

Norfolk County Council

Date: **Monday 27 July 2015**

Time: **10.00 a.m**

Venue: **Council Chamber, County Hall, Norwich**

Supplementary Agenda

9(i) Reports from Service Committees (Questions to Chairs)

- Policy and Resources Committee –
1 June and 20 July 2015

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Report of the Policy and Resources Committee meetings held on 1 June and 20 July 2015

A Items from the meeting of 1 June 2015

1 Implications for NCC following the general election 2015

1.1 The Committee **RESOLVED** to note the likely direction of national policy development during the current parliament and the potential implications for the Council associated with such development that were highlighted in a report from the Managing Director.

1.2 The Committee further **RESOLVED** to ask Greg Clark MP, the new Secretary of State for Communities and Local Government directly and through the Norfolk MPs detailed questions about how the Government intended to implement its election pledge to extend the “right to buy” to tenants of housing associations.

2 Re-Imagining Norfolk - A Medium Term Strategy and Financial Plan

2.1 The Committee received a report that provided a strategic framework for the County Council to re-focus its role and pursue its priorities within a radically reduced level of resources.

2.2 That Committee **RESOLVED** to:

1. Agree to develop a multi-year strategy for Norfolk County Council, underpinned by robust medium term financial and performance plans.
2. Note Re-Imagining Norfolk, and agree to this as a framework for the Council’s multi-year strategy.
3. Request that Service Committees in July, model their services based on having 75% of their current overall spend.
4. Agree the approach to wider engagement and ask officers to take forward the work as outlined in the report.

3 Delivering Digital Norfolk Ambition (DNA)

3.1 The Committee was updated by way of a report (that included an appendix containing exempt information) on the latest developments concerning the DNA partnership with Hewlett Packard to deliver step changes in terms of ICT provision at NCC.

3.2 The Committee **RESOLVED** to:

1. Authorise the Group Leaders to establish a small working group to examine progress with the implementation of the DNA project.
2. Note that DNA was essential to resolving a number of critical issues for the Council – in particular better use of information and better targeting of resources.
3. Note the mitigating actions that were in place to address delays to progress of the technical delivery.

4 2014-15 Revenue Outturn Report

4.1 The Committee **RESOLVED:**

That the County Council's outturn revenue underspend for 2014/15 of £1.753m be allocated to Adult Social Services transformational reserve.

4.2 The Committee further **RESOLVED:**

1. To note the outturn Revenue underspend of £1.753m (2013-14 £0.477m) on a net budget of £308.397m (gross £1,411.879m);
2. To note the General Balances at 31st March 2015 of £19.0m were at the recommended minimum level.
3. To approve five debt write-offs over £10,000 totalling £64,585.37, as set out in the report.
4. To allocate the 2014/15 revenue underspend of £1.753m to Adult Social Services transformational reserve.

5 2014-15 Capital Outturn Report

5.1 The Committee **RESOLVED to:**

1. note the outturn expenditure and funding of the 2014-17 capital programme and as set out in the report.
2. note the progress of the 2014-15 programme, as set out in the report.
3. note the changes which had occurred during the year as set out in the report.
4. approve the carrying forward into 2015-16 of re-profiled/slippage amounts not previously approved, as set out in the report.
5. note the use of revenue and reserves to minimise the Council's borrowing requirement in 2014-15 as set out in the report.
6. note the capital receipts generated in year, including the impact on borrowing and on the capital receipts reserve, as set out in the report.

6 Delivering Financial Savings 2015/16

6.1 The Committee was provided with an overview of the progress in delivering the savings agreed by the County Council at its meeting on 16 February 2015.

- 6.2 The Committee **RESOLVED** to note:
1. the forecast total shortfall of £5.862m in 2015-16, for which alternative savings needed to be identified;
 2. the increase in the budgeted value of 2015-16 savings projects rated as RED to £10.552m, of which £4.800m was now forecast to be delivered;
 3. the forecast savings shortfall on AMBER rated projects of £0.110m; and the actions being undertaken by Chief Officers to deliver the agreed level of savings.

7 **Asset Management Plan – Strategy 2015/18**

- 7.1 The Committee was asked to approve an asset management plan for 2015/2018 that would make property a catalyst of change by adopting a “Single Estate” approach within NCC and promoting a sharp external focus by, for example, taking a proactive role in creating a more joined up public sector approach to services and “One Public Estate “ programme across Norfolk.

7.2 The Committee **RESOLVED**:

To approve the Asset Management Plan for 2015-2018.

8 **Establishing a Corporate Property Team**

- 8.1 The Committee received a report that set out the background and current position in establishing the Corporate Property Team and implementing a Corporate Landlord model for managing and occupying property.

8.2 **The Committee RESOLVED:**

To note the new arrangements and endorse the Corporate Landlord approach which means that all service directorates and members must refer all property requirements and issues through the Corporate Property Team as the corporate property client instead of instructing NPS directly.

9. **Sale of land at Acle, Lingwood and at Blofield, east of Plantation Road**

- 9.1 The Committee received separate detailed reports about the disposal of land situated at Acle, at Lingwood and at Blofield, east of Plantation Road, for which the total estimated sales proceeds at £4.8m represented 48% of the Council's £9.9m projected sales for 2015/16.

9.2 The Committee **RESOLVED**:

That the Assistant Director, Property be authorised to develop proposals for the direct development of the surplus land (working with appropriate partners) to maximise the financial return to the Council, bringing back recommendations to the Committee for approval.

B Items from the meeting of 20 July 2015

10 Good for Enterprise Outage-Service Failure 3 July 2015 to 14 July 2015

10.1 The Committee received a report that set out the course of events that occurred between 3 July 2015 and 14 July 2015 when there was a failure of the Good for Enterprise service provided by Vodafone. The Committee was informed of the reasons for the failure, the sequence of events and the actions that were being taken to make sure that issues like this made less disruption in future.

10.2 The Chair and Managing Director agreed to write jointly to Vodafone to seek an explanation for the difficulties that the failure of the Good for Enterprise Service had caused the County Council and to ask about the steps Vodafone would be taking to mitigate against such an issue occurring again in the future.

10.3 The Chairman of the Communities Committee agreed that the Communities Committee would examine the business continuity issues that that had arisen from the failure of the Good for Enterprise Service.

11 Re-Imagining Norfolk – Service and Financial Planning 2016-19 for Policy & Resources.

11.1 The Committee received a report and presentation on Re-Imagining Norfolk that provided detailed financial information specific to Policy and Resources to inform future scenario planning for the service and areas to explore for delivering savings.

11.2 Members of the Committee asked to be provided with details concerning the reduction in government grants to the County Council in the period between 2010 and the present day.

11.3 The Committee **RESOLVED**:

1. To note the framework and milestones for delivering Re-imagining Norfolk and the Council's multi-year financial strategy.
2. To agree the outcomes – or results – that the Committee plans to achieve in its own areas of responsibility in pursuit of the Council's priorities.
3. To commission executive directors to investigate potential models of 'services for the future', and prepare options of what these services could look like in three years' time, with 75% of addressable spend, for consideration by the Committee in September 2015.
4. To note the detailed savings and service delivery options for the Finance and Resources directorates.

12 Delivering Financial Savings 2015-16

12.1 The Committee received a report that provided an overview of the progress in delivering the savings agreed by the County Council at its meeting 16 February 2015.

12.2 The Committee **RESOLVED** to note:

1. The forecast total shortfall of £11.952m in 2015-16, for which alternative savings need to be identified;
2. The increase in the budgeted value of 2015-16 savings projects rated as RED to £18.682m, of which £7.302m are now forecast to be delivered; and
3. the forecast savings shortfall on AMBER rated projects of £0.572m.

13 2015-16 Financial Monitoring

13.1 The Committee received a report that provided details of the forecast position for the 2015-16 Revenue and Capital Budgets, General Balances, and the forecast Council's Reserves at 31 March 2016, together with related financial information. The report also provided a brief commentary on Resources and Finance budgets which were the responsibility of this Committee.

13.2 The Committee **RESOLVED**:

1. To note the period 2 forecast Revenue overspend of £12.386m (2014-15 outturn underspend £1.753m) on a net budget of £318.428m, as set out in an appendix to the report;
2. To note that officers were working towards delivery options to reduce the overspend;
3. To note the forecast General Balances at 31 March 2016 of £19.200m, before taking into account any over/under spends;
4. To approve the virement of £0.5m from budgets to reflect lower than expected inflation rates, in order to fund £0.5m budget decisions to support Adult Social Care approved on 16 February 2015, as set out in the report;
5. To approve the write-off of one debt totalling £16,507.73 as set out in the report;
6. To note the revised expenditure and funding of the 2015-18 capital programme as set out in an appendix to the report;
7. To note the forecast financial information in respect of Resources and Finance budgets which were the responsibility of this Committee, as set out in an appendix to the report.

14 The Role of "Administration" and "Opposition" under a Committee System

14.1 The Committee received a report on the Role of "Administration" and "Opposition" under a Committee System.

14.2 The Committee RESOLVED:

1. To endorse the present arrangement whereby the Managing Director has regular diarised meetings with the leader of the largest single political Group, in addition to his or her right to attend Group Leaders' meetings;
2. To endorse the current arrangement whereby senior officers are available for political Group confidential briefings, in accordance with the member/officer protocol.

15 Internal and External Appointments

- 15.1** The Committee reviewed and where appropriate made appointments to those external bodies, internal bodies and Champions positions that were set out in a report from the Executive Director of Resources.

16 Extension of BT Contracts for NCC's Corporate Voice and Data Network and ancillary services

- 16.1** The Committee received a report that requested an exemption to contract standing orders to extend the existing BT contract for voice and data services to enable a smooth transition to a new contract. The new contract was intended to reduce costs, support flexible working and deliver social value to the county. The Committee heard that the proposal was expected to be cost-neutral. During transition, spending each month on the extended contract would reduce, whilst that on the replacement contract would increase.

16.2 The Committee RESOLVED:

To delegate to the Executive Director of Resources, subject to the satisfactory conclusion of negotiations, approval to extend the existing BT contract until 31 March 2017.

17 Norwich International Aviation Academy

- 17.1** The Committee received a report (containing exempt information) that set out a proposal for the County Council to use its borrowing powers to provide part of the finance to create a physical location for the Norwich International Aviation Skills Academy at a site within or close to the edge of Norwich International Airport, to be opened by September 2016. The key aims of the proposal were to create a facility of international importance that would accommodate many more training opportunities and provide more people (many of them local) with access to job opportunities in a national or international setting.

17.2 The Committee RESOLVED:

To authorise a loan of £6.25m to the NORSE Group. The commercial structure of the loan would be agreed with the Executive Director of Finance, and be subject to the City Council agreeing to support the project, but it was anticipated that the loan capital and interest would be repayable over 30 years.

18 Quarter 4 Performance and Risk Monitoring Report

18.1 The Committee received a report and an accompanying dashboard, that provided a high level summary of some of the key performance issues for the Council, as identified through departmental management team and Committee performance reporting at Q4 2014/15.

18.2 The Committee **RESOLVED:**

1. To note the performance information and analysis contained in the report.
2. To ask for an interim report from the Digital Norfolk Ambition Working Group to be presented to the Committee in three months. (The Committee also asked for the Working Group's terms of reference and its membership together with a note on the timetable for the completion of the DNA project which had been prepared in response to a request from a Member that he had made at the June meeting to be sent to all Members of the Committee).

19 Health, Safety and Well-Being Annual Report

19.1 The Committee received a report that provided an overview of the activities of the Health, Safety and Well-Being Team during 2014/15, the NCC health and safety performance for 2014/15 and the forward plan for 2015/16.

19.2 The Committee **RESOLVED:**

To note the Health, Safety and Well-Being Annual Report for 2014/15 and the actions outlined throughout the report and specifically the delivery strand.

20 Proposed acquisition of land using compulsory purchase powers at London Road, Attleborough for a new primary School

20.1 The Committee deferred until the next meeting reaching a decision on a report (containing exempt information) concerning the proposed acquisition of land using compulsory purchase powers at London Road, Attleborough for a new primary School, in order for more detailed information to be provided.

George Nobbs
Chair, Policy and Resources Committee