

Policy & Resources Committee

**Minutes of the Meeting Held on Monday 14 July 2014
10am Edwards Room, County Hall, Norwich**

Present:

Mr G Nobbs (Chair)

Mr T Adams
Mr S Agnew
Mr M Baker
Mr M Castle
Mr A Dearnley
Mr J Dobson
Mr T FitzPatrick
Mr C Foulger

Mr D Harrison
Mrs J Leggett
Mr S Morpew
Mr A Proctor
Mr D Ramsbotham
Dr M Strong
Mrs A Thomas
Mr A White

1 Apologies and substitutions

- 1.1 Apologies were received from Mrs S Gurney (Mr C Foulger substituted); and Mr T Garrod (Mr A White substituted).

2 Minutes from the meeting held on 23 June 2014

- 2.1 The minutes of the meeting held on 23 June were agreed as a correct record and signed by the Chairman.

3 Declarations of Interest

- 3.1 No declarations of interest were made.

4 Items of Urgent Business

- 4.1 There were no items of urgent business.

5 Local Member Issues/Member Questions

- 5.1 The list of local Member questions received and their responses are set out in Appendix A to these minutes.
- 5.2 Following a question from Mr A Dearnley, on behalf of Mrs E Morgan, the Chairman agreed to reiterate that the Local Member Protocol should be adhered to in future.

- 5.3 With regard to Mr E Seward's question, the Chairman agreed that the P&R arrangements for assessing rural impact as part of the engagement and consultation on budget proposals would be highlighted within a report to be brought to the next meeting of the Committee.

6 2013-14 Revenue Out-Turn Report

- 6.1 The Committee received the report by the Interim Head of Finance summarising the financial outturn for each service and the resulting impact on reserves and provision.
- 6.2 The Interim Head of Finance agreed to provide responses to the following questions:
- 6.2.1 Carbon spend - what was the spend to date and what was the planned spend?
- 6.2.2 Other Supplies and Services. It was explained that Independence Matters had been set up during the year and accounted for the overspend in this category, therefore when the budget had been moved to reflect setting up Independence Matters, it had been amended accordingly. Members asked if all the variation was due to this factor and why a budget virement had not been instituted to eliminate a false overspend?
- 6.3 The Managing Director (Acting) agreed to circulate a briefing note setting out the current position with regard to the Willows following the termination of the Contract by Norfolk County Council.
- 6.4 The Committee **RESOLVED** to:-
- Note the underspend for 2013-14 of £0.477m.
 - Note the resulting increase in General Balances at 31 March 2014 to £17.288m.

7 2013-14 Capital Out-Turn Report

- 7.1 The Committee received the report by the Interim Head of Finance presenting the outturn position on the Norfolk County Council capital programme 2013-14.
- 7.2 The Interim Head of Finance agreed to circulate details of Norfolk County Council Assets to the Committee Members, including:
- What property was owned by Norfolk County Council?
 - Norfolk County Council sales policy for assets to be disposed of.
 - List of Assets by Division.
 - How was the £0.8m made up and which project was put on hold?
 - What constituted the balance of £2.4m in the sale of properties in 2013-14 if £6.78m of capital receipts was from sale of property and five items generated £4.3m?
 - The spend incurred in raising the Charles Burrell High School to a reasonable state of repair before it was leased for a peppercorn rent.

- The County Council policy on leasing property.
- What was the number of sales of farms to account for the £872k capital receipts?

7.3 The Committee asked for a workshop to be organised to give them an overview and understanding of Asset Management.

7.4 The Committee **RESOLVED** to:

- Note the final agreed capital programme and the outturn for the 2013-14 financial year, including the associated slippage and underspends..
- Note the major areas of expenditure in 2013-14 as set out in section 2 of the report.
- Note the final position on the capital receipts reserve and the use of capital receipts and 2013-14 revenue contributions to reduce the Council's borrowing requirement in the year.
- Approve the carrying forward into 2014-15 of slippage amounts and underspends on specific schemes as set out in Appendix 3 of the report.
- Organise a workshop to give Members an overview and understanding of Asset Management within Norfolk County Council.

8 Annual Treasury Management Report 2013-14

8.1 The Committee received the report by the Interim Head of Finance providing details of the 2013-14 outturn position for treasury activities and highlighting compliance with policy and strategy previously approved by Members in relation to treasury management.

8.2 The Committee **RESOLVED** to endorse the Annual Treasury Management Report 2013-14 and recommend it to County Council.

9 2014-15 Revenue Monitoring Report Month 2

9.1 The Committee received the report by the Interim Head of Finance providing details of the forecast outturn position for the 2014-15 Revenue Budget, General Balances and the Council's Reserves at 31 March 2015, together with related financial information.

9.2 The Committee considered it should be responsible for monitoring departmental overspends and enforcing the "no overspend" rule. This information to be included in future reports.

9.3 The Committee **RESOLVED** to note that.

- Revenue expenditure is forecast to overspend by £1.793m on a net budget of £308.397m.
- General Balances are forecast to be £19.000m at 31 March 2015, before taking into account the forecast overspend by £1.793m.
- The Council has earmarked revenue reserves forecast to be £69.536m at 31 March 2015. The Residual Waste Treatment Contract Reserves,

currently £33.7m are forecast to be fully exhausted as a result of contract termination. The Council separately holds Reserves in respect of Schools estimated to be £36.469m at 31 March 2015.

10 Capital Monitoring Month 2

- 10.1 The Committee received the report by the Interim Head of Finance providing a monthly update on the progress towards the achievement of the capital programme set by the Council in January 2014. It was necessary to provide regular monitoring on this progress in order to ensure that Members were aware of any developments in the delivery of the programme.
- 10.2 The Committee asked the Interim Head of Finance to provide more information about the Schools Access Initiative post.
- 10.3 The Committee also asked if there was a contingency fund in place if the costs of the NDR over-ran or if the developmental levies did not materialise. The Interim Head of Finance agreed to provide a response to this question
- 10.4 The Committee **RESOLVED** to note
- The revised opening position and funding of the 2014-17 capital programme and the changes which had occurred following the approval of the programme in January, as set out in Sections 1 and 2 of Annex A of the report.
 - The progress towards the achievement of the 2014-15 programme, as set out in Section 3 of Annex A of the report.
 - The proposed changes to the disposals schedule and the impact on the capital receipts reserve, detailed in Section 5 of Annex A of the report.
 - The impact of using borrowing to finance the programme on future revenue budgets, as identified in Appendix 1 of the report.
 - The urgent decision taken by officers in respect of the sale of a former highways depot in Watton

11. Performance Monitoring Report

- 11.1 The Committee received the report by the Head of Business Intelligence and Performance Service and Corporate Planning and Partnerships Service. The report set out a framework to enable Policy and Resources (P&R) to undertake its responsibilities for providing a 'whole council view' of performance, as set out in the Constitution. It proposed continuing with a balanced approach which aimed to give a rounded view of performance.
- 11.2 The Committee asked about the rationale for surveillance measures and asked for these to be reviewed. The Committee also asked for information about trends and benchmarking.
- 11.3 The Committee **RESOLVED** to:-
- Note the performance information.

- Agree the specific priorities or areas of performance that it wanted to cover in the future.
- Agree a quarterly schedule for receiving performance reports – and any relevant amendments to the Committee's Forward Plan.
- Agree to receive any updated data at the beginning of each regular Performance discussion.

12 Budget Planning 2015-18 - developing our approach

12.1 The Committee received the report by the Interim Head of Finance setting out responsibilities of the Committee.

12.2 The Committee **RESOLVED** to

- Adopt the approach proposed at paragraph 10.1 of the report to enable the Committee to fulfil its role in developing recommendations for the County Council on the 2015-16 budget and the 2016/18 forward plan.

13 Developing the County Council Plan 2015-16

13.1 The Committee received the report by the Head of Business Intelligence and Performance Service and Corporate Planning and Partnerships Services, setting out the initial first steps of an approach to develop a new County Council Plan which best fit the Council's committee governance structure and contributes to the robustness of governance arrangements. The report also recognised that service committees are key in developing the plan and that this work should be fully integrated with the Council's new budget setting process.

13.2 The Committee **RESOLVED** that:

- The County Council Plan 2015-16 be revised to develop the areas set out in this report.
- Development of the plan be integrated with the annual budget setting process and, as part of this, committees identify outcomes for their services.

14 Health, Safety and Wellbeing Annual Report

14.1 The Committee received the report by the Head of HR and Organisational Development, providing an overview of the activities of the Health Safety and Wellbeing (HSW) Service during 2013/14, Norfolk County Council's (NCC) health and safety performance for 2013/14 and the forward plan for 2014/15.

The Committee **RESOLVED** to note the report.

15 Digital Norfolk Ambition Update

15.1 The Committee received the report by the Interim Director of Environment, Transport and Development, providing an update on the Digital Norfolk Ambition Programme. The programme was seeking to urgently address the Council's

technology provision and management of data through the implementation of a raft of new initiatives.

15.2 The Committee **RESOLVED** to

- Note the report.
- Agree to receiving reports on a regular basis.

The meeting closed at 12.42 pm.

CHAIRMAN



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

5. Member Questions

5.1 Question from Cllr Jonathon Childs

I find some of the issues in my area unrepresented. As an example children's services Yarmouth has serious issues with child protection and education; of the 9 councillors from the deprived area none are on the children's service committee and only Cllr Walker represents Yarmouth on ETD.

NCC has clear statistics to show how deprived Yarmouth is and as a matter of urgency can we call for a the issue of setting up the local area committee proposed in November to be brought forward. It's imperative that Yarmouth gets a voice in its urgent issues with childcare education and child protection, well being, health teenage pregnancy, etc..

Response by George Nobbs, Chair of Policy and Resources Committee.

The same issue raised by Jonathan's question was also raised with me by Mick Castle. So Members can see the concerns, I've set out the text of Councillor Castle's questions here:

*I should like to request that the Committee give their wholehearted support for the trialling of robust Local Arrangements for the Great Yarmouth area.
My view is that work on a Local GY pilot now needs priority attention.
For example given the challenges with regard to Children's Services - Schools, Safeguarding etc. - it is the case that not a single one of the 9 County Councillors in the GY area currently serves on the new Children's Services Committee.
Getting good governance in a County with major geographic and demographic differences will require a strong "local dimension" and getting on with the Yarmouth initiative will help the Council address this.*

Policy and Resources committee members will know that when Full Council agreed the new constitution, it was also agreed that area arrangements should be considered at the six month review which will start in November so to bring this forward before the review would go against Council's decision.

I recognise that the points that Councillor Childs raises are important ones and I have a high degree of respect for his strength of feeling about these issues in Great Yarmouth, where he is a genuine and diligent local representative. I would urge him to consult with his colleagues in UKIP to see if he could serve on the Children's Committee, given his depth of local knowledge and commitment to improving outcomes for children and young people.

5.2 Question from Cllr Elizabeth Morgan

My question relates to the proposed disposal by this Council of the plot of land between 335 and 337 Dereham Rd in Norwich, which has been cultivated as a garden under a formal licence agreement for almost 30 years by the occupant of 337 Dereham Rd. I would like to ask the Chairman to consider delaying the sale of this land, as it is my belief that the loss of this garden land would have a serious

detrimental effect on the quality of life and health of the 86-year-old resident who cultivates it.

Response by George Nobbs, Chair of Policy and Resources Committee.

The area in question lies between two houses, on the left 337 occupied by the 'applicant', and on the right, 335. The land was originally ear-marked as access to Wensum Junior School, but other access is available for the School. Consequently, the use of the land, which was let on a gardening licence with a month's notice, was reviewed. This is part of the normal annual cycle to review the Council's assets and to identify where the reasons for holding them have changed

Planning permission was sought from Norwich City Council, around July 3rd, for a single residential property. During the hearing, Councillor Elizabeth Morgan presented the issues contained in her question for P&R Committee to the City Council. The planning permission was granted.

I wish I was able to give Councillor Morgan and her constituent the answers they want, but I have to say that as a council we have to use every asset available in order to support Social Services, Schools, Care for the Elderly, Highways and so on.

We have already offered the applicant a licence for a further 2 month period, but now that we have received planning permission from the City Council, the agents will be instructed to place the site on the market at the end of that period.

5.3 Question from Eric Seward

Given the vital importance of ensuring equity in the delivery of the Council's services to rural areas the Committee is asked to consider requesting a report on the adequacy of the Council's arrangements for rural proofing and what improvements may be required for this work to be effectively carried out

Response by George Nobbs, Chair of Policy and Resources Committee.

I share Councillor Seward's view about the importance of ensuring equity in service delivery for rural areas. Cabinet in April received and accepted the findings of a Cabinet Scrutiny working group looking at rural isolation which looked in depth at some of the issues for people in rural areas.

There will always be improvements we can make to strengthen rural proofing, and we need to ensure that this does not become a 'tick box' exercise – what matters is making decisions that are based on good analysis of all issues – including rural impact, equalities impact, sustainability and other risks. Rather than bring a separate report at this stage, I will ask officers to highlight to P&R arrangements for assessing rural impact as part of the engagement and consultation on budget proposals for future years. This will give Members of the Committee a chance to test the robustness of those arrangements and make any suggestions for improvement.

Finance questions raised at NCC P&R Committee 14 July 2014

Ref	Questions and responses
-----	-------------------------

6	2013-14 Revenue Out-Turn Report																		
6.2	The Interim Head of Finance agreed to provide responses to the following questions:																		
6.2.1	<p>Carbon spend - what was the spend to date and what was the planned spend?</p> <p>CERF Spend, actual and planned</p> <table border="1"> <thead> <tr> <th></th><th>£m</th></tr> </thead> <tbody> <tr> <td>2009/10 £0.465m</td><td>0.465</td></tr> <tr> <td>2010/11 £2.900m</td><td>2.900</td></tr> <tr> <td>2011/12 £3.125m</td><td>3.125</td></tr> <tr> <td>2012/13 £3.350m</td><td>3.350</td></tr> <tr> <td>2013/14 £3.450m</td><td>3.450</td></tr> <tr> <td>Sub total</td><td>13.290</td></tr> <tr> <td>2014/15 budget £1.100m</td><td>1.100</td></tr> <tr> <td>Total CERF budget 2009/10 to 2014/15</td><td>14.390</td></tr> </tbody> </table> <p>The latest monitoring spreadsheet from NPS indicates £13.631m has been spent on completed projects or allocated to approved projects as at 30/06/14. Leaving £0.759m of unallocated budget for 2014/15.</p> <p>There are currently no plans for spend beyond 2014/15.</p>		£m	2009/10 £0.465m	0.465	2010/11 £2.900m	2.900	2011/12 £3.125m	3.125	2012/13 £3.350m	3.350	2013/14 £3.450m	3.450	Sub total	13.290	2014/15 budget £1.100m	1.100	Total CERF budget 2009/10 to 2014/15	14.390
	£m																		
2009/10 £0.465m	0.465																		
2010/11 £2.900m	2.900																		
2011/12 £3.125m	3.125																		
2012/13 £3.350m	3.350																		
2013/14 £3.450m	3.450																		
Sub total	13.290																		
2014/15 budget £1.100m	1.100																		
Total CERF budget 2009/10 to 2014/15	14.390																		
6.2.2	<p>Other Supplies and Services - Why was the subjective outturn for "Other Supplies and Services" £50.3m higher than shown in the budget book?</p> <p>The majority of the difference of £50.3m is accounted for in two areas:</p> <p>Public Health: £22m coded to fees, charges and grant payments had not been included in the original approved budget. The Public Health function, together with associated funding, joined the Council in 1 April 2013, some months after the budget was set. Public Health income and expenditure has been incorporated into the 2014-15 approved budget.</p> <p>Services provided to schools: the total for other supplies and services includes £4m of pupil meals (catering contract) costs, and £8m in addition to the original budget of teaching and other support services incurred by schools. This is balanced by additional income in other areas of the authority, including income from pupil meals, and income from the provision of services to schools.</p> <p>In addition, there are a number of other areas in the authority where additional</p>																		

Finance questions raised at NCC P&R Committee 14 July 2014

	expenditure has been matched by income generated. As a result, the Council's overall net budget remained constant throughout 2013-14.
--	---

7	2013-14 Capital Out-Turn Report
7.2	The Interim Head of Finance agreed to circulate details of Norfolk County Council Assets to the Committee Members, including:
7.2.1	What property was owned by Norfolk County Council? The following table is taken from the Asset Management Plan, page 4; it is also at page 23 of the Budget Book.

Finance questions raised at NCC P&R Committee 14 July 2014

	No.	Asset Type	Floor area (sq.m.)	Cost (£m.p.a.)	Value (£m)
Accommodation	76	Offices, admin buildings	70,339	6.045	30.790
Operational	380	Primary Schools	431,998	23.461	418.864
	56	Secondary Schools	432,164	11.098	342.966
	38	Children's Centres		0.656	12.699
	42	Fire Stations	15,428	1.751	23.804
	13	Museums	23,556	1.488	7.945
	74	Residential Homes	69,215	0.870	22.378
	41	Playing Fields ¹	n/a	n/a	n/a
	47	Libraries	43,215	2.063	17.611
	19	Household Waste R.C.	n/a	0.249	1.539
	12	Special Schools	30,231	1.630	40.149
	27	Landfill sites	n/a	0.295	0.499
	8	Bridges	n/a	n/a	0
	6	Park & Ride sites	444	0.336	15.822
Investment	1	Norwich Airport Ind Est	n/a	n/a	9.735
	50	Sites for aerals, sirens, hoardings	n/a	n/a	0
	206	Tenanted farms ²		CR 0.840	0
Miscellaneous	1	Former RAF Coltishall	66,380	0.042	4.000
	1	Hethel Eng. Centre	n/a	CR 0.418	1.419
	52	Permanent ways	n/a	0.147	0.017
	91	Assets decl. surplus ³	14,536	0.367	25.895
		Community Buildings		0.352	1.226
	8	Other			
Totals	1249			50.850	977.358

¹ Playing Field costs are included within the over all costs of Primary and Secondary Schools.
² Not all tenanted farms or community buildings have been measured and Children's Centre areas where measured (1,115m2), constitute 4 out of 38 sites with the remainder held as blocks within Primary sites.
³ Asset declared surplus – assets are valued on 5 year rolling programme and valuation basis may not reflect market value.

Finance questions raised at NCC P&R Committee 14 July 2014

7.2.2	<p>Norfolk County Council sales policy for assets to be disposed of.</p> <p>The Council Constitution sets out the following:</p> <p>PART 6.2 SCHEME OF DELEGATED POWERS TO OFFICERS A. GENERAL CONDITIONS APPLYING TO ALL DELEGATED POWERS</p> <p>2. Subject to the provisions of this Scheme, but without otherwise limiting the scope of paragraph 1, the powers delegated to Chief Officers include:-</p> <p>(j) declaring land to be surplus to the requirements of their service</p> <p>4. In addition to the constraints referred to above, there are exceptions to all Officers' delegated powers. In particular there is no delegation to Officers of:</p> <p>(f) Any decision which:-</p> <ul style="list-style-type: none"> involves the acquisition or disposal of land and buildings or any interest in land and buildings in excess of an estimated value of £1M unless covered by a specific item in the budget. <p>PART 7.7 FINANCIAL REGULATIONS 5. Assets, Systems, Processes & Records</p> <p>5.12 Assets</p> <p>5.12.1 Chief Officers should ensure that records of assets are properly maintained and securely held. They should also ensure that contingency plans are in place for the security of assets and continuity of service in the event of disaster or system failure.</p> <p>5.12.2 Chief Officers may, in accordance with arrangements approved by the Head of Finance, dispose of assets (other than land and buildings) up to an estimated value of £10,000 in each case. Chief Officers must inform the Head of Finance of any disposals above £10,000 and after taking advice from the Head of Finance, where appropriate seek Policy and Resources /Committee approval. Disposal must be by competitive tender or public auction unless the Head of Finance decides otherwise. Appointment of agents to handle disposals is subject to the normal provisions of Contract Standing Orders.</p> <p>5.12.3 In reaching a decision on the disposal of land and buildings the County Council should give due considerations to the advice from the Corporate Property Officer.</p> <p>5.12.4 Land and buildings declared surplus to its needs by a service will be reviewed by the Corporate Capital Asset Management Group (CCAMG) or its successor body and where there is no alternative use, the Head of Finance will recommend the disposal in accordance with the following schedule:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Disposals above £500,000 – Policy and Resources Committee. <input type="checkbox"/> Disposals between £10,000 and £500,000 (directly negotiated with the purchaser, release of claw back, below market value, or where, after being offered on the open market the best offer is not accepted) – Managing Director following consultation with the Chair of Policy and Resources Committee. <input type="checkbox"/> Disposals between £10,000 and £500,000 (where, after being offered on
-------	--

Finance questions raised at NCC P&R Committee 14 July 2014

	<p>the open market the best offer is accepted) – Managing Director following consultation with the Chair of Policy and Resources Committee.</p> <p>□ Disposals below £10,000 (directly negotiated with the purchaser, release of claw back, below market value, or where, after being offered on the open market the best offer is not accepted) – Managing Director (corporate property) with delegations to the Corporate Property Officer.</p> <p>□ County Farms – Managing Director following consultation with the Chair of Policy and Resources Committee.</p> <p>5.12.5 The responsibilities and authorisations of those involved in the decision making processes are set out in the Hierarchy of Decision Making on Property Matters procedures.</p>																																										
7.2.3	<p>List of Assets by Division.</p> <p>The Norfolk Mapping browser shows NCC and other public sector property at http://mappingbrowser.norfolk.gov.uk/</p> <p>The “address” drop-down menu can be used to show items in a specified ward.</p>																																										
7.2.4	<p>How was the £0.8m made up and which project was put on hold?</p> <p>The difference is largely accounted for by the sale of a property in Unthank Road, The Unthank Centre valued at £0.750m being put on hold towards the end of the financial year.</p> <p>Further analysis has shown that the remaining £0.050m was the result of a number of property sales put back to 2014-15 broadly balanced by a similar number of completions brought forward from 2014-15 into 2013-14.</p>																																										
7.2.5	<p>What constituted the balance of £2.4m in the sale of properties in 2013-14 if £6.78m of capital receipts was from sale of property and five items generated £4.3m?</p> <p>The full list of property sales in 2013-14 is as follows:</p> <table><tr><th>Parish</th><th>Description</th><th>Total Received</th></tr><tr><td></td><td></td><th>£m</th></tr><tr><td>Acle</td><td>Land off Damgate Lane (ETD)</td><td>0.015</td></tr><tr><td>Costessey</td><td>Land adj 20 Three Mile Lane (CS)</td><td>0.075</td></tr><tr><td>Sheringham</td><td>New Y&C Centre (CAP)</td><td>0.173</td></tr><tr><td>Sheringham</td><td>Existing Y&C Centre (CAP)</td><td>0.218</td></tr><tr><td>Wells</td><td>Field Study Centre (CS)</td><td>0.500</td></tr><tr><td>Norwich</td><td>Land at Queens Road (adj Bus Station)</td><td>1.665</td></tr><tr><td>Holt</td><td>Holt Hall Cottages (CS)</td><td>0.625</td></tr><tr><td>Holt</td><td>The Belt (CAP)</td><td>0.025</td></tr><tr><td>Wymondham</td><td>74 Pople Street (CAP)</td><td>0.265</td></tr><tr><td>Dersingham</td><td>Former Picnic Site (ETD)</td><td>0.119</td></tr><tr><td>Hopton</td><td>West View Bungalow (CAP)</td><td>0.081</td></tr><tr><td>Ormesby St Michael</td><td>Land adj Fernlea (ETD)</td><td>0.006</td></tr></table>	Parish	Description	Total Received			£m	Acle	Land off Damgate Lane (ETD)	0.015	Costessey	Land adj 20 Three Mile Lane (CS)	0.075	Sheringham	New Y&C Centre (CAP)	0.173	Sheringham	Existing Y&C Centre (CAP)	0.218	Wells	Field Study Centre (CS)	0.500	Norwich	Land at Queens Road (adj Bus Station)	1.665	Holt	Holt Hall Cottages (CS)	0.625	Holt	The Belt (CAP)	0.025	Wymondham	74 Pople Street (CAP)	0.265	Dersingham	Former Picnic Site (ETD)	0.119	Hopton	West View Bungalow (CAP)	0.081	Ormesby St Michael	Land adj Fernlea (ETD)	0.006
Parish	Description	Total Received																																									
		£m																																									
Acle	Land off Damgate Lane (ETD)	0.015																																									
Costessey	Land adj 20 Three Mile Lane (CS)	0.075																																									
Sheringham	New Y&C Centre (CAP)	0.173																																									
Sheringham	Existing Y&C Centre (CAP)	0.218																																									
Wells	Field Study Centre (CS)	0.500																																									
Norwich	Land at Queens Road (adj Bus Station)	1.665																																									
Holt	Holt Hall Cottages (CS)	0.625																																									
Holt	The Belt (CAP)	0.025																																									
Wymondham	74 Pople Street (CAP)	0.265																																									
Dersingham	Former Picnic Site (ETD)	0.119																																									
Hopton	West View Bungalow (CAP)	0.081																																									
Ormesby St Michael	Land adj Fernlea (ETD)	0.006																																									

Finance questions raised at NCC P&R Committee 14 July 2014

		Sprowston	Former Y&C Centre - building plots (CAP)	0.070								
		King's Lynn	Providence Street	0.225								
		Hindringham	Land off Walsingham Road (ETD)	0.053								
		Great Yarmouth	Gt Yarmouth Drill Hall	0.050								
		Felmingham	Land for Affordable Hsng Goulders Ln	0.024								
		Hopton	Land for Hospice - Sidegate Road	0.090								
		Gayton	Buildings at Roys Farm	0.057								
		Haddiscoe	Hall Farm Barns	0.400								
		Hilgay	Cherry Tree Farm Bungalow	0.098								
		Terrington	Green Marsh Farmhouse	0.192								
		Stow & Marshland	Land to Anglian Water	0.010								
		Salthouse	Salthouse Bard Hill Farm Barn	0.000								
		Martham	Former First School Site (CS)	0.334								
		Dereham	Land at Northgate High School (CS)	0.043								
		Great Yarmouth	Ferryside (CAP)	0.320								
		Great Yarmouth	The Hollies and Ivy House (CAP)	0.331								
		Norwich	113 Aylsham Road (Former PRU) (CS)	0.226								
		Ryston	Bexwell Depot - clawback (ETD)	0.014								
		Hillington	Former Highway Depot (ETD)	0.330								
		Swaffham	Former Sixth Form Centre	0.151								
			Rounding	0.001								
		TOTAL RECEIPTS		6.785								
7.2.6	<p>The spend incurred in raising the Charles Burrell High School to a reasonable state of repair before it was leased for a peppercorn rent.</p> <p>This school site was handed back to NCC by Thetford academy in 2013, after which there were considerable costs of securing the site (approx. £10,000 per month, as publicised in the local press). There were also some decommissioning and maintenance costs such as emptying the pool.</p> <p>An analysis of all revenue costs related to Charles Burrell site 2013-14 is as follows:</p> <table><tr><td>Security</td><td>£76,466</td></tr><tr><td>Energy and water</td><td>£17,369</td></tr><tr><td>Repairs, maintenance etc</td><td>£9,433</td></tr><tr><td></td><td>£103,268</td></tr></table> <p>There were no capital costs of bringing the site to a standard for leasing.</p> <p>The site is now leased to:</p> <ul style="list-style-type: none">• Thetford Town Council• Alternative Provision Free School Thetford Limited• UK power networks (substation site) <p>The freehold of the site is still owned by Norfolk County Council.</p>				Security	£76,466	Energy and water	£17,369	Repairs, maintenance etc	£9,433		£103,268
Security	£76,466											
Energy and water	£17,369											
Repairs, maintenance etc	£9,433											
	£103,268											
7.2.7	The County Council policy on leasing property.											

Finance questions raised at NCC P&R Committee 14 July 2014

	<p>Leasing policy - introduction</p> <p>The Council’s leasing policy is underpinned by service needs and options appraisals, and operated using guidance and documents administered by the Council’s property advisors (NPS), all supported by the Council’s Constitution.</p> <p>Chief Officer responsibilities (service needs options appraisal)</p> <p>Under the Council’s Financial Regulations (para 3.3.2) and Financial Procedures (para 2.4) it is the responsibility of Chief Officers to integrate financial and budget plans into service planning, and when drawing up draft budget requirements, to have regard to option appraisal and use of whole life costing, comparing the relative costs of the options, over the life of the project. For example, whether to lease, purchase or new build.</p> <p>NPS appraisal and advice</p> <p>The property acquisition process, which covers both purchase and leasing, is set out on the NPS section of the NCC intranet (http://inet.norfolk.gov.uk/services/NPS/Property/INET132162). A standard “Stage 1 report form” is used to set out detailed service requirements and options. NPS then advise based on the extent and suitability of operational and surplus assets.</p> <p>Lease terms and approval</p> <p>If a new lease is the most appropriate solution, then NPS and nplaw are involved in lease negotiations and completion. Under the constitution 6.2 Scheme of Delegated Powers to Officers, paragraph B10, the Managing Director has delegated power to agree terms for lease acquisitions and renewals subject to financial limitations. Paragraph C2 member approval is required for “lease acquisition and renewals where both the proposed rental exceeds £25,000 per annum and the term of the lease or renewal is for ten or more years”.</p>																																	
7.2.8	<p>What was the number of sales of farms to account for the £872k capital receipts?</p> <p>The following 8 sales from the County farms estate completed in 2013-14</p> <table><tr><th>Parish</th><th>Description</th><th>Total Received</th></tr><tr><td></td><td></td><td>£m</td></tr><tr><td>Felmingham</td><td>Land for AH</td><td>0.008</td></tr><tr><td>Gayton Roys</td><td>Farm Buildings</td><td>0.057</td></tr><tr><td>Haddiscoe</td><td>Hall Farm Barns</td><td>0.400</td></tr><tr><td>Hilgay TMB</td><td>Cherry Tree bungalow</td><td>0.098</td></tr><tr><td>Hindringham</td><td>Row Hill Farms Barns</td><td>0.020</td></tr><tr><td>Hopton</td><td>Land for Hospice</td><td>0.100</td></tr><tr><td>Stow</td><td>Land to Anglian Water</td><td>0.010</td></tr><tr><td>Terrington</td><td>Greenmarsh farm house</td><td>0.192</td></tr><tr><td>Total</td><td></td><td>0.885</td></tr></table>	Parish	Description	Total Received			£m	Felmingham	Land for AH	0.008	Gayton Roys	Farm Buildings	0.057	Haddiscoe	Hall Farm Barns	0.400	Hilgay TMB	Cherry Tree bungalow	0.098	Hindringham	Row Hill Farms Barns	0.020	Hopton	Land for Hospice	0.100	Stow	Land to Anglian Water	0.010	Terrington	Greenmarsh farm house	0.192	Total		0.885
Parish	Description	Total Received																																
		£m																																
Felmingham	Land for AH	0.008																																
Gayton Roys	Farm Buildings	0.057																																
Haddiscoe	Hall Farm Barns	0.400																																
Hilgay TMB	Cherry Tree bungalow	0.098																																
Hindringham	Row Hill Farms Barns	0.020																																
Hopton	Land for Hospice	0.100																																
Stow	Land to Anglian Water	0.010																																
Terrington	Greenmarsh farm house	0.192																																
Total		0.885																																

Finance questions raised at NCC P&R Committee 14 July 2014

--	--

10	Capital Monitoring Month 2
10.2	<p>The Committee asked the Interim Head of Finance to provide more information about the Schools Access Initiative post.</p> <p>This heading was truncated and was therefore mis-leading. It should have read "Schools Access Initiative – post 2011-12".</p> <p>This budget is for ad hoc capital improvements to schools for pupils with specific physical needs in order to ensure compliance under the Equalities Act 2010.</p>
10.3	<p>The Committee also asked if there was a contingency fund in place if the costs of the NDR over-ran or if the developmental levies did not materialise. The Interim Head of Finance agreed to provide a response to this question</p> <p>Risk of cost overruns – There is an additional risk that the construction costs of the NDR could be higher than anticipated. DfT funding has effectively been capped at a maximum of £86.5m towards the cost of the NDR and Postwick Hub. Therefore any cost over-runs (ie that exceed the total budget of £148.5m) would be carried by NCC. However significant work has already been completed on pricing the project with the already appointed main contractor, and this provides much more confidence in relation to the project costs. We will also be using a contract which incentivises cost savings and also shares cost over-runs. In effect a 'target price' is agreed and if this is exceeded then the additional cost of that is shared with the contractor. This would however still require NCC to fund its share of any cost over-runs, and depending on the scale of this, it could be covered through a one-off re-allocation from the capital programme, or it could be that further funding is sought via the Greater Norwich Growth Board (was GNPD).</p> <p>In relation to the CIL income - the districts are starting to see income coming in so we are reasonably confident that sufficient CIL incomes will be achieved. The NDR forms part of the key infrastructure that we are trying to deliver and would form part of the overall business plan that the GNGB would approve and any schemes and contributions would be review depending on CIL levels</p>

Query	If NCC disposes of a site at less than market value do we write it off?
	Yes. If a site is disposed of, it is removed from the asset register, and its value written out of the NCC accounts.

Finance questions raised at NCC P&R Committee 14 July 2014

	<p>In accounting terms, assets are reclassified and re-valued as “assets held for sale” as soon as they are actively being sold.</p> <p>Any surplus or deficit in book value is an adjustment to the “surplus or deficit on provision of services”. This does not affect the Council’s income or spending ability.</p> <p>All the proceeds from sales of assets, whether or not above or less than market value are available to either:</p> <ul style="list-style-type: none">• reduce the Council’s borrowing and therefore future annual “minimum revenue provision” revenue cost to the Council• reduce the need to fund capital projects from revenue, reserves or further borrowing• spend on additional capital schemes.
--	---

F: 140714 P&R