



Norfolk County Council

Scrutiny Committee

**Minutes of the Meeting Held on 20 December 2023
at 10am at County Hall Norwich**

Present:

Cllr Steve Morphew (Chair)
Cllr Daniel Elmer (Vice-Chair)
Cllr Carl Annison
Cllr Lesley Bambridge
Cllr Phillip Duigan
Cllr John Fisher
Cllr Tom FitzPatrick
Cllr Keith Kiddie
Cllr Mark Kiddle-Morris
Cllr Brian Long
Cllr Jamie Osborn
Cllr Brian Watkins

Also Present:

David Allfrey	Interim Director for Highways, Infrastructure and Waste
Harvey Bullen	Director of Strategic Finance
Grahame Bygrave	Interim Executive Director for Community and Environmental Services
Paul Cracknell	Executive Director for Strategy and Transformation
Kat Hulatt	Director of Legal Services and Monitoring Officer
Mark Kemp	Interim Assistant Director – Infrastructure Delivery
Cllr Kay Mason Billig	Leader of the Council
Cllr Paul Neale	Local Member for Nelson
Cllr Greg Peck	Deputy Cabinet Member for Finance
Cllr Graham Plant	Cabinet Member for Highways, Infrastructure and Transport
Peter Randall	Democratic Support and Scrutiny Manager
Cllr Catherine Rowett	Local Member for West Depwade
Laine Tisdall	Committee Officer

1. Apologies for Absence

1.1 Apologies were received from Helen Bates. Cllr Ed Maxfield was also absent.

2. Declarations of Interest

2.1 Cllr Brian Long declared an interest, as he was the Chair of the Planning (Regulatory) Committee.

2.2 Cllr Lesley Bambridge declared an interest, as she was a named substitute for the Planning (Regulatory Committee)

- 2.3 Cllr Mark Kiddle-Morris declared an interest, as he was a member of the Planning (Regulatory) Committee.
- 2.4 Cllr Paul Neale declared an interest, as he was a member of the Planning (Regulatory) Committee.
- 2.5 The Monitoring Officer commented that advice regarding bias and predetermination had been circulated to all members of the Scrutiny Committee prior to the meeting, due to potential conflicts of interest as several Committee Members were also members of the Planning (Regulatory) Committee.

3. Public Question Time

- 3.1 No public questions were received.

4. Local Member Issues/Questions

- 4.1 No local member questions were received.

5. Call In: Norwich Western Link Update

- 5.1 The Committee received the annexed report (5), setting out reasons for the call-in of the Norwich Western Link Update and the original delegated decision.
- 5.1.1 The Chair explained the way in which he would manage this item to best ensure a fair and balanced scrutiny process and to decide what (if any) issues the Committee would refer to the Cabinet. The options that were available to the Committee were set out in the report.
- 5.1.2 The Chair welcomed Cllr Jamie Osborn in his capacity as Local Member for Mancroft, Cllr Paul Neale and Cllr Catherine Rowett and asked them to outline their reasons for the call-in to Committee.
- 5.2 The Councillors who had called in the item asked the Committee to consider their concerns, which centred around financial and environmental risks that the Norwich Western Link (NWL) posed to the Council.
- Cllr Osborn stated the decision undermined several Council objectives, relating to the need to maintain a prudent budget for the delivery of essential services in Norfolk and the reduction of transport emissions to meet Net Zero targets. The NWL project ran contrary to the commitment made by the Council in 2019 to protect and enhance Norfolk's natural environment, as laid out in the Environmental Policy.
 - Cllr Osborn commented that there had only been a limited consideration of the risks surrounding the project. The Cabinet decision was unclear about the results achieved by proceeding with the NWL. Further assurances relating to

environmental, financial, and legal aspects of the NWL were necessary before the project could continue.

- Cllr Osborn stated that since the publication of the outline business case in 2019, costs had increased by 80% over the previous four years due to inflation. There was a risk that the Council would be declared bankrupt due to the depletion of its reserves. Further cuts to essential Council services would occur in such a scenario to balance the budget.
- Cllr Osborn mentioned that the project faced serious risks such as a legal challenge, rejection of the planning application or further unaffordable cost increases. If the project was cancelled, there was a possibility any funding already received from the Department for Transport (DfT) would have to be repaid in full.
- Cllr Osborn expressed concern that the risk register was not fit for purpose. Outside risks to the project had not been fully considered. The report contained 82 individual risks which may contribute to cost increases, some of which had already occurred such as changes to the engineering design and the actual route of the road. Due to the current level of inflation, risks would continue to rise considerably. There had already been a £120m increase in the cost of the project since 2019, and the report was unclear as to where the Council would find the money to shoulder further cost increases.
- Cllr Rowett stated that the Council had a laudable aim to achieve Net Zero from 2030 onwards, but the NWL would undermine this target. The construction process would emit extra tons of carbon which would need to be offset on top of the current carbon target.
- Cllr Rowett remarked that the NWL would encourage more car journeys and commuter housing in rural areas with inadequate public transport. It would cause local services to fail and close as people would travel into Norwich city centre instead.
- Cllr Rowett stated the calculations presented in the report assumed the adoption of electric vehicles would reduce carbon emissions but was unclear on whether lifetime carbon emissions were considered. Decarbonisation of the bus network in Norwich was a good step forwards but not as important as converting a current car journey into a bus journey. The NWL would encourage the opposite. Electric buses in Norwich could not mitigate the scheme as it was necessary to cut current carbon emissions and not simply offset additional emissions.
- Cllr Rowett commented that the NWL would average 5,475 extra tons of carbon over the 60 year appraisal period of the project. However, the figures hid a huge increase in carbon emissions during the construction stage and made assumptions based on the uptake of electric vehicles in later years. The increase in carbon ran contrary against targets set by the Council.
- Cllr Rowett remarked that the NWL would have a detrimental effect on wildlife within the area.

5.3 The Chair invited the Cabinet Member for Highways, Infrastructure and Transport to respond.

- The Cabinet Member stated the update report on the NWL was considered by Cabinet on the 4 December 2023 following approval of the outline business case by the DfT in October. The government had committed more than £200m of national funding towards delivery of the project, which could be seen as an endorsement of Norfolk as a whole.
- The Cabinet Member acknowledged the cost of the project had increased recently. Discussions were due to take place with the DfT in the next couple of weeks as the government had indicated they were open to increase funding to cover 100% of the costs in the outline business case. If this funding level was secured, the Council's local contribution would decrease from the figure reported to Cabinet in July 2022.
- The Cabinet Member stressed that if the NWL did not proceed, the funding would be reallocated to other projects in the country. The Chair made a point of order to clarify that the capital side of the project was being considered at a meeting of Full Council in January 2024.
- The Cabinet Member stated that traffic congestion to the west of Norwich was a pressing issue which affected residents and businesses. The NWL would provide a solution, benefiting the economy in Norfolk and making significant improvements to transport infrastructure. In this sense the project was a worthwhile investment to make.
- The Cabinet Member stressed that the Council was taking its environmental responsibilities seriously and its Local Transport Plan contained a Net Zero target. Guidance was awaited from the DfT to help inform decision making about reaching carbon reduction targets.
- The Cabinet Member confirmed he was satisfied the project team were taking specialised expert advice to produce high-quality documents towards the planning application. It was important to show how the Council's environmental proposals met the high standards required. All planning documentation was to be published in full once submitted and validated by the planning authority. The documents would be available to view publicly as part of the statutory consultation process.
- The Cabinet Member remarked that even with the budget increase, the NWL still represented a benefit to cost ratio of 1.5 to 2. For every £1 spent it was expected there would be benefits of between £1.50 and £2.
- The Cabinet Member stated risks to the project were managed via the risk register, which was regularly reported to the project board and member board. All risks were considered when the report was submitted to Cabinet. Any changes to the project would be reported to Cabinet and Full Council.

5.4 The Councillors calling-in the decision questioned the Cabinet Member and officers.

- Cllr Rowett asked if Natural England had been approached about issuing a bat derogation notice. An officer confirmed this had happened. An extended period of consultation with Natural England was taking place and a draft bat licence was

submitted earlier in 2023. Further dialogue was expected towards the submission of another draft bat licence application. The formal licence application would be submitted once the planning process was complete. Cllr Rowett asked for clarification as to what advice was given by Natural England and whether documentation could be shared publicly. The officer stated that as discussions were still ongoing on an informal basis that it would be inappropriate to share information publicly at this stage. Natural England would not give any reassurances until the planning process was complete.

- Cllr Neale stated the costs of the project had increased by 80% since the strategic business case was agreed by the Council in 2019, along with a 50% increase since the outline business case was agreed. There had been a £90m increase over the past two years. Cllr Neale asked officers for guarantees that costs would not rise significantly between the present day and 2029, given that surveying had not been completed nor had construction work started. The Cabinet Member for Highways, Infrastructure and Transport stated the costs recorded in the report were up to date. A risk element of £70m was built into the project, which was felt adequate to cover most eventualities. The Cabinet Member acknowledged that the previous two years had been exceptional regarding economic matters in the country. The future could not be predicted; however any significant changes in the costings of the NWL project would be taken to Cabinet and Full Council for consideration. An officer clarified that the budget costs within the report were the ones projected forwards, with a considerable risk allowance built into the project.
- Cllr Osborn remarked that inflation in 2019 was much lower than the current rate. Previous reports to Cabinet had not pinned cost increases on inflation; rather it had been based on route changes for environmental issues. The report stated the risk contingency had been reduced to £11m but with limited reasoning for this. Officers clarified that risk registers were developed at the initial concept of projects. During the lifetime of the project the register was utilised and risks worked through, which tended to reduce the amount of risk applicable as more knowledge was available. Cllr Osborn asked if cumulative risk had been considered. An officer clarified that the risk register used by the NWL was the same one used to manage all of the Council's capital projects. Each individual risk was allocated a cost which fed into the risk allowance. Project boards and member groups were able to comment on the development of the risk register and its utilisation.
- Cllr Osborn suggested that the decision be referred back to Cabinet so a cumulative risk score could be considered and developed for the NWL. The Chair asked for clarification on this point, as it did not appear to link in with the reasons for the call-in. Cllr Osborn clarified that an argument for the call-in was that the risk level had not been adequately considered as it was based on individual risks and not a cumulative risk. An officer clarified that the NWL was included on the corporate risk register and had been given an overall score, which was considered by Cabinet on a quarterly basis.
- Cllr Neale asked what was the maximum increase in project costs the Council could afford. Officers stated this depended on a variety of factors which could change over time. It was not possible to quote a figure for the maximum affordable cost

increase and it would be within the remit of Full Council to consider if the NWL was still a priority scheme in such a case. The Cabinet Member for Highways, Infrastructure and Transport stated a letter had recently been received from the DfT raising the possibility of the project being funded up to 100% of the outline business case limit of £252m, meaning the Council would only have to contribute £23m towards the NWL. £26m had been allocated by the government to the Council to continue with the project, the first tranche being received last week and a further tranche due in January 2024. An officer clarified that the decision-making process resulted in a business case being submitted to the DfT with cost/benefit ratios included. The ratio informed decisions taken regarding affordability and deliverability of the scheme. At present the NWL project was forecasting up to a £2 return for every £1 spent, representing good value for money.

- Cllr Rowett queried officers regarding the carbon profile of the NWL in its first 10 to 20 years of operation up to 2050, as the Council was legally bound to reach Net Zero that year. The Cabinet decision to approve delivery of the project would result in additional emissions in Norfolk and it appeared unclear as to what mitigation had been built in. An officer stated the report contained a variety of scenarios between 1,500 and 5,000 extra tons of carbon and it depended on what scenario was being looked at. Additional guidance on Local Transport Plan carbon emissions was awaited from the government. It was confirmed that, based on the 5,000 extra tons scenario, the carbon impact would be likely be greater than 5,000 extra tons during the initial stages of the project but would then reduce to around 4,500 extra tons during the 60 year lifetime.

5.5 Committee Members questioned the Cabinet Member and officers. The Chair clarified that Cllr Osborn was also able to ask questions during this section of the meeting in his capacity as a Committee Member.

- A Committee Member commented that the Norwich Western Link had been considered and agreed several times previously by Full Council over the past decade, originally as part of the Northern Distributor Road (NDR) project. The risk register was a corporate function and was updated constantly when issues arose, such as increased costs. Cabinet was kept up to date regarding any changes to the risk register.
- A Committee Member asked officers if they believed the £70m risk reserve was sufficient if the DfT did not agree to increase funding beyond the £213m already pledged and whether the risk reserve could be increased to cover escalating costs. An officer stated the budget position for the project was set out in the report to Cabinet. The risk reserve reflected increased knowledge of the project. Revised guidance was expected from the government on the 100% funding imminently but there was no set timescale for this.
- Committee Members stated that four different routes for the road were considered in 2019 and asked if those options would be reappraised as an effective Plan B should the scheme not proceed in its current form. Officers mentioned that there had been an extensive consideration process regarding the routing of the NWL

throughout the lifetime of the project. A Plan B was not under consideration as it was believed the current option for the NWL was the right solution for the issues identified during consultation.

- A Committee Member remarked that the beginning of NWL works had been delayed to 2026 at the earliest and asked if the project was dependent on the dualling of the A47 between Easton and Tuddenham. An officer stated that preparatory works on the NWL would commence in 2025 prior to the main construction beginning in 2026. The Highways Department was working closely with National Highways to coordinate work. The officer acknowledged there was a degree of uncertainty regarding the timing of the A47 project due to a current legal challenge being heard in the courts.
- A Committee Member asked officers if they were satisfied that all of the information contained in the forthcoming planning application was valid and whether any areas in the application remained incomplete. An officer confirmed the planning application was being finalised, with final checks due to be conducted to ensure the Council was meeting all local and national legal requirements.
- A Committee Member queried the methodology used to calculate carbon emissions caused by the construction of a new road, as it appeared unclear if the calculations were based on the NWL increasing the number of cars on the road in Norfolk or whether it considered current car journeys being rerouted. The efficiency of vehicle engines was also a factor, as engines in stop-start city traffic were found to be less efficient than those driving at speed on a main road. The Committee Member asked if journeys to the north-east of Norwich from the A47 were considered, as it was possible that many such journeys were currently being routed through the city centre on existing congested roads. Officers clarified that traffic within the area was analysed as part of the traffic model. The model was an advanced system as it could understand different times and traffic conditions to produce optimum routes. Findings from the model were being fed into a transport assessment document which would form part of the planning application. Officers commented that the model could also consider future developments and issues which could arise on the transport network.
- A Committee Member queried as to when his question relating to carbon emissions, which was raised at the Full Council meeting on the 12 December, would be answered by officers, stating that the assessment work completed on the scenarios was up to the 2050 Net Zero cut-off and did not consider what might happen in the second half of the 60 year lifespan. The Committee Member asked if the modelling only went up to 2050. The officer clarified the model covered the 60 years up to 2090, but due to the available guidance from the government it presented emissions as stable beyond 2050. The Committee Member asked if the decision to proceed with the NWL should be delayed until the guidance was up to date. Officers disagreed with this statement, as the Cabinet Member had already put forward the reasonings as to why the NWL needed to proceed. It was clarified that the Council had to work to national guidance set by the DfT, which could not be deviated from. The 5,000 extra tons of carbon figure was calculated using this guidance and was considered a worst-case scenario for the NWL. Emissions in countywide transport

were on a downward trend since 2017. The Cabinet Member for Highways, Infrastructure and Transport stated the carbon footprint figure was constantly being adapted due to guidance from the government. The Council was working on its Local Transport Plan, which had reduction of carbon emissions at its heart.

- A Committee Member asked if legal risks had been fully considered, as the Norfolk Wildlife Trust had recently commented in the media that the NWL broke wildlife law. An officer stated the Cabinet report included an appendix which was the draft statement of reasons. This contained all of the consents, licences, and permits which were required for the project to comply with legislation around wildlife protections. The Committee Member queried if legal advice had been sought regarding the Norfolk Wildlife Trust's comments on the project violating wildlife laws. The officer mentioned the decision on whether the NWL went forward would be taken by the Planning (Regulatory) Committee. The consents, licences and permits set out in the appendix to the Cabinet report would ensure the project did not break wildlife laws. Discussions had taken place with representatives from the Norfolk Wildlife Trust, who had provided officers with high level assessments. Officers had pressed the Trust to provide evidence to back up their assessments; however this had not yet been forthcoming. The project team had conducted environmental impact surveys which informed the direction the NWL scheme was taking, which also included mitigation procedures.

5.6 Cllr Osborn summed up the reasons for the call-in.

- Cllr Osborn stated the decision should be referred back to Cabinet for further consideration of the carbon profile of the NWL with regard to the 2050 Net Zero target.
- A cumulative risk assessment was essential for the project.
- Details of the conversations between officers and Natural England were required to see if they were prepared to issue a bat derogation notice. There was a rare colony of barbastelles bats within the area and further assurances that the project would not damage the population were necessary.
- Cllr Osborn remarked that important key questions about the project had not been answered. The NWL would involve millions of pounds worth of taxpayers' money being spent on a possibly illegal project, which contributed to increased carbon emissions and potentially risked the Council having to declare bankruptcy,
- Cllr Osborn acknowledged that Norfolk had a need for improved transport infrastructure, but the NWL project could not proceed as it would seriously undermine Council objectives relating to Net Zero, environmental protections and financial prudence.

- 5.7** The Chair asked Committee Members to consider the call-in.
- 5.7.1 The Scrutiny Committee took a vote on Cllr Osborn's proposal to refer the decision back to the Cabinet Member. With 1 vote in favour, 8 votes against and 3 abstentions the proposal was **LOST**.
- 5.7.2 With 8 votes in favour, 1 vote against and 3 abstentions, the Scrutiny Committee **RESOLVED** to **NOTE** the call-in but take no further action.

The meeting concluded at 11:16am

**Cllr Steve Morphew, Chair
Scrutiny Committee**



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 18001 0344 800 8020 (textphone) and we will do our best to help.