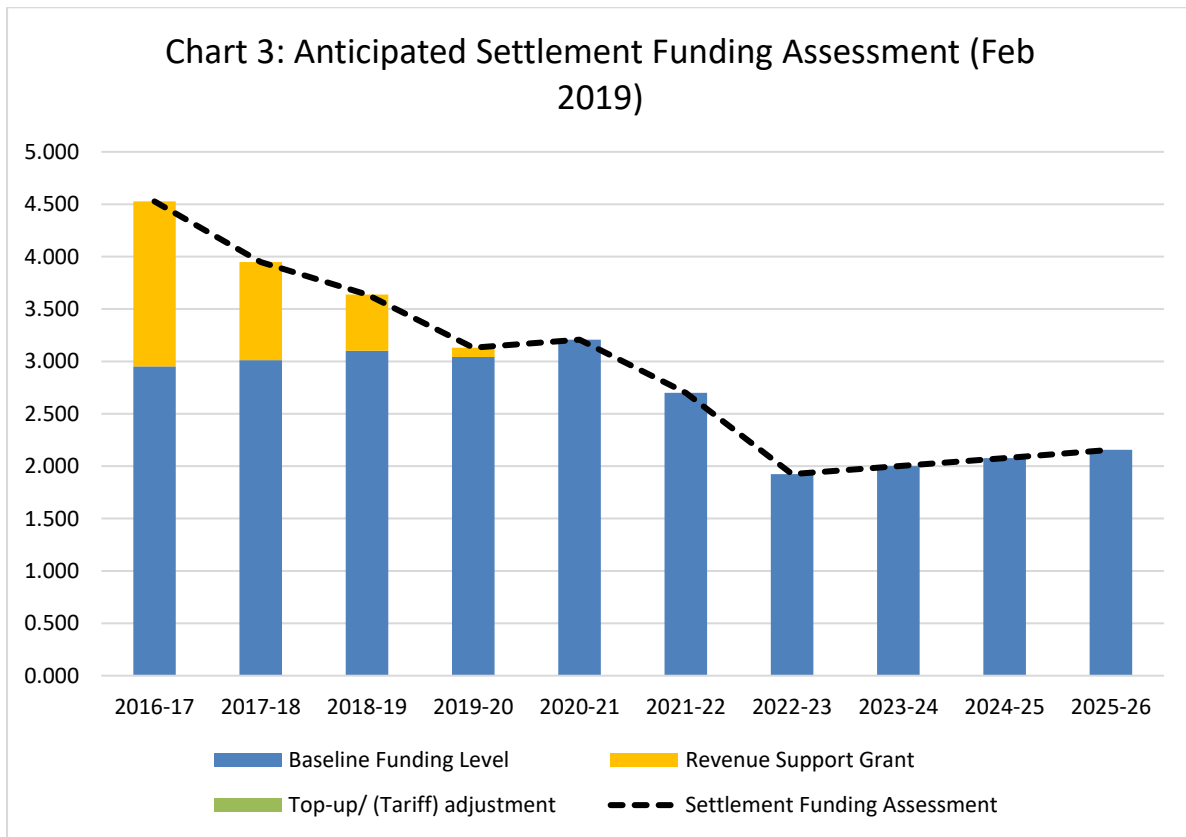
To reflect North Norfolk’s rural nature and the increasing cost this brings to the Council in terms of sparsity, NNDC receive an annual amount of Rural Services Delivery Grant. Again prior to this year’s provisional Settlement announcement the final year of this grant was also assumed to be 2019-20, reflecting a further reduction in resources of £484k.

Finally, the message from Ministers at this time last year was that there was no further money available to support the New Homes Bonus (NHB) payments, which saw a further reduction in funding of £1.2m and is highlighted by the Chart 2 below.



The loss of these elements of central funding totalled nearly £1.8m and led in no small part to the future years’ budget deficits forecast of c£2m. Chart 3 shows the projected settlement

reduction last year with Chart 4 highlighting the changing reliance on funding streams away from external grants towards locally generated income.



Settlement Funding – Spending Round 2019

As the year has progressed and Brexit negotiations have continued there has been growing speculation that the anticipated Spending Review might well be delayed and this has indeed been the case. The focus on Brexit has also led to a delay to the Fair Funding and Business Rates Reviews, all of which has led to a one-year Settlement resulting in the continuation of the previous funding regime for a further year which has been extremely beneficial. This has had a significant impact on the high level forecasts in relation to the future years' budget deficit and this is discussed in more detail below.

The [Spending Round 2019](#) announcements were made on 4 September 2019 and set out the Government's spending plans for 2020/21. The detail of the announcements can be accessed [here](#). This was a one-year spending review and only covered the period 2020/21, the multi-year spending review is expected to be announced next year. While the announcements brought good news for the Local Government sector as a whole, the real win and the bulk of the additional money was understandably focused towards social care which saw access to funding increase by £1.5b (£1b through a new grant and £0.5b through the adult social care precept).

The total amount of settlement funding is now anticipated to increase slightly (Chart 5 below) compared with the prior year forecasts shown in Chart 4 above.

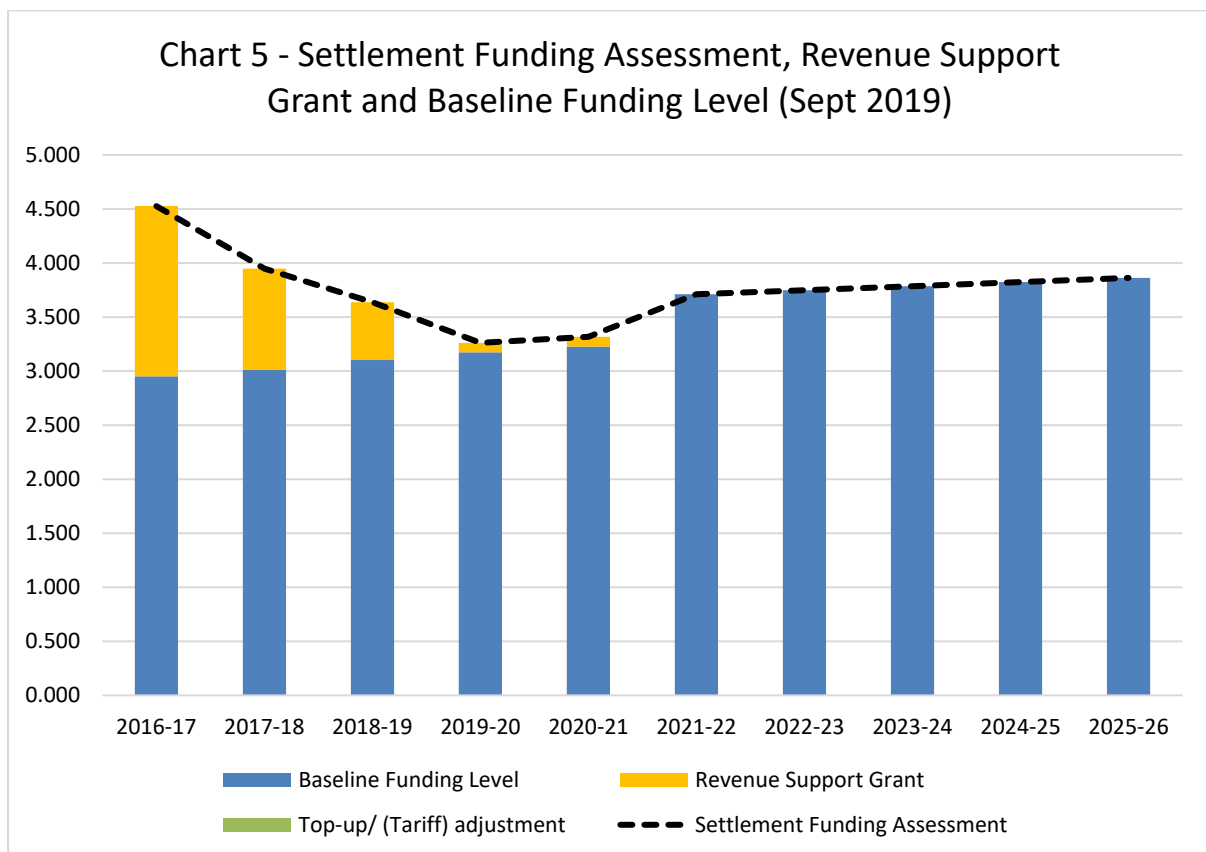
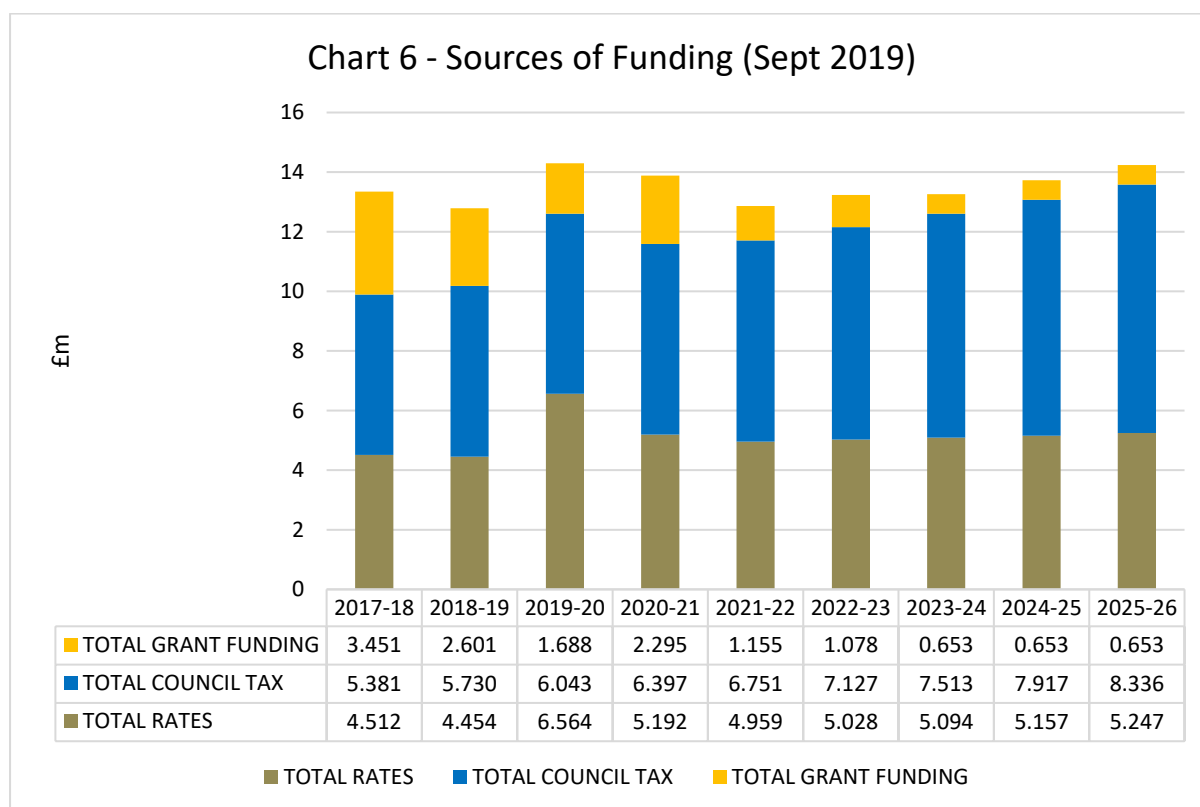


Chart 6 shows the anticipated change in total funding sources, including Council Tax.



The announcement of a General Election on 12 December has added some confusion in terms of the budgeting process for 2020/21. In a recent Technical Consultation, the government had said that they were “aiming to hold the provisional settlement in December” but we still do not know as yet how this will be handled.

One scenario is that the government announces a provisional settlement before the Election however a pre-Election settlement seems unlikely as previous years’ announcements have been after this date on 8 out of 9 occasions. A more likely scenario is that the settlement is delayed until a new government is in place although in this instance it is still not certain that a provisional settlement would be announced before Christmas. In either scenario, Parliament would have to vote on the final settlement in February.

All we can conclude for now is that the provisional settlement is more likely to be after the Election, but could be in either December or early January. Until the Settlement figures are finally confirmed the figures are still provisional and subject to change but this is the best information we have to go at the present time.

The significant caveat with this however is that these projections are still based on future year’s forecasts which have not as yet been finalised and could potentially be impacted by a change of Government in December.

While these reviews may have been postponed they have not gone away and they still have the potential to have a large and unpredictable impact on the Council’s finances and officers will continue to monitor the position and feed into any consultations as required.

Income

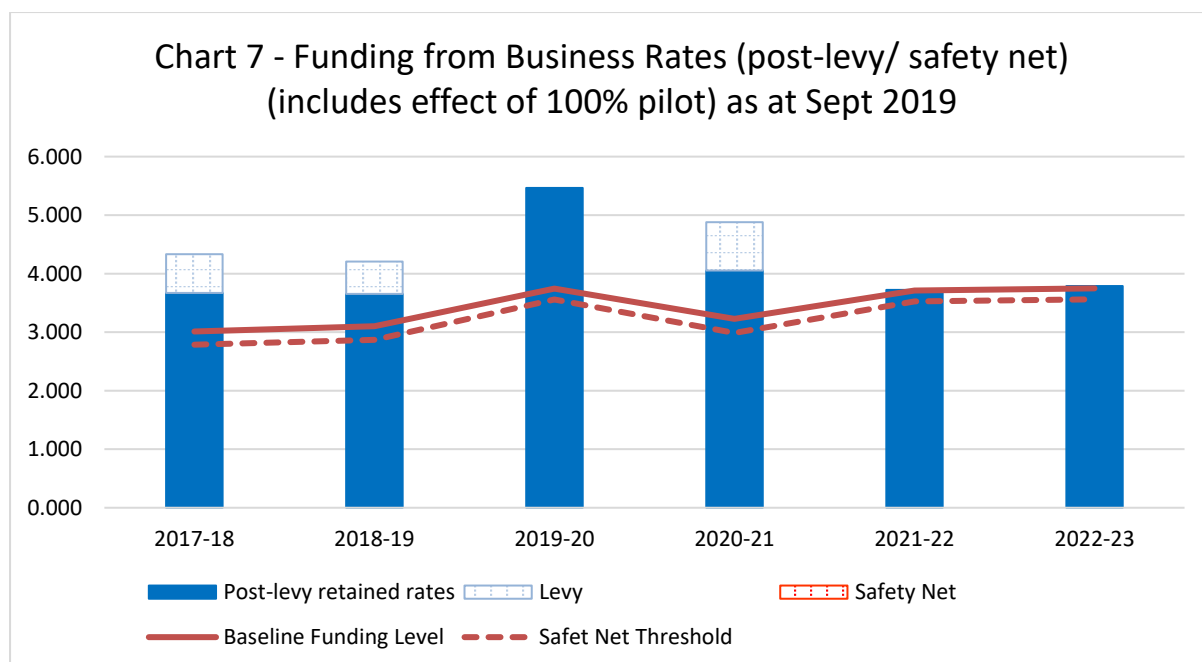
The Council derives a limited and reducing amount of funding from Central Government, with the main sources of income now being locally raised taxes, fees and charges and specific grants. This section explains more about how the Council is funded and how this is expected to change over the coming years

Business Rates Retention

Since the 2013/14 financial year, local government has been able to retain 50% of the growth in the local business rates income to support services. As part of a manifesto commitment, the Government had pledged to allow Councils more control locally over their finances, and as part of this began to plan for an eventual system of 100% local retention of business rates growth. In exchange for this, Councils would have to forgo certain grants received from Central Government.

Following the snap General Election in 2017 and a period of uncertainty around the new Business Rates Retention Scheme, MHCLG had previously confirmed a local 75% share from April 2020, however, as indicated above, this has now slipped back a year.

The income from the current system is shared on the basis of 50% being returned to Central Government, 40% being retained by NNDC with 10% going to the County. However, while technically NNDC's share is projected to be around £12.9m (£12.7m 2019/20), after the tariff payment is made the net income to NNDC reduces to around £5.2m for 2020/21 (£4.7m 2019/20). Chart 7 shows the anticipated funding for the Council from the Business Rates Retention Scheme.



* Please note: chart 7 above excludes income from renewable energy and designated areas (Enterprise Zones).

Business rates pilot - Last year's Settlement did bring some good news and one of the key issues confirmed was in relation to the business rates pilot. North Norfolk District Council applied to be a pilot authority as part of the Norfolk Business Rates Pool, as it was forecast that the pilot would bring significant financial benefit to the district. The decision regarding the success of this application was announced alongside the Provisional Settlement and the excellent news was that the Norfolk wide pilot application was successful. The monitoring of the pilot began this August and the countywide agreement is to recognise any additional gain from the pilot following the end of the current financial year. This enables us to retain 75% within the County as opposed to the normal 50%, this is however only a pilot which will operate for one year so any additional income will only be a one off gain.

NHS appeal - Consultants are currently advising a group of 17 NHS trusts challenging the business rates on their properties. This will be a test case in which Derby Teaching Hospitals NHS Foundation Trust and the others will seek 80% relief on its rates bill. If successful, this could see £2.35bn clawed back nationally and set a significant precedent. The preliminary hearing was heard on the 4 November 2019 in the High Court but the decision was deferred which provides an extra three months for further consideration so the decision is due in February 2020.

Officers will continue to monitor the position and provide updates as the case progresses. It is difficult at the present stage to assess the financial impact this would have on the Council due to the countywide business rate pooling arrangements. The pool does contain a £1m 'volatility fund' and the Council also has the Business rates Reserve which holds a further £2.4m to help mitigate against any financial impact should the case be won by the NHS. Further details can be found [here](#).

Due to the uncertainty generated by the NHS Trust Challenge, Norfolk Leaders decided to provisionally allocate funds to the projects recommended for approval to be funded from the Business Rates Pool fund, but not authorise any expenditure from the 2018/19 Round until further updates on the court case will be available, providing a £5m contingency.

New Homes Bonus (NHB)

The New Homes Bonus was introduced in 2011/12 to incentivise and reward Councils and Communities that build new homes in their area. The bonus was originally paid as an unringfenced grant for six years and was paid based on the net additional¹ homes plus an additional supplement of £350 per affordable dwelling. The payment is then split between local authority tiers: 80% to the lower tier (NNDC) and 20% to the upper tier (NCC).

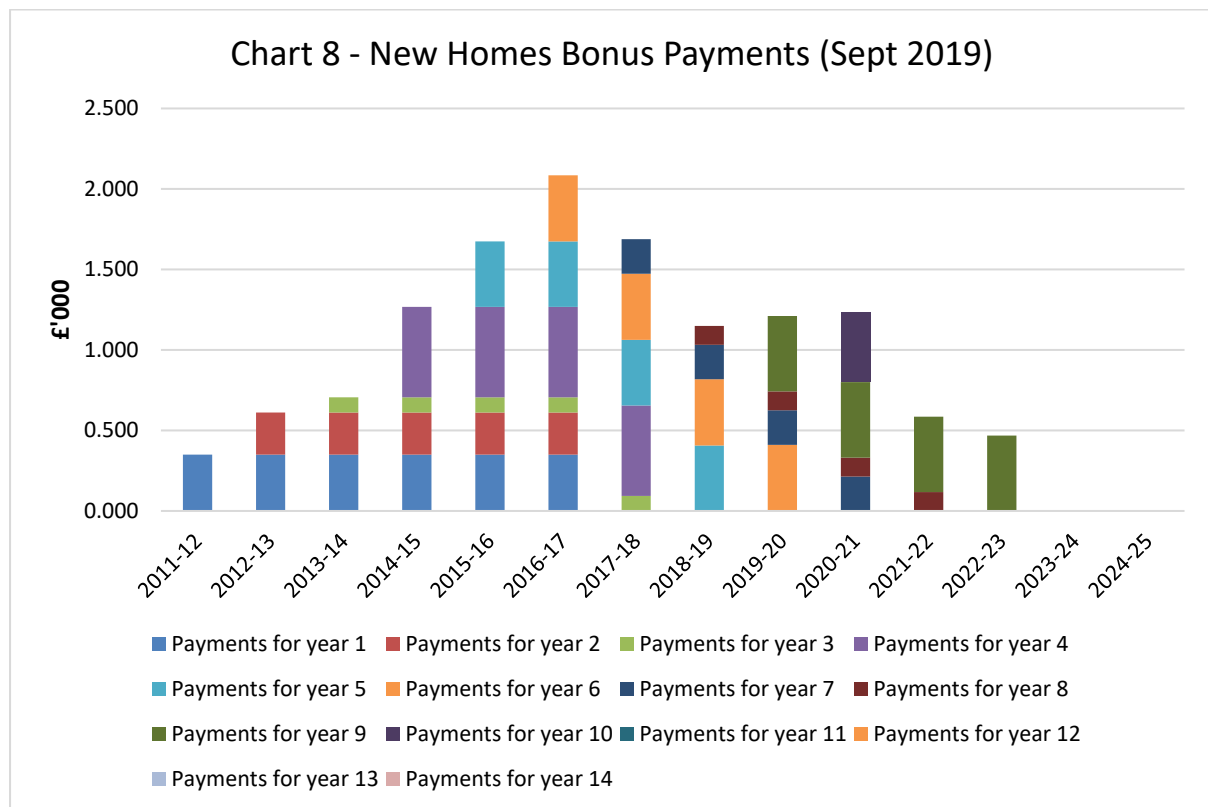
Since its initial introduction the payment mechanism has undergone two fundamental changes which have significantly impacted on the income received by NNDC. The first was the transition from payments rolled up over a 6-year period up to 2016/17 (for which the Council received £2.1m) to 5 years in 2017/18 to the new 'floor' of 4 years from 2018/19 onwards. The second was in 2017/18 when a national baseline of 0.4% (based on property numbers within the district) was introduced. The combined effect of these two changes was forecast to see income decrease from the highest point in 2016/17 of £2.1m to the previous projection of £1.2m in 2019/20.

Last year's discussions around the Fair Funding Review and recent comments from the Treasury and MHCLG suggested that ministers didn't feel that the NHB has achieved its original objective of increasing housing numbers and that they might be looking to replace the scheme with something else in the future. It was also clear at the time that there was no

¹ Net additional homes as recorded on the council tax base return (submitted October annually) takes into growth in property numbers, demolitions and movement in empty properties.

funding allocated for the NHB from 2020/21 onwards. This has the effect of removing £801k in 2020/21, £587k in 2021/22 and £469k in 2022/23 from the previous forecasts and while it was anticipated that some new form of incentive scheme would probably be introduced it was impossible to predict at the time what this might look like and to what extent (if at all) the Council would benefit from it in financial terms so no income was forecast in this respect.

Chart 2 above shows the forecasts at the time the 2019/20 budget was set back in February. The chart below now shows the updated projections following the Settlement Review announcements from September.



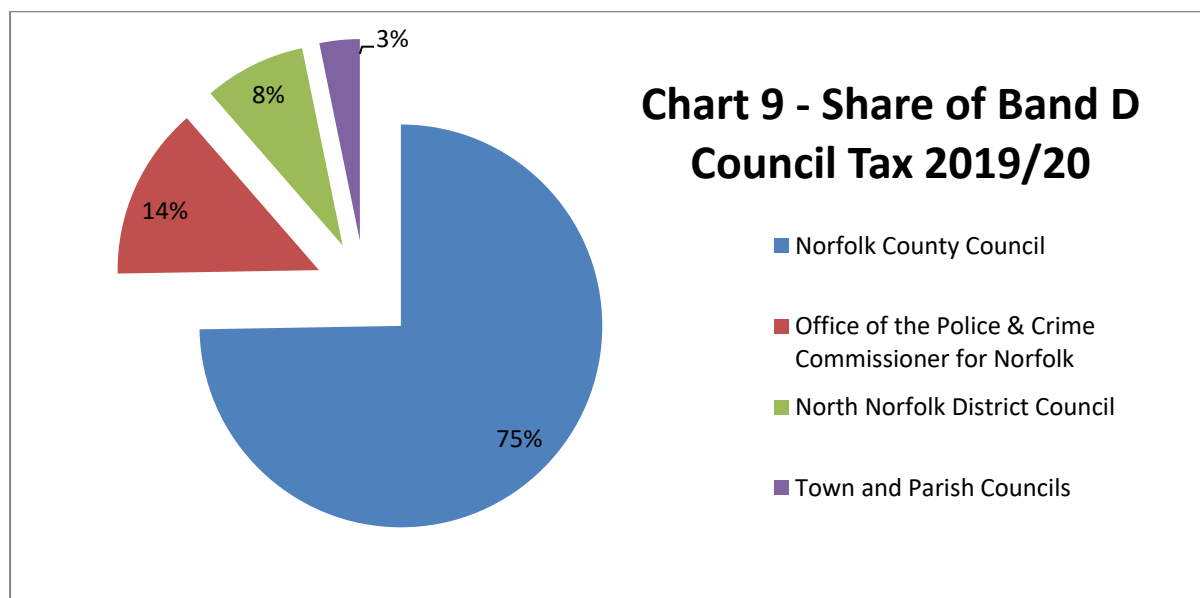
The legacy payments to be paid under the scheme from 2020/21 to 2022/23 in Table 1 below are £1.234m, £0.586m and £0.469m respectively, totalling £2.288m which significantly supports the previously projected budget deficit.

Table1 – New Homes Bonus Legacy payment projections as at Sept 2019

	2020/21	2021/22	2022/23
Legacy Payments	0.214		
Legacy Payments	0.118	0.118	
Legacy Payments	0.469	0.469	0.469
Legacy Payments	0.434	0.000	0.000

Council Tax

NNDC is the billing authority for the district of North Norfolk. This means that NNDC send out the Council Tax bills to residents and collect the Council Tax, but most of this is then distributed to the County Council and Norfolk Police Authority with a further element then going to town and parishes councils.



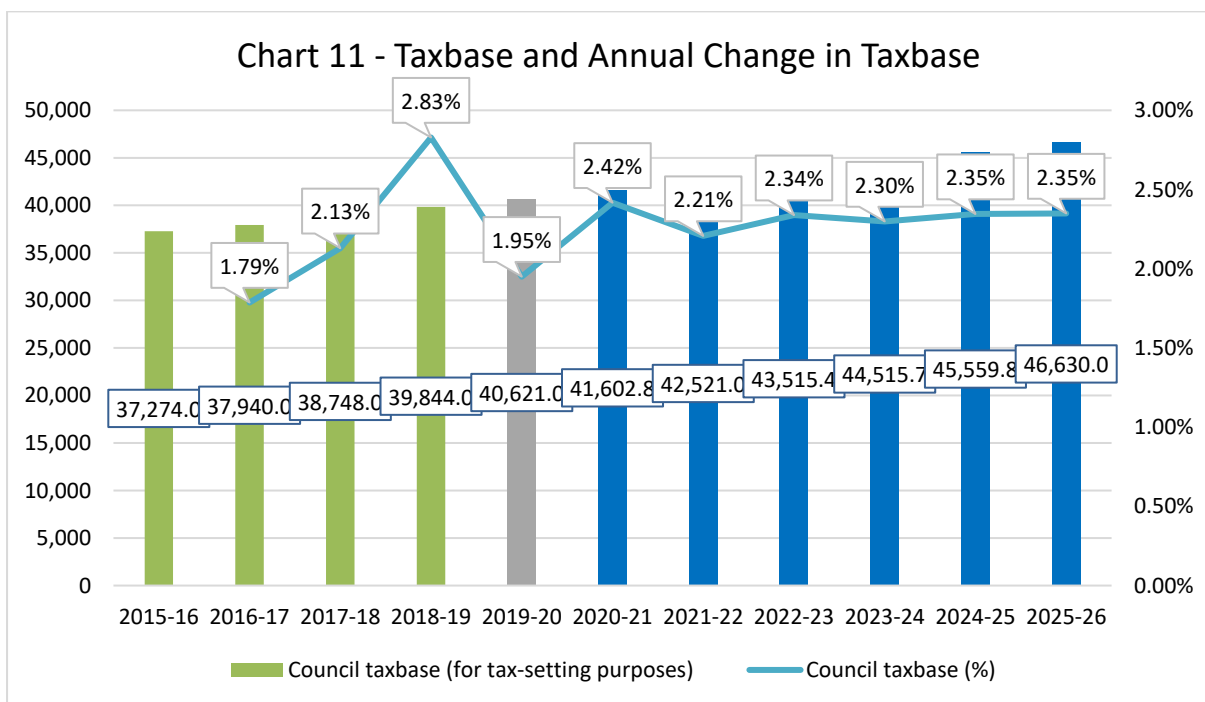
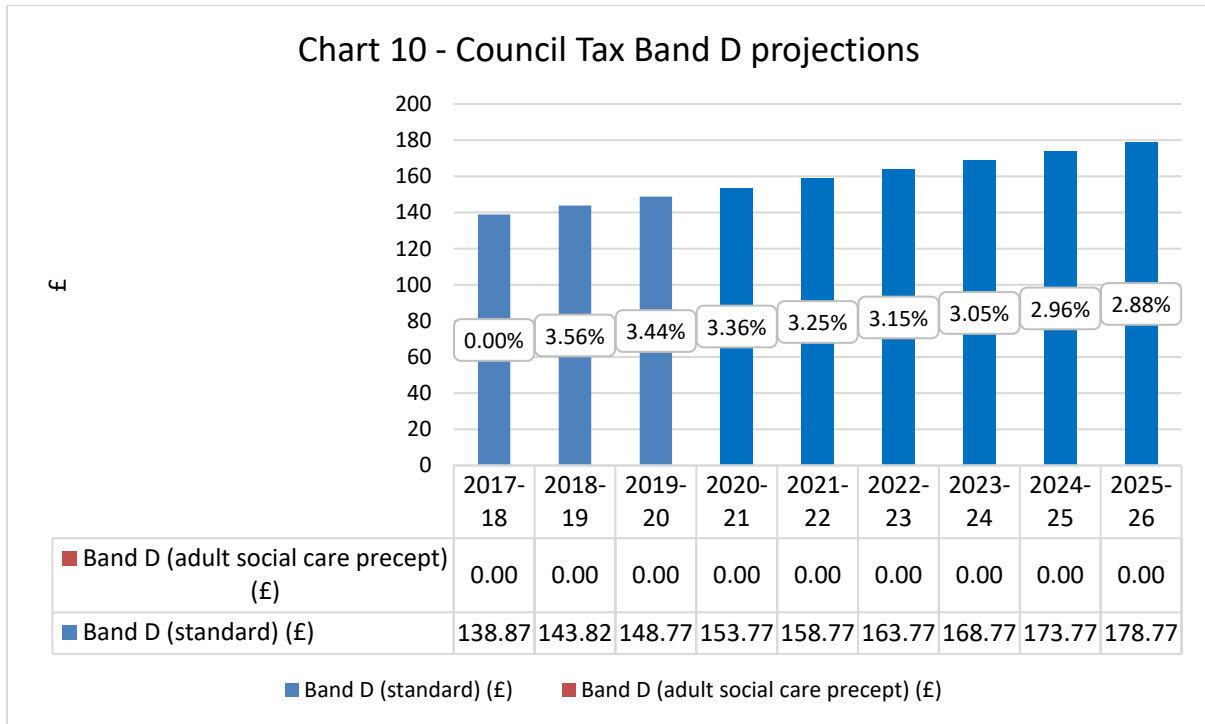
The charge on a Band D property which is retained by NNDC is currently £148.77 (£143.82 2018/19) based on a tax base of 40,621 (39,844 2018/19). Any increases on this amount are restricted by a cap put in place by the Government, which means that NNDC cannot increase its precept by more than 3% or £5, whichever is the greater.

The Government is currently consulting on this, but the current view is that this cap will remain the same for the coming year. Within the MTFs, it has been assumed that NNDC will increase its precept annually by the maximum amount to partly offset the reduction in grant funding from Central Government. The table below highlights the impact of the assumed increases within the charts below.

Table 2 – Projected council tax income growth

Council Tax	2020/21	2021/22	2022/23
Council taxbase (for council tax setting purposes)	41,602.8	42,521.0	43,515.4
Band D (standard) (£)	£153.77	£158.77	£163.77
Band D (adult social care precept) (£)	£0.00	£0.00	£0.00
TOTAL Band D (incl ASC precept, excl local precepts)	£153.77	£158.77	£163.77
Council Tax (standard)	£6.397m	£6.751m	£7.127m

Chart 10 below shows the projected Band D charges for future years assuming the maximum increases currently available are applied, while chart 11 shows the forecast growth in the taxbase.



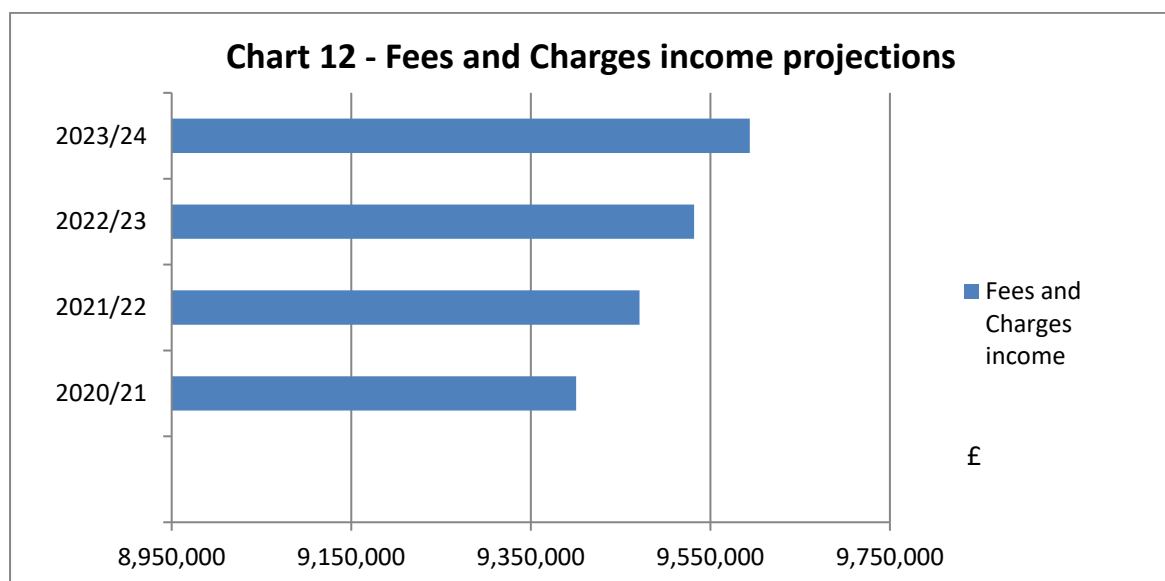
Fees and charges

The Council has limited means to charge for some of the services it provides. Some of these charges are set by central government, but the Council has discretion over the levels of others. The latest projections for fee income are shown below.

Of the c£9.4m gross income forecast for 2020/21, the most significant areas include waste and recycling (£3.4m) which includes things such as garden bins and commercial waste collection, car parking income (£2.7m) and planning income (£0.8m).

It should however be noted that there are also significant costs associated with generating some of this income, such as the car park maintenance and management contract, the waste contract etc.

As part of the Council's Financial Sustainability theme within the new Corporate Plan we will be undertaking a fundamental review of the fees and charges structure within our control as part of the 2021/22 budget setting process. This is to ensure that we are at least covering our costs in all areas while looking to develop and increase income streams wherever possible to help make the budget position more sustainable in the medium to long term and to protect frontline services.



7. Links to other strategies

The MTFS is fundamentally linked to and underpins a number of the Council's key strategy and policy documents

The most significant linkage with the MTFS is with the Council's Corporate Plan and this is discussed in detail above. There are however a number of other strategies and policies supported by the MTFS.

Capital Strategy 2019/20

The Capital Strategy sets out the Council's approach and process to the deployment of capital resources in meeting the Council's overall aims and objectives. It also provides a strategic framework for the effective management and monitoring of the capital programme, within which the Council will work in formulating the strategies for individual services. It is a primary document for all capital decision making, together with the Corporate Plan and other strategies.

The Strategy is reviewed on an annual basis to reflect the changing needs and priorities of the Council including residents, businesses and places. The next update will reflect the new Corporate Plan priorities. The aim of the Strategy is to provide a framework within which the Council's capital investment plans will be prioritised and delivered. The Strategy is the foundation of proper long-term planning of capital investment and how it is to be delivered.

The Strategy's principal objective is to deliver an affordable programme that is consistent with the Council's priorities and objectives. This Strategy is intended to be used by all stakeholders to show how the Council prioritises and makes decisions on capital investment and how this investment supports the Council's priorities and ambitions.

The capital programme approved by Full Council in February 2019 included £23.0m investment in 2019/20 with £6.4m, £1.1m and £1.1m in 2020/21, 2021/22 and 2022/23 respectively. This is funded through a mixture of grants (£13.4m), contributions (£0.5m), reserves (£5.5m), capital receipts (£7.5m) and borrowing (£4.7m).

The key principles of the Strategy are to;

- Deliver an affordable capital programme over the full life cycle of all projects;
- Deliver a strategy/capital programme that is consistent with the Council's MTFS;
- Help to achieve the Council's objectives and that capital investment decisions are made with reference to Council priorities;
- Ensure decisions on the financing of the capital programme are taken with consideration to the impact on the revenue budget and the Treasury Management Strategy Statement;
- Ensure that capital projects follow a rigorous appraisal process considering evidence of need, cost, risks and outcome assessment;
- Ensure that capital receipts will not normally be ring-fenced to specific projects unless the use of the receipt is governed by legislation or by a specific agreement;
- Pursue all available external funding where there is direct compatibility with the Council's priorities.

Treasury Management Strategy Statement 2019/20

The Council's Treasury Management Strategy Statement is intrinsically linked with the Capital Strategy and the capital programme and can be accessed on the Council's website [here](#). The strategy manages the Council's investments, cash flows, banking, money market and capital market transactions.

The treasury management budget supports the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need, essentially the longer-term cash flow planning, to ensure that the Council can meet its capital spending obligations and understands the revenue implications of all capital decisions.

This management of longer-term cash may involve arranging long or short-term loans, or using longer-term cash flow surpluses. When it is prudent and economic, any debt previously incurred may be restructured to meet the Council's risk or cost objectives.

The Council receives and approves three main reports each year;

- Before the start of the financial year, the updated Treasury Management Strategy Statement which includes the minimum revenue provision policy statement; how investments and borrowings are to be organised (including prudential indicators); and an investment strategy;
- A mid-year treasury management assurance report to update Council with the progress of the capital position; adherence to the treasury management strategy and whether any policies require revision and;
- At the end of the financial year, a treasury management outturn report to provide details of actual indicators compared to the estimates within the strategy.

Asset Management Plan (AMP)

The Asset Management Plan (AMP) is set within the wider context on the Council's strategic priorities and seeks to align and review the asset base with the Council's corporate goals and objectives.

The full Strategy was approved by Full Council in March 2018 and can be accessed on the Council's website [here](#).

The AMP is an enabler to the Council's key priorities;

- Having assets that are fit for purpose, in locations that support the delivery of excellent services to our customers;
- Driving additional and more sustainable revenue from the Council's existing investment portfolio and creating a new investment portfolio that generates a legacy of sustainable income;
- Where possible, working with key partners across the District to deliver a "One Public Estate" offer, bringing together a one stop shop for services;
- Ensuring assets align to the Council's key strategies, economic plan, and customer experience, supporting stakeholder expectations and;
- Contribute to making the District a place where people thrive, businesses 'succeed' and visitors are welcome.

The AMP provides the framework that will guide the Council's future strategic property decisions and ensure there is a consistent way of managing the Council's land and assets. The future budget will include savings from rationalisation of the property portfolio and additional investment income from the let estate and property investments.

Procurement Strategy

The procurement strategy establishes the Council's strategic approach to procurement and should be read in conjunction with the Finance Code of Practice, Contract Procedure Rules and Scheme of Delegation. It emphasises the increasing importance of using procurement to support wider social, economic and environmental objectives, in ways that offer real long term benefit and can be accessed on the Council's website [here](#).

The Council recognises the importance of a strong and vibrant local economy and the role it can play in stimulating local markets. The website has been developed to provide potential suppliers with a host of information in relation to the Council's procurement processes, which includes a portal advertising all current tender opportunities. To deliver an agile service the Council uses an electronic tendering system.

The strategy provides a corporate focus for procurement, embracing the Council's commitment to strategic procurement and its alignment with corporate objectives and values. The document is not intended to be a "user manual", although the principles contained within the strategy should be applied to all facets of procurement activity. Additional detail regarding the Council's procurement processes can be found within the Contract Procedure Rules, there are user guides available on the intranet and the Procurement Toolkit.

Social value is the positive impact an organisation has further to the activities it carries out. These can be economic, social and environmental impacts. The Council recognises that Social Value can significantly help it in meeting its priorities and aspirations for the District by supporting good jobs, better incomes and wellbeing, increased skill levels, higher value economy and higher productivity levels.

The procurement strategy is one of the underpinning strategies that supports the Council's priorities.

9. Looking forward

In the context of these pressures and reduced funding, the Council has produced a forecast for spend for Capital and Revenue purposes and also anticipated use of Reserves

In terms of the latest information we have regarding the funding Settlement for 2020/21, we have mapped the updated the resources position against the previous budget forecasts and these figures can be seen within the tables below. As mentioned above, the business rates and Fair Funding reviews have been delayed and a one-year settlement agreed and this has had an extremely positive impact on the financial position for 2020/21 and indeed future years as it has effectively delayed all of the funding revisions by a year.

Table 3 shows the previous future years deficit forecast identified as part of the 2019/20 budget setting process in February 2019 of around £2m. It should be noted that in each of these three tables that it has been assumed that the amount to be met from government grants and taxpayers is the same as the budget projection forecasts made back in February as part of agreeing the 2019/20 budget. When the 2020/21 budget is finally set next February the service figures will have been updated to take account of all the work currently being undertaken in preparation for this.

Table 3 – Deficit forecasts as per the 2019/20 budget

Income from Government Grant and Taxpayers	As per 2019/20 Budget Book			
	2019/20 Base Budget	2020/21 Projection	2021/22 Projection	2022/23 Projection
Collection Fund - Parishes	(2,390,634)	(2,420,382)	(2,523,481)	(2,630,456)
Collection Fund - District	(6,240,604)	(6,321,120)	(6,604,004)	(6,891,838)
Retained Business Rates	(5,385,617)	(4,567,000)	(4,644,000)	(4,718,000)
Revenue Support Grant	0	0	0	0
New Homes Bonus	(1,211,156)	0	0	0
Rural Services Delivery Grant	0	0	0	0
Income from Government Grant and Taxpayers	(15,228,011)	(13,308,502)	(13,771,485)	(14,240,294)
Amount to be met from Grants and Taxpayers	(15,228,011)	(15,386,915)	(15,832,445)	(16,185,261)
(Surplus)/Deficit	-	2,078,413	2,060,960	1,944,967

Now that we have more information regarding the funding Settlement, table 4 shows the revised funding position, with the future year's deficit reducing to c£1m. Table 5 highlights the variances between the 2020/21 budget forecasts back in February 2019 and the current position based on the funding assumptions included within this report.

Table 4 – Updated deficit forecasts based on updated Settlement assumptions

Income from Government Grant and Taxpayers

	2020/21 Updated Projection	2021/22 Updated Projection	2022/23 Updated Projection
Collection Fund - Parishes	(2,420,382)	(2,523,481)	(2,630,456)
Collection Fund - District	(6,397,258)	(6,751,054)	(7,126,515)
Retained Business Rates	(5,191,823)	(4,958,845)	(5,028,223)
Revenue Support Grant	(89,861)	0	0
New Homes Bonus	(1,233,832)	(586,071)	(468,536)
Rural Services Delivery Grant	(483,771)	0	0
Income from Government Grant and Taxpayers	(15,816,928)	(14,819,451)	(15,253,730)
Amount to be met from Grants and Taxpayers	(15,386,915)	(15,832,445)	(16,185,261)
(Surplus)/Deficit	(430,013)	1,012,994	931,531

Table 5 – 2020/21 Variance between forecasts and updated Settlement assumptions

Income from Government Grant and Taxpayers

	2020/21 Projection	2020/21 Updated Projection	Variance
Collection Fund - Parishes	(2,420,382)	(2,420,382)	0
Collection Fund - District	(6,321,120)	(6,397,258)	(76,138)
Retained Business Rates	(4,567,000)	(5,191,823)	(624,823)
Revenue Support Grant	0	(89,861)	(89,861)
New Homes Bonus	0	(1,233,832)	(1,233,832)
Rural Services Delivery Grant	0	(483,771)	(483,771)
Income from Government Grant and Taxpayers	(13,308,502)	(15,816,928)	(2,508,426)
Amount to be met from Grants and Taxpayers	(15,386,915)	(15,386,915)	
(Surplus)/Deficit	2,078,413	(430,013)	

The significant caveat with this however is that these projections are still based on future year's forecasts which have not as yet been finalised and could potentially be impacted by a change of Government in December. The funding figures and associated (surplus)/deficit projections also assume that nothing changes in terms of service area expenditure, as this will be considered as part of the Actual budget setting process. As we know, there are some significant unknown cost pressures coming forward at the present time, such as the final costs for the new waste contract, which again will need to be factored in to the budget and MTFP in February.

Key changes through the Settlement and projections

The Settlement review update has had a significant impact on the future budget projections. The key changes are highlighted below.

Council tax (£76k) – this has increased slightly due to revised assumptions regarding tax base growth. However this is also based on a £4.95 increase in council tax and the referendum principles have not as yet been confirmed. Not increasing the council tax by this amount next year would see a reduction of just over £200k next year and in each of the following years.

Retained business rates (£625k) – projections for future years have increased due to a 1 year delay in the Business Rates Baseline Reset (now 1st April 2021) and a reduced impact predicted from the Fair Funding Review.

Revenue support grant (£90k) - this will be rolled forward into 2020/21 as part of the 1 year Spending Round, adjusted for inflation.

New Homes Bonus (NHB) (£1,234k) - this will be rolled forward into 2020/21 as part of the 1 year Spending Round, adjusted for inflation. The current projections also assume that we will still receive legacy payments for NHB whereas we'd previously been working on the assumption that the payments would cease at the end of 2019/20. The payments are now forecast to end in 2022/23 which means an additional £2.3m of funding which we weren't expecting.

Rural Services Delivery Grant (£484k) - this will be rolled forward into 2020/21 as part of the 1 year Spending Round, adjusted for inflation.

Appendix 2 shows the projected movement in the various funding streams over the coming years. It should be noted that the Settlement figures for 2020/21 are still subject to final agreement in December/January so there is still an element of risk around these but it is the best information currently available.

The overall impact of all of these changes is significant for the next financial year and will see approximately £2.5m of additional resources being made available to help support the budget, based on the assumptions, caveats and projections outlined above.

Reserves

The Council holds a number of 'useable' reserves both for revenue and capital purposes which fall within one of the following categories:

- General Reserve
- Earmarked Reserves
- Capital Receipts Reserve

The *General Reserve* is held for two main purposes:

- to provide a working balance to help cushion the impact of uneven cashflows and avoid temporary borrowing and;
- a contingency to help cushion the impact of unexpected events or emergencies.

As part of setting the budget each year the adequacy of all reserves is assessed along with the optimum level of general reserve that an authority should hold. The optimum level of the general reserve takes into account a risk assessment of the budget and the context within which it has been prepared.

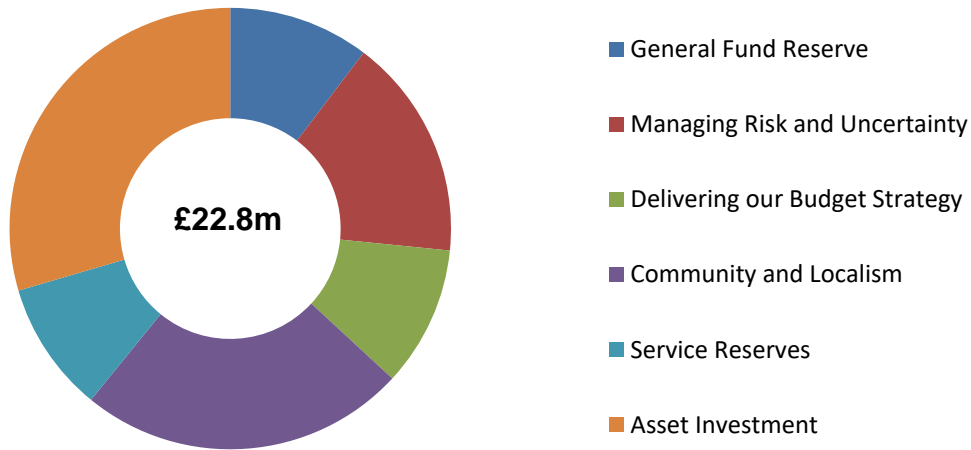
Earmarked Reserves provide a means of building up funds to meet known or predicted liabilities and are typically used to set aside sums for major schemes, such as capital developments or asset purchases, or to fund restructurings. A number of contingency reserves are also held by the Council to reduce the impact on Council Tax payers of future uncertain events such as business rate appeals or clawback of benefit subsidy.

All reserves, general and earmarked, will be reviewed over the coming months as part of setting the budget for 2020/21, with a view that where commitments have not been identified and funds or reserve balances are no longer required these are re-allocated to specific reserves to address other requirements as applicable.

Use of reserves to balance a budget provides only a short term solution as the funds can only be used once. They can however be used to smooth the impact of funding gaps over the short to medium term and to allow for planning and implementing projects and work streams that will deliver a longer term financial benefit through reduced costs and/or additional income.

The reserves balance as at 1 April 2019 stood at £22.8m, the budgeted use of reserves for the 2019/20 financial year is £9.5m which leaves a forecast balance as at 1 April 2020 of £13.3m. This strategy predicts a fall in the levels of Reserves held from £22.8m to £11.1m by April 2024.

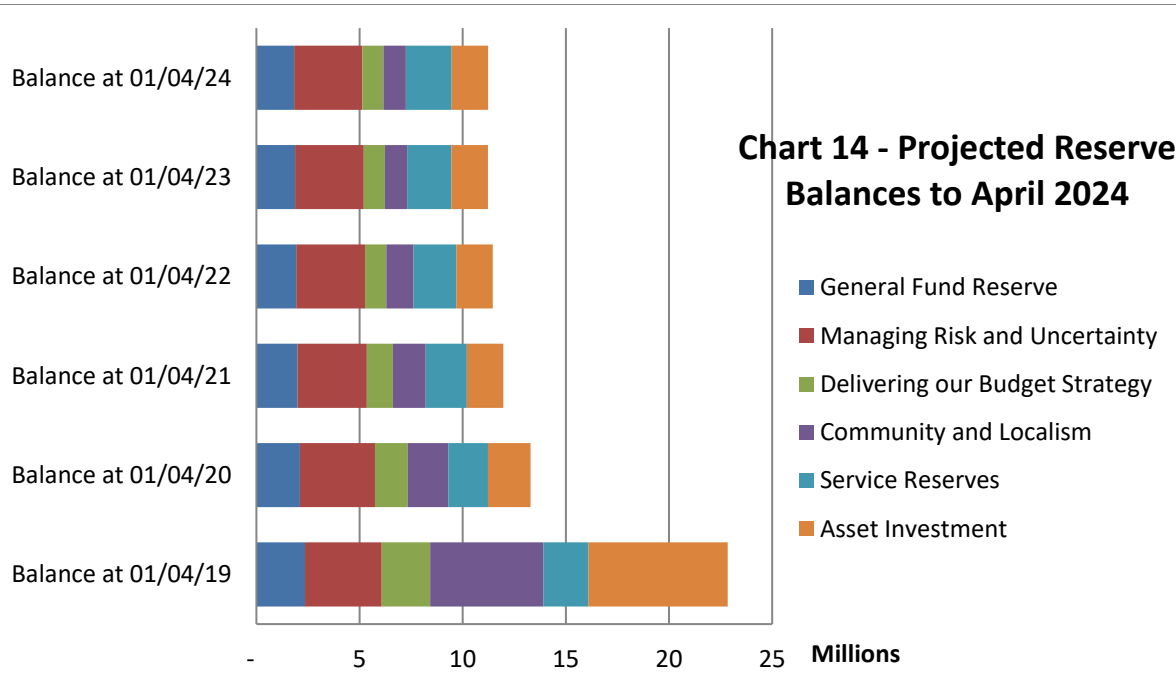
Chart 13 - Reserves Balances as at 01/04/19



Reserves can be used to fund one-off costs for projects that will deliver a longer-term benefit. For example the use of the Restructuring and Invest to Save reserve to fund one-off restructuring costs, where a restructuring will deliver a longer term saving for a service and for some of the implementation and project costs for the Business Transformation programme that will deliver future savings. The use of reserves in this way will be considered as part of the full business case for individual project proposals, taking into account the payback period of the project along with indirect financial implications, for example, reduced balances available for investment and the associated loss of investment income.

The Capital Receipts Reserve consists of capital receipts from the disposal of assets and land and is used to fund the capital programme. Capital receipts can't ordinarily be used to fund revenue expenditure.

Chart 14 - Projected Reserve Balances to April 2024



Capital

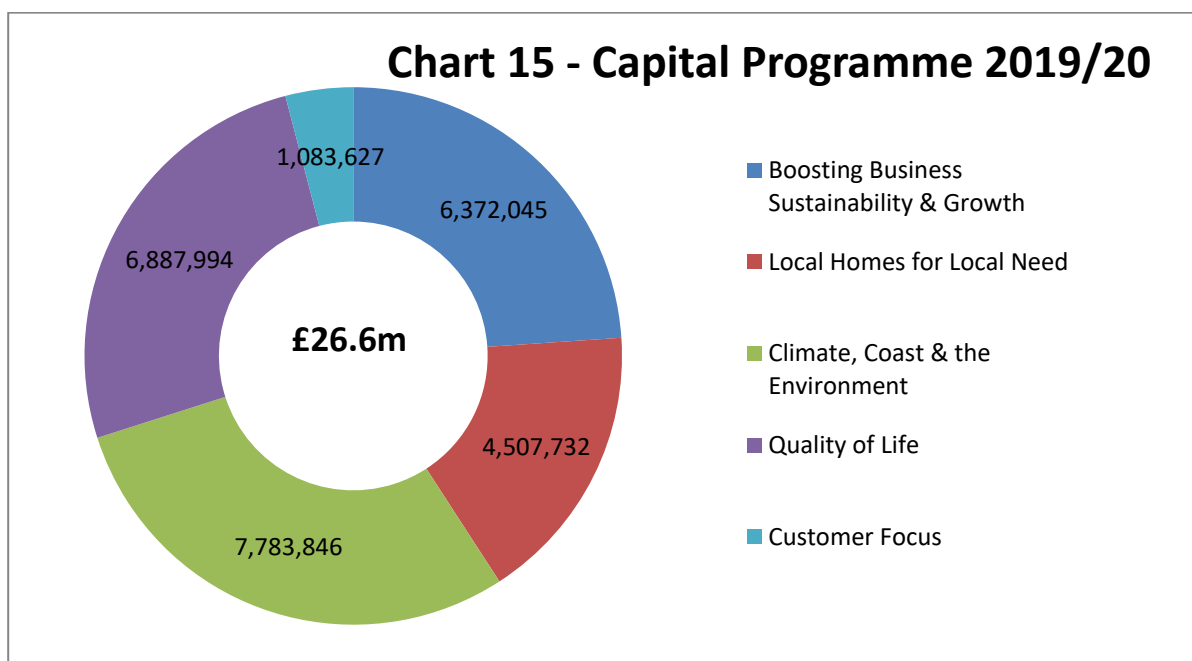
The capital programme shows what the Council intends to spend on purchasing new assets and improving its existing ones over the next three years.

As capital expenditure is incurred, a source of finance must be identified. This can be done through capital receipts, grants and other revenue resources or alternatively through borrowing.

Any expenditure that is financed through borrowing increases the Council's 'Capital Financing Requirement' (CFR). Each year a revenue charge called the Minimum Revenue Provision (MRP) is made to reflect the funding of the CFR by the taxpayer, it is required to be set aside to cover the repayment of debt caused by the need to borrow for capital purposes. As the need to borrow increases, the CFR and MRP also increase. If the Council has sufficient cash resources to meet the expenditure, it will not be necessary to borrow externally and cash balances can be used to cover the expenditure. This is referred to as 'internal borrowing' and attracts an MRP charge in the same way that external borrowing does.

New projects, which are included in the programme in the future, will need to be financed by MRP if no capital resources such as capital grants or capital receipts from future asset sales are available. Alternatively existing revenue reserves could be used to finance these projects through a revenue contribution to capital (RCCO) which would avoid the need to make an MRP charge.

Future external borrowing is assumed to finance a portion of the Sheringham Leisure Centre replacement project and could also be used to finance future capital projects. Short-term borrowing rates are currently very low, meaning it may be preferable to undertaking long-term borrowing at the current time.

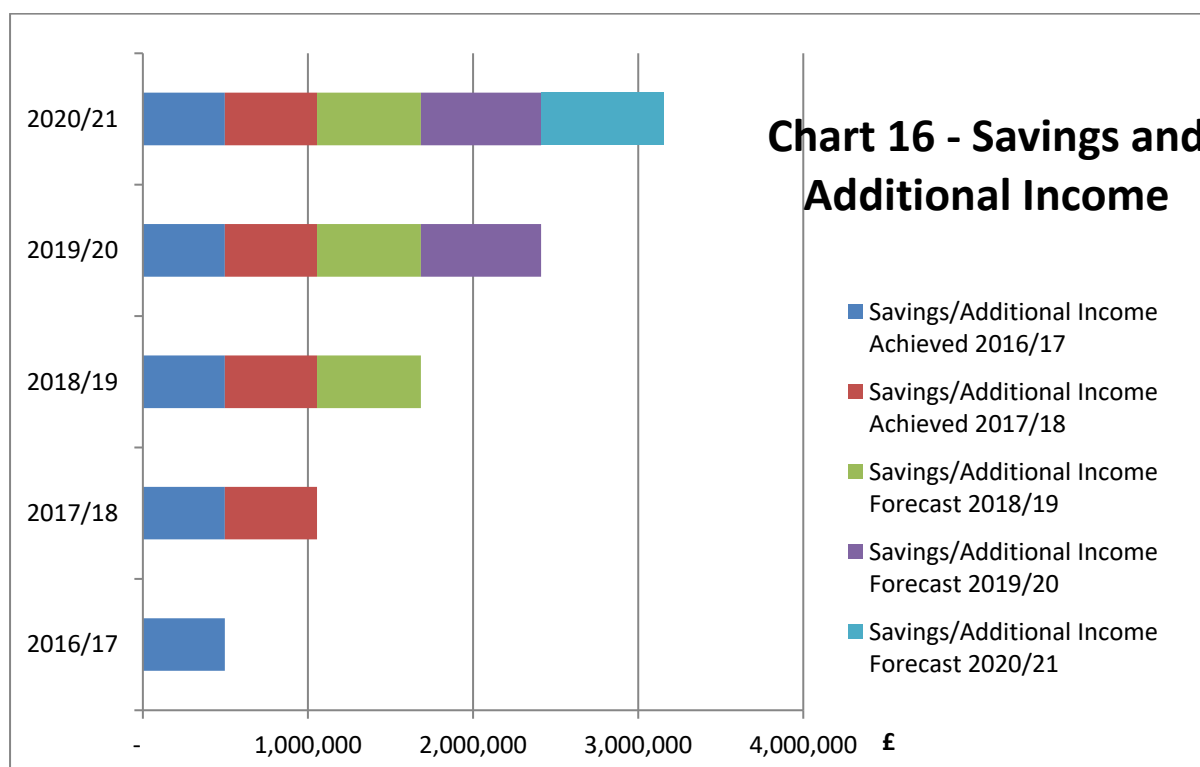


The capital programme has been realigned at a very high level to match with the new Corporate Plan priorities but this will be fundamentally reviewed as part of setting the 2020/21 budget.

10. Closing the Budget gap

The Council's strategy for reducing the budget gap covers several work streams as outlined below.

The Council has had a number of work streams in place since 2016/17 which have been designed and implemented to create sustainable cashable savings and to help achieve a balanced budget. Chart 16 below shows the savings achieved since 2016/17 and the savings projections for 2019/20 onwards. Each of the work stream areas are discussed in more detail below.



Financial sustainability

Financial sustainability is one of the six key themes within the Corporate Plan and is fundamental to this strategy and setting balanced budgets in future years. The Delivery Plan that will underpin the various projects and initiatives and support the delivery of the outcomes within the Corporate Plan, is still, under development, and is currently scheduled to be agreed by Full Council in January 2020. Some of the initiatives will include reviews of the way we currently budget and giving consideration to zero based budgeting whilst also undertaking a fundamental review of our fees and charges structure. The aspiration is to have a balanced medium term budget which does not rely on reserves to balance the position.

Our investment approach

There is therefore an ever increasing need for Councils to take a more commercial and business-like approach to all elements of their business. A Commercialisation Strategy is currently under development, the successful delivery and implementation of this strategy will ultimately require a step change in the way that the Council thinks, acts and works in the future.

A more commercial approach will directly support the Council's objective of becoming financially sustainable for the future and will form part of the Delivery Plan for this key theme. Part of the strategy development process will involve the identification and prioritisation of a number of internal and external projects which will consider income generation, efficiency and doing things differently. The focus will be on making every pound count for our residents, improving efficiency, investment and increasing social value.

The Local Government Association (LGA) are encouraging Councils to move towards a more commercial culture as a way of developing sustainable self-funding streams that reflect Council's individual priorities and place shaping aspirations. Consequently, the Council needs to think about how it can maximise revenue and efficiencies moving forwards – a Commercialisation Strategy is a key part of this in order to deliver managed change that is right for North Norfolk. Any strategy needs to be considered in the context of our key corporate objectives, flowing from the new Corporate Plan and giving consideration to Member aspirations, our geographical location and demographics.

Property Investment

Opportunities for investment in property, whether direct or indirect, continue to be considered to achieve either a direct income stream from the asset or improved returns on investment. A programme of asset valuations and condition surveys are currently underway. This will help us better understand the challenges faced in terms of maintaining and improving our asset base over the medium to long term to ensure that it remains fit for purpose, delivering income for the Council where appropriate.

Opportunities for the most efficient utilisation of the Council's assets and maximising returns where appropriate are vital. Indirect property investments via treasury instruments, such as the purchase of pooled property funds, can potentially provide a return in terms of a regular income and growth in the value of the investment. Under the Treasury Management Strategy, the Council has made investments in a number of pooled funds which invest in property. One of these funds, the LAMIT Pooled Property Fund, invests exclusively in various property assets with the aim of achieving a regular income and growth in the value of the investment.

In addition to these investments, the Council has agreed to provide capital expenditure loans to registered providers of social housing to facilitate the delivery of housing in the district, along with achieving an income return on its investment. The Council can choose to use its capital resources to finance a programme of asset investment which aims to deliver long-term revenue streams for the Council and work on an ongoing basis is required to identify the most appropriate projects. This strategy of direct property investment can ensure a secondary benefit to the district as it is possible to generate an economic growth benefit when the investment is located in North Norfolk. This is, however, more resource intensive to manage than externalising these investments.

Digital Transformation

Building upon the Business Transformation project that commenced in 2014 savings continue to be identified from changes to service delivery from the implementation of new technology and changes to business processes. The overall programme will be delivered over a number of years and as projects have been rolled out there have been changes to working practices which have helped to deliver efficiencies. Phase 1 of the Digital Transformation programme is currently being closed down, having achieved annual savings of £427,000 by the end of 2018/19. Phase 2 of the project is in the planning and early delivery stages, and is being funded by a £940,000 contribution from the Invest to Save reserve.

It is recommended that further consideration is given to this work stream area in the future in terms of both the title and the focus which has historically been savings driven with customer benefits attached in terms of increasing digitisation. However, the key to this work in the future should really be refocussed on ‘putting our customers at the heart of everything we do’. This will undoubtedly still lead to further efficiencies and potential cashable savings but the direction of travel should be to improve our services for our customers first and foremost because that’s the right thing to do. It will also mean that staff can spend longer prioritising ‘added value activities’ rather than getting bogged down with inefficient paper based processes.

The previous high level saving assumptions can be seen within the table below. However, at the present time these have been removed until we have a clear delivery plan of projections with savings identified for each project where appropriate.

Table 6 – Previous Digital Transformation savings assumptions

	2019/20	2020/21	2021/22	2022/23
Savings to be removed (£)	83,750	167,500	335,000	335,000

Shared Services, collaboration and selling services

Creating efficiencies through shared services continues to be a priority for central government. Identifying such opportunities must therefore continue at a local level, ensuring that realistic and deliverable benefits can be achieved. This could include joint procurement opportunities such as the new waste contract, shared service delivery where appropriate and selling services via arrangements such as East Law.

Identifying opportunities to work alongside other public sector partners and organisations to deliver services, such as our successful partnerships with NCC Children’s Services, the Early Help Hub and the DWP in terms of shared office space and the One Public Estate agenda.

Growing Business Rates and NHB

Under the previous allocation method of New Homes Bonus (NHB) there was a direct financial benefit to the Council from growth in homes through the NHB funding and through increasing the council tax base and additional income generated from council tax. Whilst new housing growth has have an impact on the demand for local services, there will still be a net gain in terms of overall income for delivery while the NHB remains and subject to potential changes to the baseline. It does however seem increasingly likely that we will only receive legacy payments for the next 3 years before this scheme is ultimately replaced by something else.

For similar reasons growing the business rates base will have a direct impact on the level of business rates income retained locally. Equally, maintaining existing business rates remains a priority in that decline in business rates will reduce the amount of income retained.

Council Tax

The increased flexibilities around council tax discounts and increases following the removal of the tax freeze grant in 2016/17 provides a further potential income stream. Further review of the current level of discounts can also provide additional income, recommendations on the level of council tax discounts will be reported for approval as part of the budget reports for 2019/20.

New opportunities

Given the current uncertainties around issues such as Brexit and changes to the Local Government funding mechanisms it will be essential to identify new opportunities to either increase income, increase efficiency through the redesign of services, explore new partnership models for service delivery etc and this will be one of the main challenges over the medium term. The Council's commercialisation approach and the projects stemming from this will be key to this.

While the Council's reserves do provide some level of comfort over the short term and could be used to address budget deficits this is not a sustainable financial strategy for the medium to long term.

Lobbying and consultation

The Council will continue to lobby central government in terms of increased funding allocations and relaxation/increased flexibility in terms of the council tax referendum principles which will be one of the things required if income raising and decision making is ever to be truly local. We will also continue to respond to all relevant consultations, in particular at the present time on relation to the business rates and Fair Funding reviews.

11. Risk Assessment

The Council takes a measured risk based approach to the budget setting process

A comprehensive financial risk assessment is undertaken for the revenue and capital budget setting process to ensure that all risks and uncertainties affecting the Council's financial position are identified. These are reviewed each year as part of the refresh of the MTFS. The key strategic financial risks to be considered in developing the MTFS are included within the table below.

Medium term financial planning, set against a backdrop of severe reductions in Government funding, carries with it a significant element of risk. Many factors may impact on the figures presented here and themes have been highlighted where appropriate. Most significant are the potential revisions in Local Government finance policy, continual cuts to general grant and significant revisions to the New Homes Bonus and its ultimate replacement (if anything does eventually come forward). Should there be a change in emphasis, particularly around the assessment of need (Fair Funding Review) and Business Rates funding, there may be further reductions above those presented in the plan that would place further pressure on the council to deliver balanced budgets, without impacting on frontline services.

The effects that Brexit will have on the strategy cannot be underestimated. Whilst there is still much uncertainty, not least around the terms of the UK's exit from the EU, we have already seen a worsening of long term interest rate projections and challenges in terms of contract procurement. A recession would present further risk, in particular significant areas of income such as lettings income, planning fees and car park income that are linked directly to economic demand.

Beyond this, further policy announcements from the Government may have effects on our finances in the coming years as undoubtedly will the election of a new Government in December 2019.

Despite these risks, we will continue to plan effectively to strengthen our culture of strong financial management so that the Council can continue to meet its Corporate Plan priorities and provide the best possible services to the district.

Risk	Likelihood	Impact	Risk Management
1. Future available resources less than assumed.	Possible	High	Annual review of reserves and reserves policy to identify future resources. Assumptions on funding for 2020/21 and beyond are based on best estimates at this time. A prudent approach has been adopted based on previous years' experience as well as using regional network contacts to inform modelling.
2. Volatility of Business Rates funding given uncertainty around impact of appeals	Likely	High	Volatility of funding stream outside of council control but impact mitigated by establishment of specific earmarked reserve and financial monitoring framework. Modelling of potential impacts is used to inform internal financial planning. Maintaining watching brief in relation to NHS case.

3. Pay Awards, fee increases and price inflation higher than assumed	Possible	Medium	Impact of potential increases mitigated by central contingency budget for pay, price increases and care fees. Where pay awards have been agreed these will be factored into the future estimates.
4. Future spending plans underestimated	Possible	Medium	Service planning process identifies future budget pressures and these will inform the indicative budget forecasts. An effective budget monitoring framework is in place to identify in year and potential future cost pressures.
5. Anticipated savings/ efficiencies not achieved	Possible	High	Regular monitoring and reporting takes place but the size of the funding cuts increase the likelihood of this risk. Non-achievement of savings would require compensating reductions in planned spending within services. Greater scrutiny of savings has taken place since 2016/17 through the revenue monitoring process.
6. Revenue implications of capital programmes not fully anticipated	Unlikely	Low	Capital bid approval framework identifies revenue implications and links to Council priorities. Full analysis of revenue implications assessed and considered in scenario planning.
7. Income targets not achieved	Possible	Medium	Current economic climate likely to impact. Regular monitoring and reporting takes place. Full review of fees and charges scheduled for 2021/22 along with an annual review process.
8. Budget monitoring not effective	Unlikely	High	Regular monitoring and reporting in line with corporate framework. Action plans developed to address problem areas. Regular reports to Cabinet and to O&S. Track record of delivering budget.
9. Exit strategies for external funding leasing/tapering not met	Possible	Medium	Regular monitoring and reporting. Government policy to remove ring fencing provides greater flexibility.
10. Loss of principal deposit	Unlikely	Medium	Limited by the controls in the Treasury Management Strategy which balance security of deposit over returns. Impact limited due to the strategy of a diverse portfolio with top rated institutions.
11. Interest rates lower than expected	Unlikely	Low	Regular review, monitoring and reporting on interest rates. Prudent assumptions on likely interest rates for 2020/121 will be incorporated into the budget.
12. Collection rates for retained business rates and council tax lower than anticipated	Possible	High	Impact mitigated by the review of bad debt provisions and availability of reserves. Monitoring of Collection Fund is formally incorporated into the revenue monitoring process.

13. Financial budget impacts of UK's vote to leave the European Union (Brexit)	Likely	Medium /High	Continue to work collaboratively with treasury advisors and central government departments to assess potential budget impacts whilst the Government attempts to ensure an effective transition to a new economic relationship between the U.K. and the EU, including clarifying the procedures and broad objectives that will guide the process.
15. All MTFS risks not adequately identified	Unlikely	Low	Council's Risk Management Framework ensures all operational and strategic risks are identified as part of the annual service planning process.

12. Conclusions

How will this help shape our future budget and financial projections?

Previous budget forecasts made back in February 2019 were made at a time of significant uncertainty in terms of future Government finances due to the Fair Funding Review, Business Rates Review and the Spending Review. This uncertainty was further heightened by the ongoing Brexit negotiations which added an additional level of complexity in terms of future forecasts and potential impacts on the economy, inflation, suppliers, contracts etc.

The updated high level funding forecasts within the strategy build on previous figures from the 2019/20 Budget setting exercise in February which were made within this context, at which time we were forecasting future year deficits in the region of £2m.

The updated forecasts now differ significantly from this, in the main this is due to postponement of the various reviews outlined above, all of which have been impacted by the ongoing Brexit negotiations which have led to a one-year Settlement which has meant the continuation of the previous funding regime for a further year.

As outlined above the key changes within the Settlement, mainly around retained business rates, New Homes bonus and the Rural Service Delivery grant, will see approximately £2.5m of additional resources being made available to help support next year's budget, based on the assumptions, caveats and projections outlined above. It should be noted that the Settlement figures for 2020/21 are still subject to final agreement in December/January so there is still an element of risk around these but it is the best information currently available.

The Council is still currently projecting a deficit position from 2021/22 onwards but due to the funding changes announced as part of the Settlement in September the budget gap has reduced to around £1m. Forecasting the deficit allows the Council time to plan mitigating actions more effectively, meaning we are more likely to be successful.

In conclusion, while the additional income has had an extremely beneficial impact on the future year's projections it is still not clear how the various reviews will impact on local government funding and what impact the election in December might have. While the Settlement figures announced in September were positive they are still provisional until agreed in December/January so there remains an element of risk that these may still change although it is unlikely to change for next year. We do however have the benefit of reserves should these be required to support and short term funding requirements.

Appendix 1 – Projected Reserve Movements

Reserve	Purpose and Use of reserve	Balance 01/04/19	Updated Budgeted Movement 2019/20	Balance 01/04/20	Budgeted Movement 2020/21	Balance 01/04/21	Budgeted Movement 2021/22	Balance 01/04/22	Budgeted Movement 2022/23	Balance 01/04/23	Budgeted Movement 2023/24	Balance 01/04/24
		£	£	£	£	£	£	£	£	£	£	£
General Fund - General Reserve	A working balance and contingency, current recommended balance is £1.85 million.	2,360,755	(47,619)	2,313,136	(114,940)	2,198,196	(64,980)	2,133,216	(50,000)	2,083,216	(50,000)	2,033,216
Earmarked Reserves:												
Capital Projects	To provide funding for capital developments and purchase of major assets. This includes the VAT Shelter Receipt.	2,480,010	(1,869,655)	610,355	(373,000)	237,355	0	237,355	0	237,355	0	237,355
Asset Management	To support improvements to our existing assets as identified through the Asset Management Plan.	1,087,006	(416,400)	670,606	0	670,606	0	670,606	0	670,606	0	670,606
Benefits	To mitigate any claw back by the Department of Works and Pensions following final Audited subsidy determination. Also included are service specific grants for service improvements.	840,308	(12,838)	827,470	(253,801)	573,669	0	573,669	0	573,669	0	573,669

Reserve	Purpose and Use of reserve	Balance 01/04/19	Updated Budgeted Movement 2019/20	Balance 01/04/20	Budgeted Movement 2020/21	Balance 01/04/21	Budgeted Movement 2021/22	Balance 01/04/22	Budgeted Movement 2022/23	Balance 01/04/23	Budgeted Movement 2023/24	Balance 01/04/24
		£	£	£	£	£	£	£	£	£	£	£
Broadband	Earmarks £1million for superfast broad band in North Norfolk.	1,000,000	(1,000,000)	0	0	0	0	0	0	0	0	0
Building Control	Building Control surplus ring-fenced to cover any future deficits in the service.	191,428	0	191,428	0	191,428	0	191,428	0	191,428	0	191,428
Business Rates	To be used for the support of local businesses and to mitigate impact of final claims and appeals in relation to business rates retention scheme.	2,438,428	(63,241)	2,375,187	(24,747)	2,350,440	(18,000)	2,332,440	(18,000)	2,314,440	(18,000)	2,296,440
Coast Protection	To support the ongoing coast protection maintenance programme.	180,595	(42,302)	138,293	(42,302)	95,991	0	95,991	0	95,991	0	95,991
Communities	To support projects that communities identify where they will make a difference to the economic and social wellbeing of the area.	1,151,796	(285,563)	866,233	(242,000)	624,233	(242,000)	382,233	(242,000)	140,233	0	140,233

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Reserve	Purpose and Use of reserve	Balance 01/04/19	Updated Budgeted Movement 2019/20	Balance 01/04/20	Budgeted Movement 2020/21	Balance 01/04/21	Budgeted Movement 2021/22	Balance 01/04/22	Budgeted Movement 2022/23	Balance 01/04/23	Budgeted Movement 2023/24	Balance 01/04/24
		£	£	£	£	£	£	£	£	£	£	£
Economic Development and Tourism	Earmarked from previous underspends within Economic Development and Tourism Budget.	170,621	(10,000)	160,621	0	160,621	0	160,621	0	160,621	0	160,621
Election Reserve	Established to meet costs associated with district council elections, to smooth the impact between financial years.	123,000	(120,000)	3,000	40,000	43,000	40,000	83,000	40,000	123,000	40,000	163,000
Enforcement Works	To meet costs associated with district council enforcement works including buildings at risk	137,354	0	137,354	0	137,354	0	137,354	0	137,354	0	137,354
Environmental Health	Earmarking of previous underspends and additional income to meet Environmental Health initiatives.	323,332	(40,000)	283,332	0	283,332	0	283,332	0	283,332	0	283,332
Grants	Revenue Grants received and due to timing issues not used in the year.	536,670	(14,655)	522,015	(14,655)	507,360	(14,655)	492,705	(14,655)	478,050	(14,655)	463,395

Reserve	Purpose and Use of reserve	Balance 01/04/19	Updated Budgeted Movement 2019/20	Balance 01/04/20	Budgeted Movement 2020/21	Balance 01/04/21	Budgeted Movement 2021/22	Balance 01/04/22	Budgeted Movement 2022/23	Balance 01/04/23	Budgeted Movement 2023/24	Balance 01/04/24
		£	£	£	£	£	£	£	£	£	£	£
Housing	The balance of the Housing Community Grant funding received in 2016/17 & Homelessness prevention grants.	2,534,316	(1,855,663)	678,653	(111,073)	567,580	(21,126)	546,454	0	546,454	0	546,454
Land Charges	To mitigate the impact of potential income reductions.	289,280	0	289,280	0	289,280	0	289,280	0	289,280	0	289,280
Legal	One off funding for Compulsory Purchase Order (CPO) work and East Law Surplus.	128,691	0	128,691	0	128,691	0	128,691	0	128,691	0	128,691
LSV Reserve	To meet the cost of successful warranty claims not covered by bonds and insurance following the housing stock transfer.	435,000	0	435,000	0	435,000	0	435,000	0	435,000	0	435,000
New Homes Bonus (NHB)	Established for supporting communities with future growth and development and Plan review*	512,183	(337,034)	175,149	0	175,149	0	175,149	0	175,149	0	175,149

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Reserve	Purpose and Use of reserve	Balance 01/04/19	Updated Budgeted Movement 2019/20	Balance 01/04/20	Budgeted Movement 2020/21	Balance 01/04/21	Budgeted Movement 2021/22	Balance 01/04/22	Budgeted Movement 2022/23	Balance 01/04/23	Budgeted Movement 2023/24	Balance 01/04/24
		£	£	£	£	£	£	£	£	£	£	£
Organisational Development	To support apprenticeships and internships and capacity throughout the organisation.	314,475	(78,246)	236,229	(11,078)	225,151	0	225,151	0	225,151	0	225,151
Pathfinder	To help Coastal Communities adapt to coastal changes.	143,168	(40,076)	103,092	(20,038)	83,054	0	83,054	0	83,054	0	83,054
Planning	Planning income earmarked for Planning initiatives including Future Plan Review.	109,684	0	109,684	50,000	159,684	50,000	209,684	50,000	259,684	50,000	309,684
Property Investment Fund	To Fund the acquisition and development of new land and property assets	3,000,000	(2,000,000)	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000
Restructuring & Invest to Save Proposals	Restructuring costs and to fund invest to save initiatives.	2,352,537	(965,800)	1,386,737	(325,000)	1,061,737	(240,000)	821,737	0	821,737	0	821,737
Sports Hall Equipment & Sports Facilities	To support Sports Hall equipment renewals.	5,682	0	5,682	0	5,682	0	5,682	0	5,682	0	5,682
Total Reserves		22,846,317	(9,199,092)	13,647,225	(1,442,634)	12,204,591	(510,761)	11,693,830	(234,655)	11,459,175	7,345	11,466,520

Appendix 2 – Capital Programme 2019/20 and beyond

Corporate Priority	Scheme Total Current Estimate	Pre 31/3/19 Actual Expenditure	Current Budget 2019/20	Actual Expenditure 2019/20	Updated Budget 2020/21	Updated Budget 2021/22	Updated Budget 2022/23
	£	£	£		£	£	£
Boosting Business Sustainability & Growth	7,835,057	463,012	6,372,045	1,452,465	1,000,000	-	-
Local Homes for Local Need	4,161,649	972,047	4,507,732	566,292	1,020,000	1,000,000	1,000,000
Climate, Coast & the Environment	18,128,761	10,316,172	7,783,846	1,142,516	28,743	-	-
Quality of Life	14,723,120	1,073,626	6,887,994	812,142	4,731,500	2,030,000	-
Customer Focus	3,097,970	1,609,343	1,083,627	813,034	135,000	135,000	135,000
Total Expenditure	47,946,557	14,434,200	26,635,244	4,786,449	6,915,243	3,165,000	1,135,000
Grants and Contributions			10,040,874		1,028,743	1,000,000	1,000,000
Reserves			7,835,416		1,373,000	-	-
Capital Receipts Internal / External			7,901,972		180,000	135,000	135,000
Borrowing			856,982		4,333,500	2,030,000	-
Total Funding			26,635,244		6,915,243	3,165,000	1,135,000

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WASTE & RELATED SERVICES CONTRACT AWARD

Summary: Having followed an EU procurement process, two compliant bids have been assessed against the award evaluation criteria. This report recommends the award of the contract and makes recommendation in respect of the costed option of food waste and other provisional items.

Options considered: Options considered include whether it was viable to introduce a food waste collection service from first commencement date.

Conclusions: There is a statutory duty to provide waste collections and to separately collect recycling. The award of this contract for waste and recycling collection will ensure the statutory duty is met.

The procurement has been undertaken jointly with Breckland Council and King's Lynn and West Norfolk Borough Council as a single contact covering the three Councils

A full OJEU procurement process has been followed for this procurement and all legal obligations have been met. External legal support was provided by Bevan Brittan for the procurement and preparation of the contract.

A costed option has been obtained for the introduction and delivery of food waste collections.

The award of contract must be to the most economically advantageous tender.

- Recommendations:**
- 1. That the most economically advantageous tender for the contract for the provision of waste and related services submitted by Bidder B is accepted, subject to formal contract and satisfactory conclusion of the statutory standstill time.**
 - 2. Cabinet do not approve the implementation of a food waste collection at service implementation.**
 - 3. That Cabinet delegate authority to the Head of Environmental Health, to implement provisional items in relation to clinical waste collections and garden waste disposal.**

**Reasons for
Recommendations:**

To ensure the continued delivery of waste and recycling collections, other collections services, street cleansing and grounds maintenance services across the district. Bidder B offers the most economically advantageous tender.

The additional cost implications of introducing a food waste collection service make it unviable at first Commencement date.

Provisional items within the contract allow for the smooth running of the contract and options to secure the most cost effective delivery method. To provide sufficient flexibility for the effective management of the contract implementation in respect of provisional items, relating to clinical waste collection and garden waste disposal, should be delegated to the Head of Environmental Health

LIST OF BACKGROUND PAPERS AS REQUIRED BY LAW

(Papers relied on to write the report, which do not contain exempt information and which are not published elsewhere)

Cabinet Member(s) Cllr Nigel Lloyd, Environment

Contact Officer, telephone number and email:

Steve Hems, Head of Environmental Health, 01263 516182, steve.hems@north-norfolk.gov.uk

1. Introduction

- 1.1 The Council currently has a contract with Kier Environmental Services for the provision of waste and recycling collection services, street cleansing and grounds maintenance service, due to end 31st March 2020.
- 1.2 On 5th June 2017, Cabinet approved proposals to procure the waste and related services contract jointly with North Norfolk District Council and West Norfolk and Kings Lynn Borough Council, with the aim of achieving better value for money and improved competition.
- 1.3 An Inter Authority Agreement (IAA) was signed by the three Councils in January 2019, committing the Councils to the procurement process.
- 1.4 The waste and related services contract consists of one contract for all three Authorities, aligning the specification and requirements, but retaining and ensuring all local authority needs are met.
- 1.5 The specification for the contract is output based, and includes specific quality standards that the Contractor will be required to achieve.
- 1.6 Officers worked closely to ensure that the specification requirements did not diminish the standard below a level that would be acceptable to any one Council.

2. Procurement Process

- 2.1 Competitive Procedure with Negotiation (CPN) was used as the requirements of the contract were clearly defined from the outset, and it allowed the Authorities to award the contract to a supplier once all proposals had been evaluated, but offered the flexibility to enter into negotiations if necessary.
- 2.2 The first stage of the CPN invited Tenderers to submit an initial tender. In theory it was possible at this stage for the Councils to make an award decision, but they were not able to do this as from the two bids received, neither bid was compliant, failing to fully meet the requirements, so the procurement progressed to CPN stage two, where both bidders were invited to participate in three rounds of negotiation with the Authorities.
- 2.3 The negotiation meetings enabled the strengthening of areas where improvements in proposals were identified, and allows for financial aspects of the bid to be more competitive. The process gives the Authorities the opportunity to optimise its requirements in light of the discussions with bidders.
- 2.4 Bidders submitted their final tenders based on the initial tenders they submitted and reflecting the negotiated position reached with the Authorities at the end of the negotiation stage.
- 2.5 Final tender responses comprised of:
- Part 1 – all tender responses except vehicle pricing
 - Part 2 – vehicle pricing only
- 2.6 This two stages submission was required as bidders made Authorities aware that vehicle suppliers are only able to commit to/offer vehicle pricing for a period of 30 days. Creating a two staged submission process provided bidders with sufficient time to obtain and submit final tenders on the basis of vehicle pricing to which they will be held for the purpose of tender evaluation.
- 2.7 Final bids submitted were assessed according to published criteria, with scores being weighted to reflect a 50 to 50 cost to quality ratio.

50%	Cost	Total Contract Cost
		Contractor Risk Position
50%	Quality	Mobilisation
		Contract Management
		Health & Safety
		Customer Care
		Depot Management
		Plant & Resourcing
		Maintenance Plan
		Household Recyclables Collection Service
		Household Residual Waste Collection Service
		Other Household Collection Services
		Commercial Waste Collection Service
		Street Cleansing Services
Grounds Maintenance Services		

- 2.8 Vehicles will be financed and owned by the Authorities respectively, utilising the bidding power of the contractor to secure best value.
- 2.9 All bids assessed are to provide services that retain core elements of the current service provision.
- 2.10 Waste collection services; alternate weekly collection of residual and mixed dry recyclables, using similar containers and methodology, other non-domestic waste and recycling collection, household bulky waste collections and other ancillary services.
- 2.11 Cleansing services; mechanical and manual cleansing, market towns, beach cleansing, designated roads, removal of fly-tipped materials, seasonal leaf management, litter and dog bin management, car park cleansing, dead animal removal, special event cleansing and other ancillary services.
- 2.12 Grounds maintenance services; grass cutting and maintenance, horticultural features, weed treatment and vegetation control, arboriculture management, and other ancillary services.
- 2.13 Bidders' proposals to work with organisations from the third sector in service delivery were assessed as part of the quality assessment. Both bidders made proposals that would see suitable materials from the bulky household waste stream diverted to a third sector organisation.
- 2.14 Both bids offered modern ICT solutions that would allow collection of comprehensive service performance data, with communication in near real time between front line service provision in the field and customer interface, and interaction between Council systems and the contractor's management system. This would mean Officers would be able to see progress on collection rounds; vehicle crews could report a problem with a planned collection electronically as it happened, and upload photographs if required; supervisors could update crews with new instructions as issues arose.
- 2.15 This would allow the Council to deal far more quickly and easily with customer enquiries, and further development by the Council of a range of electronic self-service options such as booking bulky waste collections, reporting missed bins, and getting localised information about service issues, such as delays caused by icy weather.
- 2.16 Better access to management data allows contractors to regularly review operations to ensure that optimum use is made of vehicles and human resources, which helps to minimise carbon impact and costs, resulting in more competitive tenders.
- 2.17 Pursuant to the Transfer of Undertakings (Protection of Employment) Regulations 2006 (as amended) ('TUPE'), and subject to approval in accordance with the recommendations within this report, the staff will transfer from Kier Environmental Services Ltd to the selected bidder, when they commence provision of the waste and related services contract. No staff will transfer from or into the Authorities, and therefore the obligations imposed by these Regulations will fall upon Kier Environmental Services Ltd, as the 'Transferor Employers' and the selected bidder as the 'Transferee Employer'

3. Costed Options/Provisional Items

- 3.1 Most of the items within the specification of the works are included as core items of the contract, in that they have to be delivered by the contractor. Some items in the specification have been included as provisional items. Provisional items are those which the authorities can chose to implement at the start of the contract or during the lifetime of the contract.
- 3.2 By including these items in this way, it allowed bidders to provide a price for this element of the service, which the authorities can use to determine whether they wish to implement the service or not.
- 3.3 The inclusion of costed options as provisional items within the contract protects the authorities from the potential of having to go through a re-procurement exercise which is required by the Procurement Regulations in the event that the contract requirements change significantly.
- 3.4 Except for those provisional items within the contract that allow a mechanism for the expansion/contraction of the services, the three main costed options are as follows:
- 3.5 Household Food Waste Collection
- 3.6 There is currently no statutory requirement to collect food waste from households. Some authorities make a separate collection for food waste as this diverts a relative heavy element of the residual waste stream from landfill. There is an additional cost associated with food waste collections as these are typically undertaken weekly and require additional capacity either on the collections vehicles providing other collections or through additional fleet provision.
- 3.7 Composition analysis indicated that around one third of the weight of a residual waste bin is made up of food waste. Removing this element of the residual waste stream would reduce the amount of waste sent for disposal and reduce associated greenhouse gas emissions
- 3.8 Balanced against this would be the need to undertake a separate weekly collection with associated vehicle movements. There are limited disposal points and so transport of material to treatment facilities is likely to require significant journeys.
- 3.9 The details of cost of providing a food waste collection service are provided in the exempt appendix to this report. This is a net cost as, removing food waste from this stream will reduce the resources needed to deliver the Household Residual Collection service.
- 3.10 If implemented there would be a one off cost for the provision and distribution of receptacles and a capital sum required for the provision of additional collection vehicles which would be required for the first year after implementation.
- 3.11 The Council receives recycling credits from Norfolk County Council, as Waste Disposal Authority for material which is diverted from landfill. Recycling credits would apply to food waste collections. These credits would reduce the overall cost of providing the service.

- 3.12 In October 2018 the Norfolk Waste Partnership considered a report which looked at future funding models for recycling credits produced by Eunomia, a consultancy firm specialising in Environmental issues such as waste and recycling. In this report, Eunomia modelled the introduction of food waste collections and proposed a number of alternative models for the payment of credits in respect of these collections. This included specific figures for North Norfolk. By extrapolating these figures against those provided by the bidders it is possible to estimate the net cost of delivering food waste collections. It should be noted that the figures used in the Eunomia report assume a certain level of participation by resident and experience in other Local Authorities is that participation usually tails off and requires ongoing campaigns to maintain.
- 3.13 Including household food waste as a costed option within the contract allows for an informed decision, based on actual cost, to be made on whether to include this service within the contract from day one.
- 3.14 The estimated net cost figures using the Eunomia modelling update with Bidder B pricing is included in the exempt Appendix B.
- 3.15 The Government produced the Resources and Waste Strategy, consulted on a number of measures designed to reduce the amount of waste being disposed of, including the introduction of a mandatory food waste collections for all England by 2023.
- 3.16 Whilst it is far from clear whether the Government will do so, in the event that the collection of Household Food Waste is mandated in 2023, it has been indicated that this will be accompanied by new burdens funding. It is not clear if this funding would be available to authorities who had introduced this service prior to the requirement being imposed.
- 3.17 If the service is not included from day one of the contract, and Household Food Waste collection is mandated by Government from 2023, the authorities will have a clear understanding of the service design and cost of delivering that service element.
- 3.18 The Council is supporting a number of initiatives, including community fridges and signing the Courtauld Commitment, to promote the reduction in food wastage to residents and businesses, which reflects the waste hierarchy approach.
- 3.19 The officer recommendation is that, based on the additional financial burden placed on the Council, food waste collections are not implemented.
- 3.20 Clinical Waste Collection
- 3.21 Household clinical waste refers to two types of clinical waste:
- Group A – All human tissue including blood soiled surgical dressings, swabs, and other soiled waste from treatment areas,
 - Group B – Used hypodermic needles.
- 3.22 Historically the NHS has made arrangements through dispensing surgeries for patients to return sharps boxes to them. The responsibility for the collection of household clinical waste lies with the local collection authority.

The NHS is withdrawing this pharmacy based facility, and it will be for the local authorities to arrange collection from households in the future.

3.23 Recognising this issue, the Norfolk Waste Partnership has been undertaking a procurement exercise in order to create a clinical waste collection framework which authorities can choose to enter or not.

3.24 At the time of this procurement, it was not certain what would be included within this clinical framework and whether to enter the framework, all services had to be taken, or if it was possible to select some services.

3.25 To preserve the authorities position to be able to secure best value for the services, the clinical waste elements of the contract were made a provisional item.

3.26 Treatment of Garden Waste

3.27 The green waste collected from the Councils garden waste subscription services is sent for composting at a composting facility.

3.28 There are a number of sites across Norfolk which provide composting treatment facilities, and bidders have been asked to include a provisional cost for the treatment of the collected green waste.

3.29 The authorities are paid recycling credits by Norfolk County Council, as Disposal Authority, on the waste collected through the garden waste services. As part of their budget savings exercises the county council have identified the recycling credits on garden waste as being an area which councils charge for and therefore may be appropriate to apply a different model than the existing credits system.

3.30 One option being considered by Norfolk County Council is a model where the Disposal Authority makes arrangements to process material collected by Collection Authorities. The Disposal Authority pays the gate fee to process the material, and the Collection Authorities are obliged to use the arrangements, with no requirement for recycling credits to be paid to the Collection Authorities.

3.31 The inclusion of the treatment of garden waste as a provisional item only allows the authorities flexibility should this model be the one chosen by the Disposal Authority.

4. Conclusion

4.1. There is a statutory duty to provide waste collections and to separately collect recycling. The award of this contract for waste and recycling collection will ensure the statutory duty is met.

4.2. The procurement has been undertaken jointly with Breckland Council and King's Lynn and West Norfolk Borough Council as a single contact covering the three Councils

4.3. A full OJEU procurement process has been followed for this procurement and all legal obligations have been met. External legal support was provided by Bevan Brittan for the procurement and preparation of the contract.

- 4.4. A costed option has been obtained for the introduction and delivery of food waste collections.
- 4.5. The award of contract must be to the most economically advantageous tender.

5. Implications and Risks

- 5.1. There is a risk of legal challenge to the award from either an unsuccessful bidder, or a bidder who chose not to participate in the process. A successful procurement challenge could have significant financial implications for the authorities. Officers have sought advice from external technical and legal advisors specialising in the field, to ensure the contract process has been compliant at all stages with the Public Contract Procurement Regulations 2015, and the principles of fair procurement set out in the EU Directive.
- 5.2. A specialist procurement company has been handling the issue of documents and the receipt of bidder's submissions. This reduces the risk of error and the risk of challenge to any part of the contract process.
- 5.3. In the event of a procurement challenge, officers are confident that this could be robustly defended.
- 5.4. There is a risk of some disruption at commencement of the service, but this will be mitigated with careful planning through the mobilisation stage, and close working with the new contractor.
- 5.5. Sufficient resources must be allocated during contract mobilisation, both to configure Authorities systems to maximise service benefits and ensure a smooth transition, and to effectively communicate with residents and businesses to maximise awareness of change.

6. Financial Implications and Risks

- 6.1. The specific financial information relating to this report, including financial implications are contained in the confidential Appendix B

7. Sustainability

- 7.1 Where possible in the design of the specification of works sustainability has been incorporated as a requirement of the contract.
- 7.2 In respect of the tender submissions, bidders have been encouraged to incorporate design solutions which reflect best practice in terms of environmental impact.

8. Equality and Diversity

- 8.1 There is not expected to be any impact on equalities and diversity from the award of this contract. The equalities policies and practices of the preferred contractor will be reviewed as part of the standard contract monitoring.
- 8.2 The provision of services such as assisted collections will continue to be provided as they are under the existing contract.

8.3 IT proposals promise enhanced choice, efficiency and effectiveness in customer interactions.

9. Section 17 Crime and Disorder considerations

9.1 There are no identified Crime and Disorder considerations arising from the procurement of this contract.

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
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