



Strategic and Corporate Select Committee Meeting Agenda

Meeting details

- **Date:** Wednesday 21 January 2026
- **Time:** 10:00
- **Venue:** Council Chamber, County Hall, Martineau Lane Norwich NR1 2DH

Membership

Name	Role
Cllr Dan Roper	Chair
Cllr Andrew Proctor	Vice Chair
Cllr Carl Annison	Committee Member
Cllr Lesley Bambridge	Committee Member
Cllr Phillip Duigan	Committee Member
Cllr Lana Hemsall	Committee Member
Cllr Alexandra Kemp	Committee Member
Cllr Mark Kiddle-Morris	Committee Member
Cllr Brian Long	Committee Member
Cllr Steve Morphew	Committee Member
Cllr Ben Price	Committee Member
Cllr Simon Ring	Committee Member
Cllr Carl Smith	Committee Member

Advice for Members of the Public

This meeting will be held in public and in person.

It will be live streamed on YouTube and members of the public may watch remotely by clicking on the following link: [Norfolk County Council YouTube](#).

We also welcome attendance in person, but public seating is limited, so if you wish to attend please indicate in advance by emailing committees@norfolk.gov.uk.

1. **Apologies for Absence**

2. **Minutes**

To confirm the public minutes of the meeting held on Wednesday 19 November 2025

3. **Updates from the Chair**

4. **Members to Declare any Interests**

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

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

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

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

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

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

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

5. Public Question Time

Fifteen minutes for questions from members of the public of which due notice has been given. Please note that all questions must be received by the Committee Team (committees@norfolk.gov.uk) by **5pm on Thursday 15 January 2026**. For guidance on submitting a public question, please follow this link: [Ask a question to a committee - Norfolk County Council](#)

Any public questions received by the deadline and the responses will be published on the website from 9.30am on the day of the meeting and can be viewed by clicking this link once uploaded: [CMIS > Calendar of Meetings](#).

6. Local Member Questions

Fifteen minutes for local members to raise issues of concern, of which due notice has been given. Please note that all questions must be received by the Committee Team (committees@norfolk.gov.uk) by **5pm on Thursday 15 January 2026**.

7. Local Government Reorganisation – Scrutiny and Risk Considerations **Page 16**

Report by the Chief Executive

8. Review of Companies Governance **Page 37**

Report by the Director of Legal Services and Monitoring Officer

9. Financial Regulations Update 2026 **Page 45**

Report by the Director of Strategic Finance

10. Forward Work Programme **Page 96**

Report by the Director of Democratic and Regulatory Services

11. Exclusion of the Public (Item 12 only)

The Committee is asked to consider excluding the public from the meeting under section 100A of the Local Government Act 1972 for consideration of the item below, on the grounds it involves the likely disclosure of exempt information as defined by Paragraph 3 of Part 1 of Schedule 12A to the Act, and the public interest in maintaining the exemptions outweighs the public interest in disclosing the information.

The Committee will be presented with the conclusion of the public interest test carried out by the report author and is recommended to confirm the exclusion.

12. Exempt Minutes **Page 105**

To confirm the exempt minutes of the meeting held on Wednesday 19 November 2025

Tom McCabe
Chief Executive
Norfolk County Council
County Hall
Martineau Lane Norwich
NR1 2DH

Date Agenda Published: Tuesday 13 January 2025

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

Laine Tisdall on 01603 222 053
or email committees@norfolk.gov.uk



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Strategic and Corporate Select Committee Minutes

Meeting details

Time and date of meeting: Wednesday 19 November 2025 at 10am

Venue: Council Chamber, County Hall, Martineau Lane, Norwich

Present

Name	Role
Cllr Dan Roper	Chair
Cllr Andrew Proctor	Vice-Chair
Cllr Carl Annison	Committee Member
Cllr Lesley Bambridge	Committee Member
Cllr Phillip Duigan	Committee Member
Cllr Lana Hempsall	Committee Member
Cllr Alexandra Kemp	Committee Member
Cllr Mark Kiddle-Morris	Committee Member
Cllr Brian Long	Committee Member
Cllr Steve Morphew	Committee Member
Cllr Ben Price	Committee Member

Also Present

Name	Role
Harvey Bullen	Director of Strategic Finance
Paul Cracknell	Executive Director for Strategy and Transformation
Justin Galliford	Chief Executive Officer, Norse Group plc
Tristan Hopper	Democratic Support and Scrutiny Manager
Kat Hulatt	Director of Legal Services and Monitoring Officer
Julie Ive	Senior Commissioning Manager
Cllr Kay Mason Billig	Leader and Cabinet Member for Strategy and Governance
Zoe Repman	Chief Financial Officer, Norse Group plc
Ceri Sumner	Chief Fire Officer, Norfolk Fire and Rescue Service
Laine Tisdall	Committee Officer

1. Apologies and Substitutions

- 1.1. Apologies were received from Cllr Simon Ring
- 1.2. Following the resignation of Cllr Keith Kiddie, a Conservative vacancy on the Select Committee had now arisen.
- 1.3. The Chair paid tribute to Cllr Keith Kiddie, who had served on both the Strategic and Corporate Select Committee and the former Scrutiny Committee, and wished him well in his future endeavours.

2. Approval of Minutes

- 2.1. The minutes of the meeting held on Friday 22 October 2025 were approved as a true record of proceedings and signed by the Chair subject to the following amendment.
- 2.2. Cllr Kemp raised an amendment to Item 8.3 (Overview of Norfolk County Council's Policy Framework) to note that the No Incineration In Norfolk policy formed part of the Policy Framework. The amendment was accepted by the Select Committee.

3. Updates from the Chair

- 3.1. There were no updates from the Chair.

4. Declaration of Interests

- 4.1. There was no declaration of interests.

5. Public Question Time

- 5.1. There were no public questions.

6. Local Member Questions

- 6.1. There were no Local Member questions.

7. Norfolk Fire and Rescue Service Statement of Assurance 2024/25

- 7.1. The Chief Fire Officer introduced the report, which provided a copy of the Norfolk Fire and Rescue Service (NFRS) Statement of Assurance 2024/25. The principal aim of the Statement of Assurance was to provide an accessible way in which communities, Government, local authorities, and other partners could make a valid assessment of their local Fire and Rescue Authority's performance.
- 7.2. The Statement of Assurance incorporated learning from recent national incidents and recommendations.
- 7.3. The following points were raised and discussed:
 - It was queried if the NFRS had adequate funding at present. The Chief Fire Officer stated that the in-year budget had several cost pressures, as over 60% of firefighters were currently on-call, representing a variable cost. Due to the hot weather during summer 2025, demand on the NFRS was higher than expected. It was acknowledged there were concerns around how the NFRS would plan for devolution, as the Ministry of Housing, Communities and Local Government (MHCLG) had not yet confirmed if devolution cost pressures would be funded. A letter had been sent to the department; however, no response had been received at present.

- The Leader of the Council confirmed that NFRS would be moving underneath the Norfolk and Suffolk Mayor from 2027. A request had been made to MHCLG to delay the transition due to complexities around the disaggregation of services. However, the transition timetable remained the same. It was hoped that Norfolk County Council would receive capacity funding to cover this activity.
- Further details were requested as to how the NFRS had achieved a 71% increase in home visits over the past year. The Chief Fire Officer stated a concerted effort had been made to reach the most vulnerable residents in Norfolk, following a £240,000 investment from Norfolk County Council to the Prevention team. All fire crews had been trained to carry out home fire safety interventions. There was also targeted interventions in areas of likely risk and from referrals from other local authorities and partners. In addition, NFRS was part of the Adult Social Care falls prevention trial, utilising artificial intelligence (AI).
- A Committee Member highlighted there had been 40 fatal Road Traffic Collisions (RTCs) in Norfolk during 2024-25, with the figure further broken down via age groups in the report. It was queried if the RTC figures matched what would be expected from demographics in Norfolk. The Chief Fire Officer stated she would do a comparison of the RTC figures against demographics and report back to the Select Committee. There appeared to be an increase in older people involved in RTCs, with NFRS encouraging older drivers to get retested and to make sure they were fit and well before going behind the wheel of a vehicle. NFRS had also recently conducted its first RTC multi-agency review, following precedent taken with fatal fires.
- It was queried if NFRS was actively recruiting dogs. The Chief Fire Officer confirmed that that one search and rescue dog was currently employed, along with a number of OK9 wellbeing dogs to provide support for NFRS employees during debriefs from traumatic incidents.
- Further details were requested regarding NFRS' work on areas of risk, such as schools, care homes, and the nighttime economy. The Chief Fire Officer stated that the Protection Team had undertaken focussed work, following the recommendations in the Grenfell Tower Inquiry report. Remedial work was being conducted on medium and high-rise buildings in Norfolk by building owners. Fire safety referrals were also taken seriously. As part of NFRS' enforcement powers, premises at risk were identified and officers would work with the owners to understand fire safety rules and regulations.

- A Committee Member asked what was being done to encourage recruitment of female firefighters. The Chief Fire Officer stated that numerous activities were being held to make the role more aspirational, such as open sessions at fire stations to encourage female uptake of the role. At present in the latest recruitment round, 25% of applicants were female. It was acknowledged that there was historically a higher rate of dropout in this cohort during the recruitment process. Actions were being taken which had improved retention rates.
- The social-economic makeup of the NFRS was questioned, as it was noted that it had to reflect the location it served, which also included deprived areas of Norfolk. The Chief Fire Officer highlighted that the NFRS did not require on-call firefighters to possess a driving licence, although this was mandatory for full-time firefighters. Officers were looking at barriers to entry, such as the cost of learning to drive.
- It was queried how the Select Committee would receive performance data from the NFRS, such as incident learning and compliance outcomes. The Chief Fire Officer stated there was a Strategic Development Oversight Group, currently chaired by the Cabinet Member for Communities and Partnerships. This oversight group contained representatives from political parties represented at Norfolk County Council. It was agreed that information and data could be brought back to the Select Committee at the discretion of the Chair.
- A Committee Member noted that the National Resilience Assurance Team had judged Norfolk's preparedness to large scale and complex incidents as inadequate in January 2025. Assurance was requested as to what was being done to improve the NFRS's score in this area. The Chief Fire Officer stated that additional training was required for firefighters, which was a work in progress. It was noted that the NFRS scored well in this area compared to other fire services. A more stringent internal audit process was in place at the NFRS, and updates could be brought before the Select Committee if requested.
- In response to a request from a Committee Member, the Chief Fire Officer **agreed** to check NFRS' definition of "waterway" and report back to the Committee.
- It was noted that over the past five years, NFRS was on average 98% busier than in 2020. There was a need for resources to be moved across Norfolk in a dynamic fashion to ensure sustainable coverage in the county. It was agreed information could be shared with the Select Committee to illustrate how the NFRS's dynamics were changing in the 2020s.

7.4. Having considered and commented accordingly, the Select Committee **RESOLVED** to **APPROVE** the Norfolk Fire and Rescue Service Statement of Assurance 2024/25.

8. Local Government Reorganisation – Preparing for Transition – Update on Planning and Decision Making Context

- 8.1. The Leader of the Council introduced the report, which was produced to support the Select Committee in its understanding of the core decision making elements anticipated as part of the process to transition to a unitary model of local government in Norfolk.
- 8.2. A presentation was shown to the Select Committee, the slides of which could be found between Pages 73 and 96 within the meeting agenda.
- 8.3. The following key elements were highlighted to the Select Committee:
- A substantial amount of transition work was required over the next few years to set up the new system of local government in Norfolk.
 - The indicative timetable from the Government was that the new unitary authorities would commence from 1 April 2028.
 - A “minded to” decision for local government reorganisation would be made by ministers at MHCLG in March 2026. This was then subject to Parliamentary approval through the Structural Changes Order (SCO) process. Legislation was required to implement the final decision.
 - Once the SCO was made in Parliament, a Joint Committee would be established to oversee the transition period between the SCO and establishment of the Shadow Authority. If the Government decided to implement multiple unitary authorities for Norfolk, there would be an equal number of Joint Committees. Membership of the Joint Committees was to be drawn from existing local authorities.
 - The Shadow Authority had to prepare an implementation plan for vesting day (1 April 2028). This would cover key issues such as council tax harmonisation, and the aggregation/disaggregation of core services, dependent on what local government reorganisation model was ultimately taken.
 - Elections to the Shadow Authority were expected to be held in May 2027. The members elected to this body would go on to form the elected members of the new authorities. The Shadow Authority would automatically become the new local authority on vesting day.
 - Upon vesting day, all existing local authorities in Norfolk were to be abolished, with the new authorities taking on responsibilities, assets, and liabilities. It was acknowledged there were numerous operational challenges to be planned for.
 - Workstreams to close down the existing authorities were being planned to run co-currently alongside the transition to the new arrangements.

- The government had indicated its intention to issue a direction under Section 24 of the Local Government and Public Involvement in Health Act 2007 (a Section 24 direction). This will be issued once the SCO had been made in Parliament. The Section 24 direction aimed to protect Shadow Authorities from experiencing financial issues before they made any firm commitments. Officers expected the direction to be issued in December 2026.
- It was acknowledged that the main bulk of transformation was to take place after vesting day, as it was unlikely there would be capacity to achieve this on the first day of the new authorities.
- The Leader of the Council commented she had just received an email from Alison McGovern MP, which stated that the local government reorganisation consultation for Norfolk was due to open today and conclude on Sunday 11 January 2026.

8.4. The following points were raised and discussed:

- The Chair questioned as to how Joint Committees would be scrutinised. Officers stated that a pragmatic approach would be taken, dependent on the host local authorities and which model of local government was ultimately chosen for Norfolk.
- It was noted that the Government's consultation would cover all three potential models of local government reorganisation. Advice from the Monitoring Officer was expected in due course.
- A Committee Member expressed concern regarding a lack of clarity around member oversight of the transitional arrangements. Officers acknowledged that this was the start of the process and that a member-informed solution was the optimal route to getting a balanced oversight system in place. This potentially meant a significant increase in scrutiny and more committee meetings being required. Learning from previous iterations of local government reorganisation was being used to inform the direction of travel, alongside district partners.
- The Leader of the Council highlighted that the regular Norfolk Leaders Group had a strong focus on local government reorganisation during the second half of each meeting.
- A Committee Member suggested that an update report be brought to the January 2026 meeting of the Select Committee, as this was scheduled shortly after the consultation closed.

- Concern was expressed that the Section 24 direction from the government could potentially restrict existing local authorities in delivering pay-to-services, along with stopping wholly owned companies from entering into contracts. Officers provided assurance that wholly owned companies were not covered by the Section 24 direction. It was highlighted that most departmental spend at Norfolk County Council was not covered by the Section 24 direction as it was already planned within budgets.
- The Vice-Chair expressed concern that there could be public confusion regarding Norfolk County Council and the Shadow Authority in 2027. There was a need to ensure clear communications to highlight exactly what was happening in Norfolk.
- The Vice-Chair queried how the consultation would be undertaken, whether there would be paper documents or if it was purely online. The Leader stated that the consultation had only been made official earlier in the day and had not yet gone live. It was confirmed that accessible documents were to be made available, and assistance provided to members of the public in libraries.
- Details were requested around charter trustee arrangements, as it was noted that such arrangements took significant time to be set up and tested. Officers confirmed that charter trustees were highlighted with the single unitary authority business case and that the Government had pledged to protect the role of civic mayors. Charter trustee arrangements could not be put in place until vesting day as such roles were to be occupied by elected Local Members. It was confirmed that the Government would be lobbied to ensure that the SCO covered this.
- The Vice-Chair requested clarity around the ownership arrangements of wholly owned companies, particularly if there would be a run-off period for accounts to be signed off given that vesting day was scheduled at the very beginning of the 2028-29 financial year. An officer stated that wholly owned companies would need to prepare for each of the three potential scenarios of local government reorganisation. However, it was ultimately up to the Shadow Authority to indicate their preferred direction after vesting day. The Vice-Chair commented that this needed to be a joint process involving shareholders.
- A Committee Member highlighted that good governance and scrutiny required continuity of personnel. There was a risk that if the County elections did take place in May 2026, this would result in a new cohort of Local Members who were potentially not up to speed with the details around local government reorganisation. Officers stated that regardless of the decision around elections in Norfolk, everyone within Norfolk County Council was entering a new period of learning, given the changes on the horizon.

- In response to a request for advice around whether wholly owned companies would be considered as council entities under the Section 24 direction from the Government, it was **agreed** that the Monitoring Officer would circulate a note to Committee Members.
- A Committee Member highlighted that, given the core statutory services both departments currently provided, it was essential that both Adult Social Care and Children's Services were kept safe and legal. If the Government chose to implement multiple unitary authorities in Norfolk, this would result in multiple departments, duplication of management, and risks around disaggregating services. Officers confirmed that the risks of disaggregating core statutory services were set out in detail within the single unitary proposal to the Government.
- With local government reorganisation occurring at the same time as devolution for Norfolk and Suffolk, concern was expressed around terminology used to describe the shadow authority, as it was paramount that the public were kept informed and brought along on the same journey as everyone else.
- It was queried whether Council Tax harmonisation would be one of the topics included in the consultation. An officer noted that the new authorities had to make their own decisions around budgets.
- A Committee Member asked if there were discussions around the assets and liabilities that the new authorities would be obliged to take on from vesting day. An officer stated that all of the proposals had set out risks around assets and liabilities, with this being one of the topics to be consulted upon.
- Clarification was requested around the future of community assets and services should a single unitary authority be chosen from Norfolk, as it was unclear whether they would stay as part of the new authorities' estate or be transferred to parish councils and town councils. Officers stated that assets would initially be transferred to the new authorities. Conversations were planned to be held with parish councils and town councils regarding opportunities to own assets and services, such as verge cutting, which was already delegated to over seventy such authorities.

8.5. Having considered the briefing from officers on the core decision making elements anticipated as part of the local government reorganisation process, the Select Committee **RESOLVED** to **NOTE** the report.

9. Forward Work Programme

9.1. Officers introduced the report, outlining the current forward work programme for the Select Committee in 2025-26

- 9.2. The following key elements were highlighted to the Select Committee:
- Following a request at the previous meeting of the Select Committee, the Policy Framework had been updated to show which Cabinet Member oversaw each policy.
 - The three Working Groups which came under the Select Committee's remit were highlighted as an appendix to the forward work programme.

9.3. The following points were raised and discussed:

- The Vice-Chair suggested that a review of Norfolk County Council's Constitution be brought to the Select Committee during the 2026-27 municipal year.
- Given the amount of work and oversight required, Committee Members suggested designating Devolution and Local Government Reorganisation as standing items on the forward work programme, enabling updates to be brought to every meeting going forward.
- The Chair requested that future items around the performance of the NFRS and its action plans in the wake of the inquiry reports into the Manchester Arena bombing and Grenfell Tower fire be brought to future meetings of the Select Committee.
- It was noted that the March 2026 meeting of the Select Committee could potentially take place before MHCLG made its "minded to" decision regarding local government reorganisation. Consideration was given towards moving this meeting to a later date, although there was a possibility that Norfolk could be in a pre-election period from late March should the May 2026 County elections take place.
- The future of the Working Groups was considered. The possibility of abolishing them and restarting from scratch was one option, as it was unclear how they sat within the current governance structure. It was suggested that an update report and the Terms of Reference for each Working Group be brought to the Select Committee.

9.4. The Strategic and Corporate Select Committee **RESOLVED** to **NOTE** the current forward work programme and discuss items for future inclusion.

10. Norse – Update on 2025-26 Business Plan

- 10.1. The Chair welcomed Justin Galliford and Zoe Repman from Norse Group to the meeting.
- 10.2. Officers introduced the report, presenting an update on the 2025-26 Norse Group Business Plan for review. The plan outlined the strategic direction, operational priorities and financial framework for the Norse Group and its subsidiaries.

10.3. As the appendix to the report (published as Item 12 on the agenda) was considered to contain exempt information, The Chair briefly adjourned any further consideration and discussion.

11. Exclusion of the Public (Item 12 only)

11.1. The Committee was asked to consider excluding the public from the meeting under Section 100A of the Local Government Act 1972 for consideration of Item 12, on the grounds that it involved the likely disclosure of exempt information as defined by paragraph 3 of Part 1 of the Schedule 12A to the Act, and the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

11.2. Paragraph 3 stated “information relating to the financial or business affairs of any particular person” (including the Authority holding the information).

11.3. Having applied the Public Interest Test, it was recommended that the Select Committee confirm the exclusion listed below:

- The report within agenda item 12 contained information relating to the financial or business affairs of any particular person (including the authority holding that information). Inappropriate disclosure would or would be likely to prejudice interests which may expose Norfolk County Council to legal action in the future.

11.4. The Select Committee **RESOLVED** to **APPROVE** that agenda item 12 be excluded from public disclosure by virtue of paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 and the text applied above, confirming that the public interest in maintaining the exemption outweighed the public interest in disclosing the information

11.5. The public part of the meeting adjourned at 11:40, reconvening at 12:58

12. Exempt Appendix of Norse Group – Business Plan Update

12.1. Officers highlighted key elements of the exempt report to the Select Committee.

12.2. Committee Members discussed and commented on the exempt report, with officers responding in turn.

12.3. Recommendations were considered during the private session, which necessitated a return to public session for these to be agreed.

12.4. Having considered and reviewed the update on the 2025-26 Norse Group Business Plan, the Select Committee **RESOLVED** the following:

1. To **NOTE** the report.
2. To **EMPHASISE** the need for increased oversight in how care provision in Norfolk was considered in the future, along with the scrutiny of proposed asset disposals.

12.5 The Select Committee did not make any recommendations to Cabinet.

12.6 The Chair thanked officers and Norse representatives for their contributions.

There being no other business, the meeting closed at 13:00

**Councillor Dan Roper, Chair,
Strategic and Corporate Select Committee**

Report to Strategic and Corporate Select Committee

Item No: 7

Report Title: Local Government Reorganisation – Scrutiny and Risk Considerations

Date of Meeting: 21 January 2026

Responsible Cabinet Member: Cllr Kay Mason Billig (Leader of the Council and Cabinet Member for Strategy and Governance)

Responsible Director: Tom McCabe (Chief Executive)

Executive Summary

The government's statutory consultation on proposed changes to the local government structure in Norfolk has been carried out. The next stage in the process is for the government to decide, subject to Parliamentary approval, how it wishes to proceed; this decision is expected by March.

Whatever decision is taken, there will be significant work to plan and carry out the activities needed to deliver the new model. Carrying out early work is important to ensure that we are able to move at pace once the government decision is known.

To support robust scrutiny and decision-making processes throughout the LGR process, the Select Committee received a briefing in November 2025 on core governance and decision-making processes anticipated to be key parts of implementation.

This report requests the Select Committee to further consider what arrangements will be needed to effectively support implementation of Local Government Reorganisation.

Action Required:

- 1. The Select Committee is asked to review and consider the information set out in this report, in particular the specific discussion points set out in para 2.6 and 3.8, to enable officers to put appropriate arrangements and support in place.**

1. Background and Purpose

- 1.1** In February 2025, the Government wrote to all council leaders in areas with two-tier structures, asking them to put forward proposals for local government reorganisation. The County Council submitted a business case setting out a detailed proposal for a single unitary council for the county in September 2025, and this Select Committee considered the County Council's draft proposal prior to submission.
- 1.2** The Government has since carried out a statutory consultation on the three separate proposals it received for Norfolk, and this consultation closed on 11 January 2026. The next stage of the process is for Government to decide, subject to Parliamentary approval, which, if any, proposal is to be implemented (this is called a "Minded To" decision). The government's timetable sets out that "decisions on which proposal to implement could be announced by March, before the period of sensitivity for the May local elections".
- 1.3** In the meantime, at the November 2025 meeting, officers presented information on the core planning and decision-making processes that are anticipated to form the basis of work moving forward, once the government's "Minded To" decision is known. This was to support Members to understand the key elements, and helping to develop a common language and understanding of the overall process.
- 1.4** At the November 2025 meeting, during discussion, the Select Committee identified that further reports to the Select Committee would be helpful, particularly in relation to scrutiny arrangements and understanding risks. A standing report on Local Government Reorganisation was subsequently added to the Select Committee's Forward work programme.

2. Scrutiny arrangements

- 2.1** As we transition to any new model of local government, there will be a number of stages in the process that will require differing areas of scrutiny focus and considerations. Drawing on the guidance published by the Centre for Governance and Scrutiny (CfGS), and reflecting the key governance and decision-making elements discussed with the Committee in November 2025, these different stages are summarised in Appendix A.
- 2.2** The CfGS is clear, in terms of lessons learned, that early dialogue is crucial; capacity and leadership challenges are significant; each process is unique.
- 2.3** For Stage 1, Developing a proposal (business case) and waiting for the government's minded to decision, this Select Committee has already previously considered three significant items:-
- June 2025 – formal pre-scrutiny of the detailed Options Appraisal, prior to consideration by Cabinet.
 - September 2025 – formal pre-scrutiny of the detailed proposal (business case) prior to debate and Full Council and consideration by Cabinet.
 - November 2025 – considered a briefing on the core decision making and planning processes that are expected to form the basis of work moving forward.
- 2.4** In the current programme of LGR, Norfolk, as one of the Devolution Priority Programme areas, is working to an accelerated government timetable. The only area in the current programme which has a more accelerated programme is Surrey. Appendix B sets out the published information relating to the scrutiny approach being taken by Surrey County Council, to help identify any learning.
- 2.5** There will be opportunities throughout the programme for wider Member involvement. This will be through specific oversight groups set up to help drive the implementation programme, including Joint Committee(ies). Regular Member briefings and updates will continue, utilising existing challenges like the Member Portal, briefings and weekly emails.

2.6 Discussion points for the Select Committee

Discussion point 1 - Appendix A assumes that the Strategic and Corporate Select Committee will carry out the overarching scrutiny role for LGR in relation to NCC. This includes referring key matters to other Select Committees, rather than attempting to consider all matters. Is this an appropriate assumption?

Discussion point 2 - Appendix A assumes that the Strategic and Corporate Select Committee will carry out scrutiny of the LGR programme alongside its existing scrutiny role on the basis that this will support cross-cutting and common issues to be more effectively scrutinised. However, this will add to the work of the Committee and may require additional meetings and or sub-groups to be established at certain points in the process. Is this an appropriate assumption or would the Select Committee wish to consider other arrangements, particularly bearing in the mind the need to ensure that existing scrutiny arrangements are not diluted during transition?

Discussion point 3 - Are there any potential significant omissions from the information in Appendix A that the Select Committee would have expected to see?

Discussion point 4 – What training or support would the Select Committee envisage would be helpful to support Members of the Committee to effectively carry out their roles. In particular, what training and support should be put in place following the election in May, to support Members to get up to speed quickly?

Discussion point 5 – Delivery of Local Government Reorganisation will be a significant programme of activity and all Members will wish to have the opportunity to feed into the process. Does the Select Committee have any views on whether additional arrangements to engage Members, generally, throughout the process need to be put in place, or whether existing channels could continue to be utilised?

3. Risks

- 3.1 As set out in Appendix A, part of the scrutiny role will involve monitoring work to identify, manage and mitigate key risks. At stage 1, the key task is to identify initial key risks. This will support the Select Committee to better understand the range of risks associated with LGR implementation.
- 3.2 The three separate proposals submitted to government all include information about risks. Collectively, these provide an initial picture of risks associated with the implementation of the three different options. The information included in the three proposals is replicated in Appendices C-E.

- 3.3** The initial risks identified include strategic as well as detailed risks. There are also risks identified that would be reduced or removed dependent on the way forward decided by government, for example the risk relating to social care migration would not be relevant in a single unitary model.
- 3.4** The information in Appendix C and E should be considered as initial only and will not represent fully considered and comprehensive risk registers. They will not be comprehensive and will need further development.
- 3.5** At an overarching level, at their 5 January 2026 meeting, Cabinet reviewed risks on the corporate risk register. Changes to the Local Government Reorganisation risk were agreed to enable it to reflect the current position. The risk description of this corporate risk is:-

The government's indicative timetable to deliver local government reorganisation is a challenging one, with a government decision on the way forward anticipated in March 2026 and vesting day for any new authority(ies) in April 2028. Significant planning and resources, from both the county and district councils, will be needed to deliver a safe and legal authority(ies) for vesting day, and beyond. There is a risk that inadequate planning and/or resource allocation will impact on the county council's ability to maintain effective delivery of existing County Council services between now and vesting day, whilst also ensuring successful transition to deliver a safe and legal authority(ies) for vesting day.

Tasks to mitigate this risk are set out as follows:-

The government's decision on a way forward is anticipated in March 2026, after which time detailed work to mobilise and progress transition to the agreed new model can commence with a focus on the agreed model. In the meantime, given the scope and breadth of the work needed to transition to a new model, early work is commencing in advance of this decision to plan against all relevant scenarios. The main elements of this, to mitigate the risk, are: - 1. Initial planning and modelling. 2. Working collaboratively with district council colleagues to assemble relevant data and information, common to all outcomes - a discovery phase. 3. Detailed planning, focussed on county council's services and readiness. 4. Securing external support/resource to provide specialist input and additional capacity, as needed.

- 3.6** Detailed work on risks will be carried out following the government's Minded To decision, as part of work to develop a detailed implementation plan and programme, and there will be a scrutiny role in reviewing and considering these plans.

- 3.7** For the county council, work to identify, monitor, and manage risks will be carried out in line with existing risk management policies and procedures, in the same way as for other major projects. This includes escalation of risks, including to Cabinet, where needed, as well as close oversight through a dedicated Board (or similar).
- 3.8** It is likely that risks associated with the LGR programme could create associated risks to service delivery, for example financial or capacity risks. In these cases, service level risks will continue to be identified, monitored and managed through existing risk management processes. The interrelationship between BAU and programme risks is recognised, but there is benefit in maintaining some separation of how these are considered, not least to ensure our BAU work is not diluted.

3.9 Discussion point for the Select Committee:

Discussion point 6 – The initial risks set out in the appendices include both strategic and detailed risks. These will be fully assessed once the government’s Minded To decision is known. In advance of this, are there any risks that the Select Committee consider are particularly significant and would benefit from an early consideration by this Committee? Noting that the Committee has previously highlighted that it would wish to consider financial risks and risks relating to wholly owned companies as a priority.

4. Future discussion items

- 4.1** This Committee’s next meeting is on 18 March and it is possible that the government’s Minded To decision is known by then. However, there is no indication from the government on when a decision may be received and therefore, in terms of agenda planning for this meeting, it is helpful to plan on the basis that a Minded To decision will not be known.
- 4.2** For the next meeting of this Committee, it is suggested that the standing report on LGR focusses on communication and engagement plans.

5. Impact of the Proposal

- 5.1** This item is intended to support the Select Committee to consider and better understand scrutiny and risk management arrangements relating to implementation of Local Government Reorganisation, to support robust scrutiny and decision making during the programme.

6. Evidence and Reasons for Decision

6.1 As para 4.1 above.

7. Alternative Options

7.1 This item is for discussion. Local Government Re-organisation is a standing item on the Forward Work Plan for this Select Committee and the Committee may wish to identify other items or priority areas to bring for discussion.

8. Financial Implications

8.1 None arising from this report.

9. Resource Implications

9.1 Workforce: If the Select Committee decides that additional arrangements need to be put in place to support it to deliver its role in relation to Local Government Reorganisation, e.g. additional meetings, these will need to be supported by officers.

9.2 Property: None arising from this report.

9.3 IT: None arising from this report.

10. Other Implications

10.1 Legal Implications: None arising from this report.

10.2 Human Rights Implications: None arising from this report.

10.3 Equality Impact Assessment :(EqIA): None arising from this report.

10.4 Data Protection Impact Assessments (DPIA): None arising from this report.

10.5 Health and Safety implications: None arising from this report.

10.6 Sustainability Implications: None arising from this report.

10.7 Impact of Devolution on the decision: None arising from this report.

10.8 Impact on Devolution of the decision: None arising from this report.

- 10.9** Impact of Local Government Reorganisation on the decision: None arising from this report.
- 10.10** Impact on Local Government Reorganisation of the decision: This report supports putting arrangements in place that robust scrutiny and decision making through the implementation of Local Government Re-organisation.
- 10.11** Any Other Implications: None arising from this report.

11. Risk Implications / Assessment

- 11.1** There is a risk that inadequate planning and/or resource allocation will impact on the county council's ability to maintain effective delivery of existing County Council services between now and vesting day, whilst also ensuring successful transition to deliver a safe and legal authority(ies) for vesting day. Enabling the Select Committee to start to put arrangements in place for scrutiny supports robust scrutiny and decision-making during implementation.

12. Background Papers

- Scrutiny and local government reorganisation - a practice guide - CfGS
Centre for Governance and Scrutiny information
- 19 November 2025 report to Strategic and Corporate Select Committee – Local Government Reorganisation – Preparing for Transition – Update on planning and decision making context

Officer Contact

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

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

Different phases of scrutiny during transition to a new model of local government

This appendix set out an overview of the key elements and considerations of scrutiny of Local Government Reorganisation (LGR), drawn from information published by the Centre for Governance and Scrutiny. It is not intended to be a comprehensive list of activities and responsibilities and, in practice, additional needs may emerge.

This note sets out scrutiny roles in relation to Norfolk County Council, irrespective of any final decision by government. Once we have the Minded To decision from the government, the arrangements for which existing authority(ies) will be the lead authority(ies) for transition will be clear. The lead authority(ies) will want to give early consideration to any additional scrutiny responsibility which may be appropriate to support their lead role.

Key principles for scrutiny roles in LGR

- Good governance and strong assurance systems are essential.
- Scrutiny should be purposeful, focused, and avoid duplication.
- Scrutiny can ensure oversight, manage relationships and risks, review capacity pressures, and support the lead authority(ies) with local insights.
- It is important to agree scrutiny roles at an early stage in the process via protocols (or similar)

Key scrutiny activities during LGR

- Providing insight and challenge
- Ensuring that NCC continues to drive existing priorities, deliver good quality services to communities and operate with good oversight and governance
- Supporting learning and good scrutiny practice to feed into new arrangements
- Supporting work to plan good scrutiny arrangements during the Shadow Authority period

Stage1 - Developing a proposal (business case) and waiting for the government's minded to decision

Key work/outcomes during this stage:

- Developing and submitting a proposal (business case)
- Responding to the government's statutory consultation
- Ensuring sufficient resources are in place
- Initial planning timelines and scenario planning
- Gathering learning and intelligence from others
- Starting work across the local government family in the county to prepare for implementation

The scrutiny role during this stage:

- Review, consider and provide feedback on the detailed options appraisal, prior to its consideration by Cabinet
- Review, consider and provide feedback on the business case prior to its consideration by Cabinet
- Learn more about the next phases of implementation of LGR and what governance and decision-making groups will be put in place, understand objectives and timelines
- Start to think about arrangements for future stages
- Identify initial key risks
- Continuing to ensure that NCC drives existing priorities, delivers good quality services to communities and operates with good oversight and governance

Stage 2 – Minded To decision and Structural Changes Order

Key work/outcomes during this stage:

- The government will confirm its Minded To decision, setting out the intended way forward for the creation of a new authority(ies)
- A Structural Change Order will need to be prepared and laid in the House of Commons by the government. Preparation of the Order is a largely government led process but requires input from all 8 local councils
- Detailed work to plan and start to deliver timelines, programmes and resources
- Detailed work to establish a programme(s) to deliver implementation, including establishing workstreams with district council colleagues

The scrutiny role during this stage:

- Monitor progress of the development of the Structural Change Order
- Review, consider and provide feedback on the detailed plans, programmes and resources
- Formalise outreach arrangements for engaging with key stakeholders and partners during implementation
- Monitor work to identify, manage and mitigate key risks
- Identify key matters for more detailed consideration by other Select Committees
- Continue to ensure that NCC drives existing priorities, delivers good quality services to communities and operates with good oversight and governance

Stage 3 – Establishment and operation of Joint Committee(ies) and preparing for Shadow Authority(ies)

Key work/outcomes during this stage:

- Joint Committee(ies) will be established, as defined in the Structural Changes Order, and will carry out work to prepare for the Shadow Authority(ies). This could include the establishment of additional sub-committees.

- Preparation for, and carrying out of, the election(s) to the Shadow Authority(ies)
- Detailed plans, programmes and resources will be delivered

The scrutiny role during this stage:

- Review, consider and provide feedback on the plans to establish Joint Committee(ies)
- Monitor the progress of the Joint Committee(ies) in the delivery of detailed plans, programmes and resources, including the preparation of Implementation Plan(s)
- Monitor work to identify, manage and mitigate key risks
- Support work to design new scrutiny arrangements for Shadow Authority(ies) (Stage 4)
- Identify key matters for more detailed consideration by other Select Committees
- Continue to ensure that NCC drives existing priorities, delivers good quality services to communities and operates with good oversight and governance

Stage 4 – Shadow Authority(ies)

Key work/outcomes during this stage:

- Establish Shadow Authority(ies), including a Leader, Cabinet and any Committees relevant to meet at this stage
- Agree Implementation Plan(s) that set out the work to deliver safe and legal transition to new arrangements, including the approach to aggregation/disaggregation of services
- Formulate and consult on a budget for the new authority(ies)

The scrutiny role during this stage:

During this period, the Shadow Authority(ies) will be expected to establish their own scrutiny arrangements to oversee work to deliver the new authority(ies). However, there will continue to be a scrutiny role for existing authorities:-

- Review, consider and provide feedback on the plans to ensure sufficient resources are retained to deliver good quality services until the abolition of the council
- Review, consider and provide feedback on the plans to close down the existing authority, including any transition arrangements that will need to carry forward to the new authority(ies)
- Monitor work to identify, manage and mitigate key risks
- Review and consider arrangements for passing local insight to the Shadow Authority(ies) and new authority(ies)
- Identifying key matters for more detailed consideration by other Select Committees
- Continue to ensure that NCC drives existing priorities, delivers good quality services to communities and operates with good oversight and governance

Stage 5 – Vesting day and delivery of services by the new authority(ies)

Key work/outcomes during this stage:

- Existing authorities will be abolished
- The new authority(ies) will be vested (come into existence)
- A full governance structure, including committees, will commence
- Services will continue to be delivered

The scrutiny role during this stage:

During this period, the new authority(ies) will deliver within their own governance and scrutiny structures.

Surrey County Council - LGR scrutiny approach

Effective scrutiny is an important part of the process for a safe and legal transition to the new authorities. In addition, Surrey County Council remains responsible for the delivery of key public services until vesting day in March 2027, so scrutiny of business-as-usual activity will remain central to the Select Committees' work programmes.

For scrutiny functions in Surrey County Council, as well as scrutiny within Surrey's district and borough councils, there are three LGR related tasks envisaged:

- Testing risk and resilience for the transition to unitary local government.
- Passing local insight to the Shadow Authorities.
- Managing and supporting joint relationships between the current councils.

Until vesting day, scrutiny oversight of LGR implementation planning by Surrey County Council will be anchored in the Select Committee Chair and Vice Chairs Group. This group will monitor key risks to delivering a safe and legal transition of services, passing important matters to Select Committees for more detailed consideration.

From May 2026, following the Shadow Authority (SA) elections, until vesting day in April 2027, Surrey County Council Select Committees will continue to scrutinise current service performance delivered by the organisation. Transition risk issues will be incorporated into the Committees' work programmes. In addition, where appropriate, intelligence from these Committees will be passed on to the Shadow Authorities.

Following the Shadow Authority elections, scrutiny of implementation planning will be undertaken by newly established shadow scrutiny committees. Their role is to check and challenge the Shadow Executives, with a focus on risk management, and scrutinising implementation plans and other key strategies and policies, such as the medium-term financial plans.

Risks identified in the proposal for a single unitary council

Risk title	Risk description	Mitigation
Democratic deficit	The County Council's elections have already been postponed to 2026, causing concern among some residents. The transition to a single unitary council with an overall reduction in the number of councillors in the county may further add to a perception of a democratic deficit.	The business case sets out how a new model will be put in place that gives local communities a much louder voice and more opportunities to be a part of shaping their communities. In addition, new arrangements will be put in place that support locally elected councillors to be successful. During the transition period, there will be additional work that needs to be carried out to set up and transform the new authority, and an interim proposal for a higher number of councillors during this period is set out in this document, recognising the importance of democratic leadership during this period, alongside Business as Usual (BAU).
Perception of 'County takeover'	A single unitary council has the potential to be viewed as a takeover rather than creation of a new entity. There is a risk that in taking a continuing authority approach to transition the existing culture and ways of working in the authority would continue, meaning the views, voices and needs of district council colleagues would not be heard, recognised or taken into account.	The style of leadership and in particular the communications and engagement during the transition from two tier to a single tier will be vital to get right. All plans and programmes for implementation will be developed jointly with district colleagues, and any structures put in place will include both county and district representatives. Decisions on who should lead workstreams will be based on skills and abilities (who is best placed to succeed) and not where in the two-tier system those skills may currently lie. An important part of that work will be to develop new values that will set the tone for the new organisation. Early discussions with district colleagues on implementation have already begun. We expect the Structural Changes Order to follow the Government's precedent, such that it outlines requirements for the Implementation Executive (councillor membership) and the Implementation Board (officer membership). We have demonstrated our ability and success in this space through the governance and programme structure set up and delivering devolution for Norfolk and Suffolk.

Risk title	Risk description	Mitigation
Employee capacity	Inadequate resource planning could impact services, affecting our combined workforce's ability to maintain effective service delivery whilst addressing the new demands of LGR implementation.	We have a clear view of the required implementation activities and have already begun to plan for an appropriately resourced full time LGR programme team, working effectively with officers contributing to LGR alongside business-as-usual delivery.
Missed opportunity to transform	Leadership may be stretched with juggling legal considerations risking loss of dedication of time and leadership, risking missing the opportunity for truly transformational reform to be implemented.	We have agreed a set of outcomes that LGR will deliver, which will be used to hold the programme to account for delivering meaningful change. We have built 'locality working and public service reform' into our set of LGR workstreams from the start to ensure that thinking about transformed delivery starts early.
Leadership and governance	A lack of clarity on the leadership and decision-making arrangements during the transition process could delay implementation activities, increase costs and prevent effective oversight.	We will move swiftly to establish an Implementation Executive to oversee and direct the preparation stage. Establishing an Implementation Executive, with early appointment of a Chief Executive and senior team will provide clear leadership.
Service continuity	Disruption and uncertainty caused by the LGR process could have serious consequences, including for vulnerable people.	The Continuing Authority Model for implementation significantly reduces risks around service continuity, allowing current County level service teams to provide the core capability and leadership within the new council and avoiding service fragmentation.
Employee morale	If not managed appropriately, LGR has the potential to be a period of significant uncertainty for many teams currently in the county and district councils. We could lose valuable people and skills, negatively impacting on the quality-of-service delivery and the culture of the new authority.	A Workforce & Culture workstream (made up of both county and district council leaders) will be established as part of the LGR programme and will oversee a carefully planned programme of communication and engagement to provide colleagues with a voice and opportunity to influence the changes ahead, support colleagues in preparing for and through the change, including highlighting the opportunities for individuals, and additional wellbeing support for those who may want to access it.

Risk title	Risk description	Mitigation
Implementation of community engagement model	<p>The detailed arrangements for the implementation of the community engagement model will need to be determined by the new/shadow authority. There is a risk that a new authority may decide not to commit to or prioritise the implementation of the community engagement model in the way envisaged in the business case, which means there is a risk it may not be implemented or may not be fully implemented.</p>	<p>The business case, and the information at Appendix B, sets out detailed information about the proposed community engagement model for a single unitary council. This model hardwires community engagement at the heart of the new council to deliver the government's criteria and clearly sets out the intended basis on which a new unitary council would be formed. We expect that this model would form an early discussion point with government officials, in particular how any Structural Changes Order could incorporate relevant provision to help ensure that the vision described in the business case is delivered by the new council.</p>

Risks identified in the proposal for two unitary councils

This business case for two unitary councils does not include a list of key risks associated with implementation. It does set out some information about the approach to mitigating risks, as follows:-

To mitigate risks and support a smooth transition, the proposal includes:

- A robust programme management office (PMO) and governance boards to oversee delivery
- Continued collaboration across Norfolk's councils to address emerging challenges
- Transparent communication with staff, residents, and stakeholders
- Specialist teams to manage transition logistics and early issue resolution
- Training and support programmes to help staff adapt to new systems and ways of working

Risks identified in the business case for three unitary councils

Description	Rating	Mitigation
Knowledge retention: the high levels of organisational change and uncertainty impacts upon staff morale resulting in the loss of key officers who have been with councils a long time and consequently deep institutional knowledge.	M	Thorough communications and engagement plan with workforce.
Payroll: Ensuring all staff in the new authorities are paid accurately and on time from the first payroll, Changes to payroll systems and migration of data risk errors and therefore employees not being paid.	H	Thorough data migration and testing in advance of first payroll after vesting day.
Employment law: The single biggest changes to employment law in a number of years. All HR teams pre the new unitaries will need to be working on and implementing the changes in their respective councils, as well as the new unitaries needing to ensure that they are compliant with the new legislation.	M	To be owned by the designated HR reps within the Transition enabling team.
Culture: High levels of change and disruption combined with forming new groups of workforce results in loss of the strong cultures built up by authorities.	M	Programme of culture change to be run as part of the transition, with shadow council leadership to own.
Management capability & capacity: Some managers may lack the capabilities and/or capacity to lead on the changes that are required to move to a three unitary model, leading to additional strain on HR functions, delays in implementation and reduced success	M	Assessment of manager capabilities in advance of government decision to aid in detailed transition planning.
Workforce allocation: Complexities in splitting shared staff and services (e.g., Section 113 agreements, externally funded posts) could lead to inaccurate allocation of staff, and consequent under resourcing leading to operational and financial issues	H	Thorough establishment data cleansing exercise and JDs for all relevant posts to be carried out prior to government announcement in April.
HR Capacity: HR functions do not have the capacity to support the organisation with key activities required to successfully implement the transformation (i.e. workforce analysis, staff consultation and engagement, organisational development).	M	Second HR reps from current teams to provide dedicated capacity, and backfill vacant posts with fixed term contracts.

Description	Rating	Mitigation
HR stress: HR teams will face increased workloads managing both organizational transformation and their own restructuring, leading to staff burnout and reduced effectiveness, and retention and recruitment issues.	M	See above.
HR retention: Uncertainties for staff cause loss of HR officers, leading to reduced capacity and therefore disruption to both implementation and operations during the transition	M	HR reps in transition enabling team to own this risk.
Workforce alignment: Multiple sets of terms, policies, and redundancy multipliers across councils complicate harmonization and cost calculations, increasing the risk of errors and unforeseen costs.	M	Approach to handling T&Cs to be developed by the HR lead (s) within the transition enabling teams.
Union engagement: the variety of different unions that will need to be engaged and consulted with around the LGR proposals could result in inconsistent or conflicting approaches therefore undermining credibility and overall workforce relations.	H	Programme of comms & engagement will build in an approach to union engagement. The HR reps within transition enabling teams to feed into this.
Guidance clarity: Lack of up-to-date government guidance on redundancy and TUPE principles leads to unforeseen changes in timescales, resources and costs.	M	Use of the most recent MHCLG guidance as a backstop. Ongoing dialogue with the MHCLG regional representative.
Workforce data: Different HR and payroll systems, and inaccuracies/gaps in workforce data hinder effective planning and implementation.	M	Thorough establishment data cleansing exercise in advance of Government decision.
Asset data: Incomplete or inaccurate baseline data risks comparing inconsistent approach to assets and incorrect decisions over transfer and planning.	M	Thorough asset data gathering / cleansing exercise prior to government announcement.
Evolving Asset Portfolios: Ongoing asset disposals, acquisitions, and portfolio changes by councils before LGR could result in a moving target for asset allocation and planning, complicating the split across new unitaries.	L	Asset rep within the transition enabling team to own this risk.
Unexpected liabilities: in transferring assets new authorities might find that there isn't adequate budget provision for asset maintenance, leading to unexpected financial commitments or pressures.	M	Asset rep within transition enabling team to own this risk.

Description	Rating	Mitigation
Asset System and Data Migration: Different councils use various asset management and GIS systems, which may pose challenges for integration, data quality, and migration in the new unitary structure.	H	Asset rep within transition enabling team to own this risk.
Changes in applications: councils will need to replace some systems as they become unsupported which may make it difficult to plan any consolidation of applications.	M	Exercise to map out systems and contract end dates, involving services, ICT and Procurement reps in the transition enabling team.
Data migration: identifying data across multiple systems and assigning it to the right unitary authority may be difficult and inaccuracies could lead to loss of service or data breaches.	H	Data cleansing and mapping exercise across all systems.
Planning policy: Changes in Planning could cause disruption to services and uncertainty in the market – leading to a slowdown in development and associated economic growth including missed housing targets.	L	Ongoing monitoring of policy developments.
Waste contracts: Current long-term waste collection contracts will constrain councils from either making changes to align with LGR changes or prevent extension to give adequate time to plan a long-term solution	H	Formation of working groups to develop detailed interim plan and longer term strategy as soon as possible.
Collaboration of waste: New authorities are unable to reach any agreement on managing waste collection in the short-term resulting in potential inconsistent services, disruptions or substantial additional costs for services.	M	See above.
Social care system: three new systems will need to be set up. The provider(s) may not be able to implement it in time for vesting day.	M	To be addressed once government decision is announced.
Social care data disaggregation: service user data will need to be split across the unitary areas. This will be sensitive data so inaccuracies or errors in the process could result in service disruption, breaches of confidentiality, or risks to safeguarding.	M	Provisional approach to data management to be developed by the ICT rep within the transition enabling team.
Social care service migration: the transition to the unitaries may disrupt key safeguarding services and therefore critical cases may be missed or interventions delayed leading to risk for service users.	H	Approach to prioritise ‘safe and legal’ services as part of transition.

Description	Rating	Mitigation
Social care workforce: the disruption combined with a national workforce shortage may prevent the unitaries recruiting to social care roles including statutory roles	M	Targeted communications and engagement to social workers about changes
Changes locality teams: boundary changes will require locality team geographies to change, leading to potential disruption.	M	To be addressed as part of any planning and design work post-government announcement.
Telecare: current service commissioned at a countywide level. It will need to be transferred to the three unitaries.	M	To be addressed as part of contracts and commissioning work during transition.
Electoral boundaries: The changes will require additional work and consultation.	M	We have developed a proposal that is compliant with Boundary Commission criteria to help expedite this work.
EI&P culture: the workforce finds it difficult to adopt the mindset and way of working to support an EI&P approach therefore reducing its impact and associated benefits.	M	This should form part of both the design approach and cultural change work during transition.
Legislation around family hubs and NHS reform is not aligned with any EI&P so it undermines it or opportunities to join up services are missed.	H	Role of Public Health will be integrated in the EI&P model.
EI&P data sharing: EI&P requires multi-agency data sharing and if the barriers are not addressed then it may delay or reduce integrated working and impact.	H	To be addressed as prt of the design approach during transition. Will require input from the ICT lead within enabling teams.
Financial priorities: pressures discourage the new unitaries from investing in EI&P (which isn't statutory) and therefore benefits aren't realised.	H	Secure buy-in from shadow authority leadership from the outset.
Capacity: The work to both deliver the transition and transformation will be too much for the unitaries to accomplish in time to be ready for vesting day	H	We have budgeted for external support to be delivered throughout the transition period and beyond to provide additional capacity.
Misalignment between precepting and non-precepting neighbourhood structures may create democratic imbalance or perceptions of unfairness. A solution must be identified during community engagement and implementation phases.	H	Targeted engagement strategies and governance design workshops to align structures and ensure smooth implementation.

Report to Strategic and Corporate Select Committee

Item No: 8

Report Title: Review of Companies Governance

Date of Meeting: 21 January 2026

Responsible Cabinet Member: Cllr Kay Mason Billig, Leader of the Council and Cabinet Member for Strategy and Governance

Responsible Director: Katrina Hulatt, Director Legal Services & Monitoring Officer

Executive Summary

Members of the committee are presented with a review of companies governance at Norfolk County Council (NCC) and are asked to comment on the approach taken thus far, issues arising, and provide suggestions for how a future approach to companies governance can be strengthened.

Companies governance was previously examined by the Scrutiny Committee in March 2025, where it was recommended that this would be an area to programme future scrutiny work. Resultingly, companies governance was added as a pipeline item to the newly formed Strategic and Corporate Select Committee forward work programme in July 2025, with January 2026's meeting date subsequently allocated.

In September 2025, the companies governance programme team was established to examine the current landscape of companies governance, identify key risks, and suggest improvements to the process. Namely, the area of focus for the programme team has been to improve alignment for NCC's shareholder governance processes to [Local Partnerships' LATCo \(Local Authority Trading Company\) guidance 2023](#).

As the responsible Select Committee aligned to corporate functions, the Strategic and Corporate Select Committee has a role in ensuring good governance is followed in relation to companies and wholly owned entities.

Action required

- To review and suggest any changes to proposed arrangements (section 2) to improve the companies governance process at Norfolk County Council.
- To comment on how member training & oversight (section 2.5 onwards) could be improved under new proposed arrangements. Particularly sections 2.7.1 and 2.9.1.

1. Background and Purpose

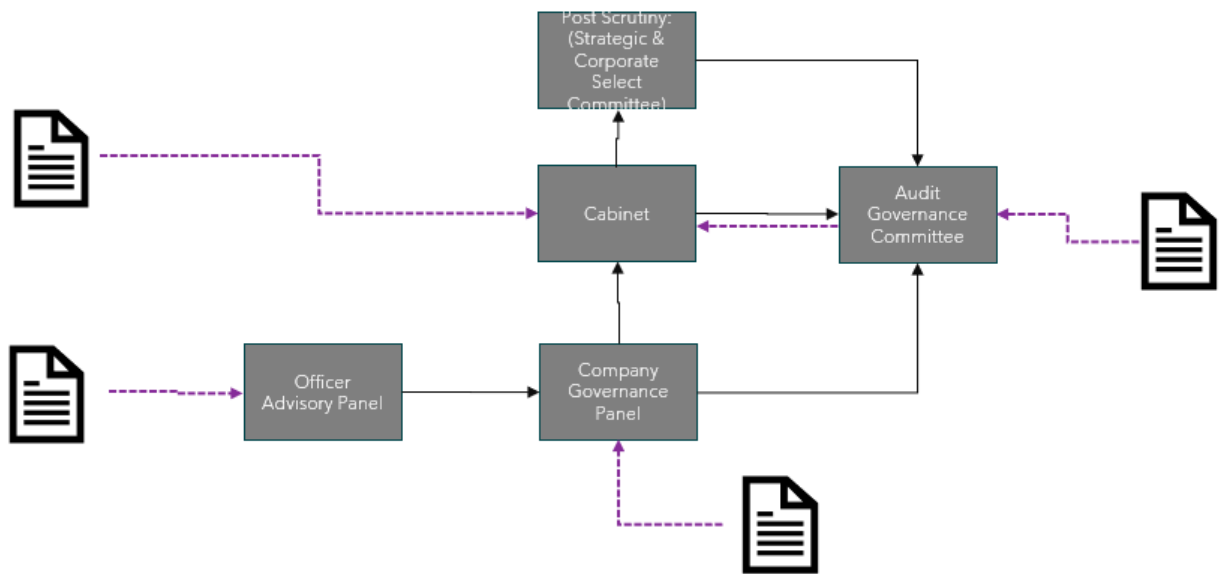
- 1.1 Local Authorities are enabled to create Local Authority Trading companies (LATCo) to deliver services to residents, generate commercial income, and support of the wider marketplace for service delivery (such as by offering paid services to other authorities and organisations).
- 1.2 Norfolk County Council owns a number of companies. The Norse Group, owned by Norfolk County Council and is the UK's largest LATCo.
- 1.3 The Norse Group comprises 57 companies, consisting of the parent company Norse Group Limited and 56 subsidiaries. Norse Group Limited is wholly owned by Norfolk County Council. A number of the subsidiaries have been established as joint venture companies between Norse and other Local Authorities.
- 1.4 Additionally, the Council also owns Independence Matters (a community interest company (CIC) providing care services); Repton (property development); Hethel Innovation (economic development) and some further jointly owned and specific issue companies.
- 1.5 Given the number, in some cases the size, and also the range of responsibilities of our Council Owned Companies, it is important to ensure that governance is consistent and clear. As the (sole) shareholder, Norfolk County Council bears ultimate responsibility for the companies reputationally, and further for ensuring that, where companies deliver services to us, those services are good value for money, hence it is important that governance is sufficient so that the LATCos are fulfilling their intended function as established by the Local Authority.
- 1.6 The Council initially had a shareholder committee to examine Norse company Governance. Later in 2021, this became the Companies Governance Panel. The Monitoring Officer has identified that the approach to companies governance can be further strengthened to offer greater clarity and consistency across the LATCos owned by NCC.

- 1.7 The companies governance programme team was established in September 2025 to examine the current landscape of companies governance, identify key risks, and suggest improvements to the process. Namely, the area of focus for the programme team has been to ensure alignment for NCC's shareholder governance processes to Local Partnerships LATCo (Local Authority Trading Company) guidance 2023 and examining how our internal structures and governance align with those sets of guidance. The programme team is also examining how the processes ensure member oversight and scrutiny.
- 1.8 The programme team is comprised of officers from change and innovation, finance (including audit & risk), legal, and democratic services and reports to a steering group of more senior officers including the Monitoring Officer and Deputy S151 officer.
- 1.9 Work has taken place within the programme team to qualify the current "as is" approach to companies governance, rating the current governance arrangements for compliance against the 2023 LATCo guidance.
- 1.10 Work has also taken place to review requirements within NCC's constitution relating to the management of companies, charities, and trusts by the local authority, and similarly has considered the position against the requirements in the constitution.
- 1.11 Ultimately, the approach to companies governance should not only identify areas of high risk and ensure that mitigating actions are presented to decision-makers as soon as possible, but should also ensure that LATCos owned by NCC are fulfilling their intended strategic functions from when they were first established.
- 1.12 The proposed approach set out below is designed to deliver on both of the above objectives, ensuring that governance is clear, consistent, and ensures NCC is compliant with the 2023 LATCo guidance.
- 1.13 Part of this is to bring the early thinking for change to this select committee and also to the Companies Governance Panel for consideration.

2. Proposal

- 2.1 The key aim of the proposal to improve companies governance is to standardise the approach taken across all NCC LATCos, ensuring that there is "one front door" for companies governance related issues and that correct processes have been followed with meaningful member oversight at the correct points in the process.

2.2 AS-IS Process

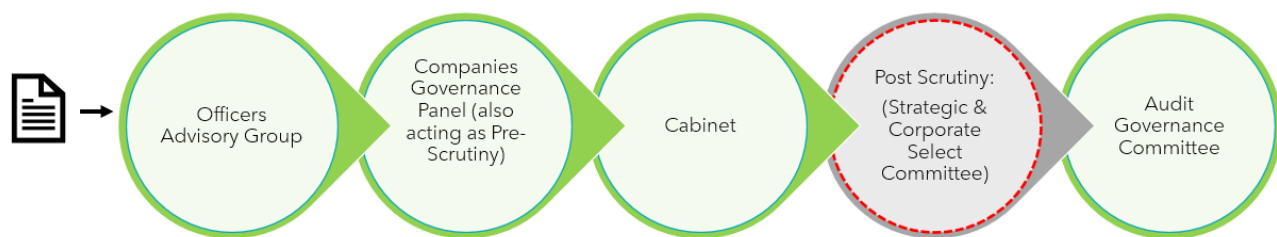


2.3 The flow chart above sets out the current “as is” approach to companies governance. It is clear that currently, any companies governance issue can arise at any step of the process, and there is no assurance that the correct officers and members are consulted at the appropriate time.

2.4 Following the work undertaken in sections 1.8 – 1.11, the companies governance programme team has suggested a new approach that will streamline companies governance, providing consistency across all LATCOs owned by NCC.

2.5 The new process intends to improve the flow of information to Companies Governance Panel and onto Cabinet (where necessary). The proposed “to be” process is set out in the flow chart below.

2.6 TO-BE Process



2.7 Member oversight and scrutiny is a key aspect of the companies governance process. Ultimately, Cabinet holds responsibility for making decisions in relation to NCC LATCOs, but there is a clear role for members sitting on the Companies Governance Panel, Strategic and Corporate Select Committee, and Audit and Governance Committee to have oversight and provide constructive challenge during the process.

- 2.8 Good governance practice indicates the need for both pre and post-scrutiny, the programme team has identified that the Companies Governance Panel is an appropriate body for members to examine and scrutinise issues relating to LATCos due to its specialist function, also allowing for deeper dives and questions relating to commercial information that would not be possible during a meeting held in public.
- 2.9 The Strategic and Corporate Select Committee would then carry out additional scrutiny and assurance, ensuring that correct processes have been followed and holding decisions of the executive to account. Such as this report, there will be instances where issues relating to companies governance will come to Strategic and Corporate Select Committee to provide policy development before being taken to Cabinet for decision.
- 2.9.1 Strategic and Corporate Select Committee's view is sought on the best method to achieve this, whether through an annual report from the Companies Governance Panel, or a more regular ad-hoc review of companies governance arrangements.
- 2.10 The Audit and Governance Committee will examine audits on companies via the Annual Governance Statement, and has a constitutional duty to investigate further where there are concerns over fraud/corruption, severe risks, and breaches of the member code of conduct such as conflicts of interest.
- 2.11 With these proposed changes, there will need to be adequate communications and training – this is a future area of work for the companies governance programme team.
- 2.11.1 Members of the committee are asked to give early views on what member training should be provided to assist members with their roles relating to companies governance. As not all members will be involved with companies governance, the training may only need to be provided to members sitting on the relevant committees and panels.
- 2.11.2 Early thinking includes delivering an overall scrutiny training session for members sitting on select committees, with a sub-section of training on scrutinising partners and LATCos. The training would include what LATCos are, why we have them, and set out the role of scrutiny in relation to companies governance. Members are asked to consider whether this approach would meet their needs, or make suggestions for how it could be improved.
- 2.12 Meaningful member input and oversight will strengthen companies governance at NCC, hence the Strategic and Corporate Select Committee are asked to provide views, suggestions, and concerns relating to the above issues.
- 2.13 Members have previously raised the role of the Officer Advisory Group. To be very clear, the Executive is the shareholder and the executive receives support and challenge through scrutiny; both the Strategic & Corporate Select Committee and the Companies Governance Panel provide that scrutiny. The role of the Officer Advisory Group is to assist in the co-ordination of governance materials so that reporting is appropriate, undertaken in the right time frame and format and highlights the issues that members need to be aware of.

3 Impact of the Proposal

- 3.1 Companies governance should be a continuous and consistent cycle at NCC, . Introducing a formal Officer Advisory Group will allow for a clearer and more accountable audit trail of information to then be provided to members.
- 3.2 It is important that companies are delivering the strategic objectives of the Council and therefore ensuring that optimal governance arrangements are in place is essential to fulfilling this. The changes proposed in section 2 would help deliver this.

4 Evidence and Reasons for Decision

- 4.1 As above & throughout the report. The current approach to companies governance at NCC allows for multiple entry points to Cabinet, where proposals may not have received the robust challenge required at earlier stages of the process. Changing the process to ensure this challenge can take place earlier in the governance cycle should improve outcomes, encourage greater proactivity from LATCos to improve internal governance, and provide better quality information to members.
- 4.2 A strong process will assist in considering companies in the approach to Local Government Reorganisation, which will require good, clear understanding of the Companies, in the LGR context to allow for decisions to be made as to how the local authorities interests in companies should be continued in any unitar(ies)y model.

5 Alternative Options

- 5.1 The Committee can recommend to Cabinet that the current approach to companies governance is adequate and recommend that the status-quo is upheld.
- 5.2 The Committee can recommend an alternative approach to companies governance. This approach must satisfy the constitutional requirements and ensure NCC is aligned to 2023 LATCo guidance. This approach is not recommended as underpinning work has already taken place as part of the companies governance programme team and suggestions to improve processes were made as a result.

6 Financial Implications

- 6.1 None identified.

7 Resource Implications

- 7.1 Workforce: None
- 7.2 Property: None identified.
- 7.3 IT: None identified.

8 Other Implications

- 8.1 Legal Implications: Strengthening the approach to companies governance at NCC should help ensure more alignment to 2023 LATCo guidance by Local Partnerships, which is determined to be the industry standard.
- 8.2 Human Rights Implications: None identified.
- 8.3 Equality Impact Assessment: None identified.
- 8.4 Data Protection Impact Assessments (DPIA): None identified.
- 8.5 Health and Safety implications: None identified.
- 8.6 Sustainability Implications: None identified.
- 8.7 Impact of Devolution on the decision: None identified.
- 8.8 Impact on Devolution of the decision: None identified.
- 8.9 Impact of Local Government Reorganisation on the decision: New unitary authorities will need to take on ownership of NCC LATCos. It is currently not clear what those unitaries will be, but ensuring very robust companies governance processes in advance of any Local Government Reorganisation will ensure a tidier handover.
- 8.10 Impact on Local Government Reorganisation of the decision: See above.
- 8.11 Any Other Implications: None identified.

9 Risk Implications / Assessment

- 9.1 Strengthening the companies governance process at NCC will manage risks associated with LATCos owned by NCC, including governance and financial viability issues.

10 Action required

- To review and suggest any changes to proposed arrangements (section 2) to further strengthen the companies governance process at Norfolk County Council.
- To comment on how member training & oversight (section 2.5 onwards) could be improved under new proposed arrangements. Particularly sections 2.9.1 and 2.11.1.

11 Background Papers

- 11.1 [Local Partnerships' LATCo \(Local Authority Trading Company\) guidance 2023](#)
- 11.2 [Scrutiny Committee Agenda 19 March](#)
- 11.3 [Scrutiny Committee Minutes 19 March](#)

Officer Contact

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Report to Strategic and Corporate Select Committee

Item No: 9

Report Title: Financial Regulations Update 2026

Date of Meeting: 21 January 2026

Responsible Cabinet Member: Cllr Andrew Jamieson (Cabinet Member for Finance)

Responsible Director: Harvey Bullen (Director of Strategic Finance)
Executive Summary

The Strategic & Corporate Select Committee is charged with considering changes to Financial Regulations, forming part of the constitution (11C).

It is best practice to review and update Financial Regulations on an annual basis to ensure that they remain up to date, aligned with current systems and processes, and compliant with statutory requirements.

This paper appends the Financial Regulations section of the constitution with amendments proposed following this annual review exercise.

Recommendations

The Select Committee is asked to:

1. Consider the proposed amendments to Financial Regulations and recommend these to Full Council.

1. Background and Purpose

- 1.1. The 2026 update includes several changes to the Financial Regulations outlined in section 2.

2. Proposal

- 2.1. Appendix A to this report sets out the Council's Financial Regulations with proposed changes identified. The key areas of change reflect:

- 2.1.1. Update to legislation referenced in the anti-fraud, bribery and corruption section to include the Economic Crime and Corporate Transparency Act which came into force on 1 September 2025.

2.1.2. Clarification of responsibilities with regards to Companies, Trusts and charities

2.2. The key changes to the document are in sections 4.3, 4.5, 4.8, and 5.12 of Appendix A.

3. Impact of the Proposal

3.1. If in agreement, the changes will be made to the constitution and it will be submitted to full Council for formal agreement

4. Evidence and Reasons for Decision

4.1. The annual process to review Financial Regulations has been undertaken with input from officers across the organisation. The proposals ensure that the Financial Regulations remain current and reflect policy decisions.

5. Alternative Options

5.1. Retain the status quo and make no changes, or propose alternative changes. This may risk the Financial Regulations becoming outdated.

6. Financial Implications

6.1. No direct financial implications. Amendments to the Financial Regulations ensure they remain fit for purpose and set the financial context within which the County Council operates.

7. Resource Implications

7.1. **Workforce:** None identified.

7.2. **Property:** None identified.

7.3. **IT:** None identified.

8. Other Implications

8.1. **Legal Implications:** None identified.

8.2. **Human Rights Implications:** None identified.

8.3. **Equality Impact Assessment (EqIA) (this must be included):** None identified.

8.4. **Data Protection Impact Assessments (DPIA):** None identified.

8.5. **Health and Safety implications (where appropriate):** None identified.

- 8.6. **Sustainability implications (where appropriate):** None identified.
- 8.7. **Impact of Devolution on the decision:** In due course, the Council's Financial Regulations may require update to take into account changes arising as a result of devolution. At this stage the precise implications are unclear.
- 8.8. **Impact on Devolution of the decision:** None identified.
- 8.9. **Impact of Local Government Reorganisation on the decision:** In due course, the Council's Financial Regulations may require update to take into account changes arising as a result of Local Government Reorganisation. At this stage the precise implications are unclear.
- 8.10. **Impact on Local Government Reorganisation of the decision:** None identified.
- 8.11. **Any Other Implications:** None identified.

9. Risk Implications / Assessment

- 9.1. No specific risks have been identified. If Financial Regulations are not regularly reviewed there is a risk they may become outdated or non-compliant with statutory or other changes.

10. Recommendations / Action required

- 10.1. The Select Committee is asked to:
1. Consider the proposed amendments to Financial Regulations and recommend these to Full Council.

11. Background Papers

- 11.1. None

Officer Contact

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Part 11C: Financial Regulations

Background

- A. The County Council's governance structure is laid down in the Constitution, which sets how the County Council operates; how decisions are made; and how procedures are followed.
- B. The County Council has adopted a Cabinet and Leader form of governance.
- C. Elected Members are responsible for "ownership" of the County Council's financial management. Responsible Budget Officers (RBOs) act on behalf of the County Council in exercising that responsibility and in securing compliance with the County Council's Financial Regulations.
- D. The County Council's Chief Executive Officer is responsible for the corporate and strategic management of the County Council. The Chief Executive Officer must report to, and provide information for, the County Council, its Cabinet and Committees. Furthermore, the Chief Executive Officer is responsible for establishing a framework for management direction, style, and standards, and for monitoring the performance of the organisation. The Chief Executive Officer is also responsible, together with the Director of Democratic and Regulatory Services, for the system of record keeping in relation to all the County Council's decisions.
- E. The Statutory Finance Officer, the Director of Strategic Finance (Section 151 Officer) at Norfolk County Council, has statutory duties in relation to the administration and stewardship of the County Council's financial affairs. This statutory responsibility cannot be overridden. The statutory duties arise from the legislation referenced in 2.5.c.
- F. The Director of Strategic Finance (Section 151 Officer) is responsible for the proper administration of the County Council's financial affairs and for setting and monitoring compliance with agreed standards of financial administration and management, including advice on the County Council's corporate financial position. The Director of Strategic Finance (Section 151 Officer) is also the "head of profession" for all finance staff in the County Council and has a responsibility for their professional standards, competencies, training, and development. Within these Financial Regulations, the terms Statutory Finance Officer, Chief Finance Officer, Director of Strategic Finance (Section 151 Officer) and Section 151 Officer all refer to the Director of Strategic Finance (Section 151 Officer).

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1. Status of Financial Regulations

1.1. Purpose and Scope

- a) These Financial Regulations provide the basis for managing the County Council's financial affairs. They provide a framework for decision-making, which sets out how specific statutory powers and duties are complied with, as well as reflecting best professional practices. This document also acts as a reference point to other documents which include the detailed policies and procedures behind these Financial Regulations.
- b) The Financial Regulations apply to every elected Member and officer of the County Council and, when stated, to third parties acting specifically on its behalf. The Regulations apply to all Norfolk County Council's financial arrangements, including joint committees, save where there is express agreement to the contrary.

1.2. Key Roles and Responsibilities

- a) The Regulations identify the financial responsibilities of the County Council, Cabinet and its Committees, the Director of Strategic Finance (Section 151 Officer) and other Executive Directors.
- b) All elected Members and staff have a general responsibility for taking reasonable action to provide for the security of the County Council's assets under their control, and for ensuring that the use of these resources is legal, properly authorised, and provides value for money.
- c) The Director of Strategic Finance (Section 151 Officer) is responsible for maintaining a continuous review of the Financial Regulations and for submitting any additions or changes necessary to County Council for approval and at a minimum annually. Elected Members are responsible for considering and approving the County Council's Financial Regulations and for satisfying themselves that they are sufficient to ensure sound financial management of the County Council's resources.
- d) The Director of Strategic Finance (Section 151 Officer) is responsible for reporting, where appropriate, breaches of the Financial Regulations to the County Council, Cabinet, and the Audit and Governance Committee.
- e) The Director of Strategic Finance (Section 151 Officer) is responsible for issuing advice and guidance on the operation of the Financial Regulations. The County Council's detailed 'Financial Procedures', which support these Regulations, are determined by the Director of Strategic Finance (Section 151 Officer) set out how the Regulations will be implemented.

- f) Financial Procedures are described in separate guidance and have the same status as the Financial Regulations.
- g) Executive Directors are responsible for ensuring that all staff in their departments are aware of the existence and content of the County Council's Financial Regulations, Financial Procedures, and other internal regulatory documents and that they comply with them at all times. They must ensure that all staff have access to, or the opportunity to access, these Regulations, Procedures and other regulatory documents either published on the County Council's internet or intranet pages as appropriate. Go to ([MyNet](#))
- h) The Director of Strategic Finance (Section 151 Officer) is responsible for ensuring that both elected Members and officers are sufficiently competent, trained and informed regarding the financial affairs of the Council.

2. Financial Management

2.1 Introduction

- Financial management covers all financial activities in relation to the running of the County Council, including the policy framework and budget. In overall terms, elected Members are responsible for agreeing the financial policy framework and officers are responsible for advising Members, and for the operational delivery of financial processes in line with the agreed policy. The financial management responsibilities for Members' groups and individual post-holders are detailed in this section.

2.2 The Council

- a) The County Council is responsible for adopting and changing the principles of governance and for approving or adopting the policy framework and budget within which the Council operates.
- b) The principles of decision making, and the roles of the Leader, Cabinet, Select Committees, and Scrutiny Committee are set out in Parts 3, 4 and 7 of the Norfolk County Council Constitution.

2.3 The Cabinet

- a) The Cabinet is responsible for all the Council's functions which are not the responsibility of any other part of the Council, whether by law or under this Constitution.

2.4 Scrutiny Committee

- a) Scrutiny Committee reviews or scrutinises decisions made, or other action taken in accordance with:

- i) any functions which are the responsibility of the Executive, including decisions made/actions taken directly by the Executive itself and those decisions/actions delegated to Chief Officers and individual Members of the Executive; and
- ii) any functions which are not the responsibility of the Executive.

2.5 Statutory Officers

- a) Chief Executive Officer (The Head of Paid Service)

The Chief Executive Officer is accountable to the County Council and Cabinet for the manner in which the discharge of the Council's functions is coordinated.

- b) The Monitoring Officer (Director of Legal Services)

The Monitoring Officer is responsible for maintaining an up-to-date version of the Constitution and contributing to the promotion and maintenance of high standards of conduct through provision of support to Audit and Governance Committee. They are also responsible, in conjunction with the Chief Executive Officer and the Director of Strategic Finance (Section 151 Officer), for reporting to the County Council and Cabinet if they consider that any proposal, decision, or omission would give, is likely to give, or has given, rise to a contravention of any enactment or rule of law, or any maladministration or injustice. Such a report has the effect of stopping the proposal or decision being implemented until the report has been considered. The Monitoring Officer will also provide advice on the scope of powers and authority to take decisions, maladministration, financial impropriety, probity and Budget and Policy Framework issues to all Members.

- c) Chief Finance Officer (Director of Strategic Finance (Section 151 Officer))

The Council has designated the Director of Strategic Finance (Section 151 Officer) as the Chief Finance Officer. The Director of Strategic Finance (Section 151 Officer) has statutory duties in relation to the financial administration and stewardship of the Council. The statutory duties arise from:

- Section 151, Local Government Act 1972
- The Local Authorities Goods and Services Act 1970 and 1988
- Section 114, Local Government Finance Act 1988
- The Local Government and Housing Act 1989
- The Local Government Acts 2000 and 2003
- The Accounts and Audit (England) Regulations 2015
- The Local Government Pension Scheme Regulations 1974 and 1997
- The Local Government Pension Scheme Regulations (Management and Investment of Funds) 1998
- The Localism Act 2011

There are other Statutory Officer roles as set out within the Constitution, these include: Executive Director of Children’s Services, Executive Director of Adult Social Services, Chief Fire Officer and Director of Public Health.

2.6 The Money Laundering Reporting Officer

- a) The Chief Internal Auditor is appointed as the Money Laundering Reporting Officer and the Investigative Auditor as the Deputy Money Laundering Officer. The Council has an Anti-Money Laundering Policy and Procedures in place. The Money Laundering Reporting Officer is the officer responsible for reporting disclosures to the National Crime Agency.

2.7 Director of Strategic Finance (Section 151 Officer)

- a) The Director of Strategic Finance (Section 151 Officer) has statutory duties in relation to the financial administration and stewardship of the County Council. This statutory responsibility cannot be overridden.
- b) The Director of Strategic Finance (Section 151 Officer) is also subject to compliance with Statements of Professional Practice issued from time to time.
- c) The role of Director of Strategic Finance (Section 151 Officer) complies with the principles in the CIPFA best practice statement on the “Role of the Chief Financial Officer in Local Government.” This statement confirms that the Director of Strategic Finance (Section 151 Officer) is not only a servant of the Council but also has a fiduciary responsibility to local taxpayers as a trustee of public monies.
- d) The Director of Strategic Finance (Section 151 Officer) is responsible for:
 - the proper administration of the County Council’s financial affairs
 - ensuring adherence to accounting standards
 - setting and monitoring compliance with financial management standards
 - advising on the corporate financial position and on the key financial controls necessary to secure sound financial management, including the level of balances, closure of accounts and statement of accounts
 - setting the framework for reporting financial implications to Cabinet
 - providing financial information on the corporate position of the County Council
 - providing financial advice and information on all the County Council’s services
 - preparing the overall revenue budget and capital programme, including the rolling medium term financial strategy (covering a minimum three-year period)
 - oversight of the Strategic Property Asset Management Framework prepared by the Director of Property
 - reporting on the robustness of the estimates made for the purposes of budget calculations, and the adequacy of proposed financial reserves

- effective administration of the treasury management function and aspects of pension fund administration and investment
 - preparing the prudential indicators and ensuring adherence to the authorised limits set by Council
 - defining standards of financial administration and management throughout the County Council
 - defining the competencies of finance employees and for the delivery of effective and appropriate training and development opportunities to those employees
 - advising on the adequacy and effectiveness of internal systems of control and internal audit
 - delivering appropriate financial training to Members and non-financial staff
- e) The Director of Strategic Finance (Section 151 Officer) has the Head of Profession role for all finance staff in the County Council and has a responsibility for their professional standards, competencies, training, and development. This includes ensuring that procedures are in place to enable Finance Business Partners for each service to concurrently support the Director of Strategic Finance (Section 151 Officer) and their Service Executive Director on key financial matters. Finance Business Partners report to the Director of Strategic Finance (Section 151 Officer).
- f) The Head of Profession role of the Director of Strategic Finance (Section 151 Officer) carries the statutory responsibility laid down by Section 151 of the Local Government Act 1972 to “make arrangements for the proper administration of the County Council’s financial affairs.” The Assistant Director of Finance (Deputy Section 151 Officer) performs the role of the Deputy Section 151 Officer.
- g) Section 114 of the Local Government Finance Act 1988 requires the Director of Strategic Finance (Section 151 Officer) to report to each Member of the Council, and the External Auditor, if it appears to them that the authority, the County Council’s Cabinet, a joint committee on which the County Council is represented, or one of its officers:
- has made, or is about to make, a decision which involves the County Council incurring unlawful expenditure
 - has taken, or is about to take, a course of action which, if pursued to its conclusion, would be unlawful and likely to cause a loss or deficiency to the County Council
 - is about to make an unlawful entry in the County Council’s accounts.
- h) Details of the process which would be followed in the event of a report being issued under section 114 of the Local Government Finance Act 1988 are set out in Annex B. Section 114 of the 1988 Act also requires:
- the Director of Strategic Finance (Section 151 Officer) to nominate a properly qualified member of staff to deputise if they are unable to perform personally, the duties under section 114. The Assistant Director of Finance (Deputy Section 151 Officer) is nominated to deputise for the Director of Strategic Finance (Section 151 Officer).

- the Authority to provide the Director of Strategic Finance (Section 151 Officer) with sufficient staff, accommodation, and other resources – including legal advice where this is necessary – to carry out the duties under section 114.
- i) The Director of Strategic Finance (Section 151 Officer) is responsible for ensuring that all services are appropriately supported by skilled finance professionals. The Director of Strategic Finance (Section 151 Officer) is assisted in providing strategic financial support to services by Finance Business Partners.

2.8 Executive Directors

- a) Executive Directors are responsible:
- for ensuring that the Council is advised of the financial implications of all proposals relating to their respective services and for ensuring that the financial implications have been agreed by the Director of Strategic Finance (Section 151 Officer).
 - for consulting with the Director of Strategic Finance (Section 151 Officer) and seeking approval on any matter liable to materially¹ affect the County Council's finances before any commitments are entered or incurred. This includes notification to the Director of Strategic Finance (Section 151 Officer) as soon as possible in the event of identification of overspending or of a shortfall in income against the budget approved by the Council; and
 - for ensuring that budget monitoring is undertaken monthly, and that costs are contained within budget. In the event of identification of overspending or a shortfall in income against the budget, Executive Directors are responsible for ensuring that corrective action is managed in a rigorous manner.
 - for managing and monitoring processes to check that established controls are being adhered to and to evaluate their effectiveness, in order to be confident in the proper use of resources, achievement of objectives and management of risks including to establish the risk of potential for fraud and error, 'unprecedented, extreme, or unusual circumstances and the addition of a control and duty to identify then report that to the Executive Director or their nominee. In other words, as a safety clause, 'In the event of an officer receiving conflicting, unusual or unreasonable instructions from any manager, then the officer shall seek a determination from the relevant Executive Director as to the instructions to be actioned on behalf of the Executive Director.'
 - For establishing and maintaining managerial control systems, including defining policies, roles and responsibilities, setting objectives and plans, monitoring financial and other performance and take appropriate anticipatory and remedial action such as unprecedented, extreme or unusual circumstances for procedures, including but not limited to time pressures, value, management override, should be anticipated and controls

¹ I.e. significantly impact on the Council's financial position

set out for these to be identified, adequately reported, so that remedial action can be taken. That remedial action to include seeking advice from appropriate specialist leads, including Internal Audit and senior approval based on a formal written report.

- Define the financial and operational control systems and procedures, which include physical safeguards for assets, segregation of duties, authorisation and approval procedures_Executive Director written 'Authorisation and approval' should be required for any significant deviation, limitation, extension to expected practices or controls, including for Cabinet approval at prescribed financial thresholds per the Constitution and information systems.
- b) Executive Directors should maintain a written record where decision-making has been delegated to members of their staff, including seconded staff.
- c) Executive Directors' role includes working with outside bodies and accessing additional funds and resources to support the County Council's programme of work.
- d) Executive Directors, in consultation with the Director of Procurement and Sustainability, are responsible for evaluating contracts within their services as they fall due for replacement or extension, and proposals for new contracts, in order to:
- identify any potential to reduce whole life carbon emissions.
 - consider the optimum balance between price and carbon reduction opportunities which can be achieved; and
 - ensure that any identified cost pressures linked to carbon reduction in respect of their services are provided for within the Council's budget and Medium-Term Financial Strategy.
 - Ensure that proposals are prepared in accordance with the internal carbon pricing guidance² published by the Director of Strategic Finance (Section 151 Officer) when making revenue and capital investment decisions.

2.9 Other Financial Accountabilities

a) Accounting Policies

The Director of Strategic Finance (Section 151 Officer) is responsible for ensuring appropriate accounting policies are in place and that they are applied consistently across the County Council.

b) Accounting Records and Returns

The Director of Strategic Finance (Section 151 Officer) is responsible for the accounting procedures and records for the County Council and must ensure that the financial accounts and financial records of the County Council comply

² Look at [Internal Carbon Pricing Guidance](#), item 11, Corporate Select Committee 11 July 2022

with all accounting policies and standards where applicable and that these standards are applied consistently across the County Council.

c) Annual Statement of Accounts

The Director of Strategic Finance (Section 151 Officer) is responsible for ensuring that the annual Statement of Accounts is prepared in accordance with proper practices as required by the Accounts and Audit Regulations 2015. Proper practices include the Code of Practice on Local Authority Accounting in the United Kingdom (the code) and relevant statutory provisions. Council has delegated responsibility for approving the annual Statement of Accounts to the Audit and Governance Committee.

d) All employees

To comply with all controls when performing their role and to report exceptions to their line manager. Where exceptions to controls include unprecedented, extreme, or unusual circumstances in procedures, including but not limited to timing, value, and management override.

3. Financial Planning

3.1. Introduction

- a) The Director of Strategic Finance (Section 151 Officer), in accordance with the strategies, policies and priorities of the County Council, is to be responsible for the proper administration of the financial affairs of the County Council, including multi-year financial planning and control.

3.2. Revenue Budget

- a) The consolidated revenue budget is proposed by the Cabinet and is approved by the County Council. The budget should have regard to proper accounting standards and include a statement of the allocation of resources to different services and projects and to proposed council tax levels. Once the overall budget has been approved by County Council, it cannot be increased by the Cabinet, subject to the arrangements set out in paragraph 3.7.5 below.

3.3. Capital Budget

- a) The capital budget is approved by the County Council considering Cabinet's recommendations. The budget should have regard to proper accounting standards and include a statement of the allocation of resources to different services and projects, how the programme is to be funded, and any impact on the revenue budget.

3.4. Medium Term Planning and Budget Preparation

- a) The County Council is responsible for agreeing the Council's priorities and policy framework. This sets the overall strategic framework for the County Council's services. The Medium-Term Financial Strategy sets out the approach and financial context for the County Council. The Medium-Term Financial Strategy also gives further detail as to how the County Council will deliver plans and resource services over a minimum period of three years. The County Council is responsible for agreeing a rolling balanced budget covering at least three years and agreeing the council tax precept for the following financial year at the February County Council meeting. Executive Directors are collectively responsible for developing a framework and timetable to deliver medium term planning requirements. This framework will include review of the planning context and the forward budget planning forecast; service priorities and costs; and provide a structure incorporating the development of medium-term service options including efficiencies, financial implications, risk impact and likelihood assessment; Member engagement, public and stakeholder consultation and the decision-making process.
- b) Cabinet is responsible for setting the parameters and providing guidance on the preparation of the budget in consultation with the Director of Strategic Finance (Section 151 Officer). The guidelines will take account of:
- legal requirements
 - medium-term planning prospects
 - the County Council's core roles
 - all available resources including external funding and income
 - fluctuations in demand, and inflation
 - changes in grant funding
 - best value
 - government guidelines
 - accounting standards
 - the Prudential Code
 - The County Council Plan
 - Strategic Property Asset Management Framework
 - Reserves, general and earmarked
 - Arms' length bodies
- c) It will also set out the minimum requirements for preparation of budget proposals including:
- 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.
 - risk assessment and owner.
 - equality and rural impact assessment, to ensure all the necessary key cross cutting issues are considered, including equality and sustainability; and
 - Budget proposals pro-forma templates where appropriate to ensure that budget proposals are developed on a consistent basis.

- d) The Director of Strategic Finance (Section 151 Officer) is responsible for ensuring that rolling revenue and capital budget proposals for a minimum three-year period are prepared on an annual basis for consideration by Cabinet. Cabinet is responsible for ensuring that these revenue and capital budget proposals are robust and underpinned by an adequate level of reserves before submission to the County Council. Cabinet will publish to all County Council Members each autumn the financial context for forward financial service planning, a review of the issues relating to the budget for the following financial year, and a timetable for the preparation and approval of the budget. This timetable will take account of the need for discussion and review of the proposals by Select Committees and the Scrutiny Committee and of the need for statutory and other consultation on the budget proposals.
- e) It is the responsibility of Executive Directors to ensure that proposals are prepared in accordance with the guidance, to ensure that budgets are set on a sound financial basis and in accordance with best practice including ensuring that they have been risk assessed.
- f) The Director of Strategic Finance (Section 151 Officer) is responsible for ensuring that proposals demonstrate adherence to the guidance and Members should ensure that any proposed budget amendments are made available to the Director of Strategic Finance (Section 151 Officer) at least five working days before the County Council budget meeting. Members should adhere to any agreed protocol for budget amendments. Members' proposed budget amendments must be finalised two working days before the County Council budget meeting in order that the Director of Strategic Finance (Section 151 Officer) can report on the robustness of any proposed budget amendments. In accordance with established culture and practice, proposed budget amendments received in accordance with Financial Regulations will be published in advance of the County Council meeting at which they are to be discussed.
- g) The County Council will consider the budget proposals and may adopt them, amend them, or substitute its own proposals in their place prior to 1 March. The County Council will agree at least a three-year balanced budget and agree the precept for the following year.

3.5. Strategic Property Asset Management Framework

- a) The Corporate Property Officer (Director of Property) is responsible for ensuring a Strategic Property Asset Management Framework is prepared / updated / reviewed on an annual basis for consideration by Cabinet before submission to County Council.

3.6. Decisions

- a) All decisions must be undertaken in accordance with the decision-making and reporting framework set out in the Constitution of the County Council and must comply with the County Council's Financial Regulations and Financial Procedures. Details of financial implications must be provided before any financial decision can be taken.

- b) The Executive's Terms of Reference are set out in Part 6 of the Constitution and confirm that Cabinet is responsible for taking key decisions which incur significant expenditure or make significant savings, and decisions which have an impact on a significant proportion of Norfolk's residents. The Chief Executive Officer in consultation with the Leader shall determine, in relation to any decision to be taken under delegated authority, if it is a decision which may incur significant expenditure, make significant savings, or may affect a significant proportion of Norfolk's residents, and in such a case the decision shall be made by the Cabinet. If the key decision is regarding the potential extension of a contract, which causes the Council to commit to expenditure above £1.25m in total, this key decision must be taken more than 4 months before the end of the current / initial contract. The timescale for Cabinet reporting and decision making will need to be taken into account.

3.7. Budget Monitoring and Control

- a) The Director of Strategic Finance (Section 151 Officer) is responsible for monitoring income and expenditure against approved revenue and capital budget allocations and for reporting to Executive on the overall position monthly.
- b) The Director of Strategic Finance (Section 151 Officer) is responsible for monitoring the prudential indicators and reporting to Executive on the overall position monthly.
- c) The Director of Strategic Finance (Section 151 Officer) is responsible for monitoring the cash flow of the County Council and ensuring this is used to inform borrowing and investment decisions.
- d) The Expenditure Control Process outlines triggers and key actions prior to s114:

Stage 1 – Business as usual - It is the responsibility of Executive Directors to control income and expenditure within their area in accordance with the approved budget and to monitor performance, taking account of financial information provided by the Director of Strategic Finance (Section 151 Officer). Executive Directors are responsible for alerting the Director of Strategic Finance (Section 151 Officer) and the relevant Cabinet Member(s) or the Leader, to any overspendings or shortfalls in income and for identifying strategies and options for containing spend within the budget approved by the Council. If the overspending or shortfall in income cannot be accommodated within the service's budget this shall be reported to Cabinet.

Stage 2 – Service level action - Where there is a risk of material service overspend or an identified non delivery of savings, it is the responsibility of the Executive Director of the specific service to take action.

Stage 3 – Corporate level action – Enhanced Financial Control – Where there is emergence of forecast material departmental overspend and / or non-

delivery of savings, which cannot be contained within departmental budget or there are more than two departments operating at stage 2.

Stage 4 – Section 114 notice as set out in Annex B.

- e) The application of any additional external funding, including grants, which was not known at the time of budget setting, is delegated to Executive Directors up to £1.25m to be utilized in accordance with the associated grant or funding conditions. The allocation of any external funding above this level is to be approved via an individual Cabinet Member decision, unless approved by Cabinet.
- f) Any other policy proposal, which would have the effect of increasing a Service Department's budget, must be supported by a funding proposal setting out how it can be accommodated within the Service Department's existing budget. Such proposals must be made available to the Director of Strategic Finance (Section 151 Officer) at least five working days before the Cabinet meeting at which they are to be proposed and must be finalised two working days before the meeting in order that the Director of Strategic Finance (Section 151 Officer) can report on the robustness of any proposed budget amendments. In the event that the proposal falls outside the scope of the Policy Framework as set out in Part 5 of the Constitution, it must be referred to Full Council for consideration.
- g) Any variation or variations to a contract which in aggregate result in additional costs exceeding 5% of the original contract value or £50,000 (whichever is the greater) shall be subject to the prior approval of the Director of Procurement and Sustainability.

3.8. Virement

- a) Virement is the process of transferring the budget expenditure or income, whether revenue or capital, from one approved budget head to another. The County Council is responsible for agreeing the overall procedures for the virement of budget and the approval of virements between Departments. Executive Directors are responsible for agreeing in-year virements within delegated limits, in consultation with the Director of Strategic Finance (Section 151 Officer) where required. (The current approved procedures are shown in Annex A).
- b) Schools are free to vire between budget heads in the expenditure of their budget shares, but Governors are advised to establish criteria for virements and financial limits above which the approval of the Governors is required.

3.9. Treatment of Year-End Balances

- a) Any under and overspendings by Service Departments are required to be reported to Cabinet as part of year-end reporting. Cabinet is responsible for reporting the overall under and overspendings to County Council and making recommendations as to how they are utilised or managed.

- b) The Director of Strategic Finance (Section 151 Officer) is responsible for putting in place controls to ensure that carry-forward of revenue budget, revenue reserves and revenue grants above agreed limits are documented and reported to all Executive Directors and totals agreed by Cabinet.
- c) The Director of Strategic Finance (Section 151 Officer) is responsible for putting in place controls to ensure that carry-forward of capital budget, capital reserves and capital grants above agreed limits are documented and reported to all Executive Directors and totals agreed by Cabinet. Any slippage on the capital programme will be carried forward to the next financial year and reported to Cabinet.

3.10. Maintenance of Reserves

- a) It is the responsibility of the Director of Strategic Finance (Section 151 Officer) to review the County Council's financial risks and planning assumptions and advise the Cabinet and the County Council on prudent levels of reserves and of general balances as part of setting the budget. This advice needs to take account of relevant accounting standards and professional best practice as part of the Council's budget planning process and regular budget monitoring.
- b) The annual revenue budget sets out details of the purpose for which earmarked reserves are held and high-level forecasts for the use of such reserves. The timing of the use of reserves may however be uncertain, and the annual budget setting process therefore provides the framework in which the use of reserves is agreed. In agreeing the annual revenue budget, the County Council is approving the use of reserves for the purposes for which they have been earmarked, and it is recognised that the timing of this use will be dependent on operational requirements and other factors.
- c) Where it is proposed that reserves are to be used for a purpose other than that for which they have been earmarked, this will be subject to approval by Cabinet in-year, based on the advice of the Director of Strategic Finance (Section 151 Officer), with reference to a recommendation from the relevant Executive Director as appropriate in respect of service reserves. There is a general presumption that Cabinet will normally approve recommendations for the use of earmarked reserves which are made by Executive Directors, except where there are wider implications for financial control across the County Council, or delivery of the Council's budget plans. If the Director of Strategic Finance (Section 151 Officer) advises that a decision about the use of reserves may have broader implications, Cabinet will recommend a course of action but refer the matter to be decided by the County Council.
- d) Cabinet is responsible for approving the creation of a balance sheet reserve (of any value), on the advice of the Director of Strategic Finance (Section 151 Officer)). The reserve will be reported to Full Council as part of the annual budget setting process and within reports from Cabinet to Full Council.

4 Governance, Risk Management and Internal Control

4.1 Governance

- a) The Audit and Governance Committee is primarily responsible for Governance, Risk Management and Internal Control throughout the County Council. Its Terms of Reference are reviewed annually and published in Part 8 of the Constitution. Any changes are approved by the County Council. The composition is politically balanced and is reviewed at each appointment to the Committee.
- b) Other Member-led bodies that also have a role in governance and internal control include the County Council, and the Corporate Select Committee in any review of the Constitution for approval by full Council and with respect to Members.

4.2 Internal Control and Internal Audit

- a) Internal control refers to the systems of management and other controls put in place to ensure that the County Council's objectives are achieved in a manner which promotes economic, efficient and effective use of resources and in a way, which ensures that the County Council's assets and interests are safeguarded.
- b) The Director of Strategic Finance (Section 151 Officer) is responsible for advising on adequate and effective systems of internal control. These arrangements need to ensure compliance with all applicable statutes and regulations, and other relevant best practice.
- c) It is the responsibility of Executive Directors, having regard to advice from the Director of Strategic Finance (Section 151 Officer), to establish sound arrangements for internal control including planning, appraising, authorising and controlling their operations to achieve continuous improvement, economy, efficiency and effectiveness in order to achieve their targets.
- d) The Accounts and Audit Regulations 2015 require the County Council to:
 - undertake an adequate and effective internal audit.
 - review the effectiveness of its internal audit, at least annually; and
 - ensure the Audit and Governance Committee considers the findings of that review as part of its consideration of the system of internal control for the County Council.
- e) The Leader of the Council and the Chief Executive Officer are responsible for signing the Annual Governance Statement that should be produced following an annual review of systems of internal control. The Annual Governance Statement is published with the annual Statement of Accounts.

4.3 Risk Management

- a) The County Council through the Cabinet is responsible for approving the County Council's Risk Management Policy as part of the risk management framework, its implementation and ensuring that proper insurance exists where appropriate as outlined in the Insurance Strategy. This is supported by the Organisational Risk Management Lead and the Head of Insurance.
- b) The Audit and Governance Committee is responsible for reviewing the effectiveness of the County Council's risk management and insurance arrangements. It will receive risk management reports at least four times a year and an insurance report once a year and take appropriate action to ensure that corporate business risks are being actively and appropriately managed. Annually, it will report on risk management to the County Council.
- c) The Director of Strategic Finance (Section 151 Officer) is responsible for informing the preparation of the County Council's Risk Management Policy as part of the risk management framework, for promoting it throughout the County Council and for advising the Cabinet on proper insurance cover where appropriate. The Director of Strategic Finance (Section 151 Officer) will also report on the Corporate Risk Register quarterly to the Cabinet, to each meeting of the Audit and Governance Committee, and ensure that Executive Directors report their red rated departmental level risks register to the Cabinet bi-annually. This is supported by the Organisational Risk Management Lead and the Head of Insurance.

4.4 External Audit

- a) Public Sector Audit Appointments Limited (which replaced the Audit Commission with effect from 1 April 2015) is responsible for appointing external auditors to each local authority. The duties of the external auditor are governed by the Local Audit and Accountability Act 2014.
- b) The County Council may, from time to time, be subject to audit, inspection, or investigation by external bodies such as HM Revenue and Customs, who have statutory rights of access.
- c) External auditors have a responsibility to satisfy themselves that the County Council has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources. This judgement is based on criteria specified by the National Audit Office. The Director of Strategic Finance (Section 151 Officer), in conjunction with Executive Directors, must ensure that the organisation makes best use of resources and that taxpayers and / or service users receive value for money, in accordance with any statutory guidance on Best Value.

4.5 Anti-Fraud, Bribery and Corruption

- a) In managing its responsibilities, the County Council is determined to protect itself against fraud and corruption both from within the County Council and

from outside. The County Council is committed to maintaining a strong anti-fraud and corruption culture through its Anti-Fraud and Corruption Policy. This is designed to:

- encourage prevention.
 - promote detection.
 - identify a clear pathway for investigation; and
 - fulfil the requirements of Section 17 of the Crime and Disorder Act 1998 and the Economic Crime and Corporate Transparency Act, which came into force on 1 September 2025.
- b) The County Council expects Members and staff at all levels to lead by example in ensuring adherence to legal requirements, rules, procedures and practices and internal controls including internal checks.
- c) Executive Directors are responsible for ensuring that internal controls are such that fraud, bribery or corruption will be prevented, where possible, and the measures in the Anti-Fraud, Bribery and Corruption Policy are promoted.
- d) Under the Anti-Fraud, Bribery and Corruption Policy, an Executive Director is required to immediately inform the Director of Strategic Finance (Section 151 Officer) of any financial irregularity or suspected financial irregularity.
- e) The County Council expects that all who have dealings with it have a similar anti-fraud, bribery and corruption ethos and that they have no intent or actions with respect to fraud, bribery and corruption. (The County Council has issued guidance in “How to do business with Norfolk County Council” including whistleblowing, to support this).

4.6 Money Laundering and Proceeds of Crime

- a) The County Council has adopted an anti-money laundering policy and procedures intended to prevent the use of proceeds from crime. This policy has been developed with regard to the Proceeds of Crime Act 2002 and the Money Laundering Regulations 2017.
- b) The County Council has nominated the Chief Internal Auditor to perform the role of Money Laundering Reporting Officer (MLRO) whose principal role is to receive, consider and respond to any reports received of known or suspected money laundering.
- c) Executive Directors are responsible for ensuring that:
- all staff most likely to be exposed to, or suspicious of, money laundering situations are made aware of the requirements and obligations placed on the County Council and themselves by legislation.
 - those staff considered most likely to encounter money laundering are given appropriate training (NPLaw can provide relevant in-house training);

- departmental procedures are established to help forestall and prevent money laundering, including making arrangements for reporting concerns about money laundering to the MLRO; and
- periodic and regular assessments are undertaken of the risks of money laundering that may exist in their departments.

4.7 Treasury Management

- a) The County Council has adopted the CIPFA Code of Practice for Treasury Management in the Public Services and complies with the CIPFA Prudential Code when carrying out borrowing and investment activities under Part 1 of the Local Government Act 2003.
- b) The County Council is responsible for the setting, monitoring and revising of prudential indicators and for the approval of the Annual Investment and Treasury Strategy.
- c) The County Council has delegated responsibility to the Director of Strategic Finance (Section 151 Officer) for the execution and administration of treasury management decisions, including decisions on borrowing, investment, financing (including leasing) and maintenance of the counter party list. The counter party list contains details of those banks, building societies and other bodies that meet the County Council's criteria for investment. The Director of Strategic Finance (Section 151 Officer) has delegated authority to effect movement between the separately agreed limits for borrowing and other long-term liabilities reflected in the Prudential Code's operational and authorised limits. The Director of Strategic Finance (Section 151 Officer) is required to act in accordance with the County Council's Treasury Management Policy Statement and Treasury Management Practices and CIPFA's Standards of Professional Practice on Treasury Management in accordance with external advice.
- d) The Director of Strategic Finance (Section 151 Officer) will prepare for County Council an annual strategy and plan in advance of the year, report quarterly, a mid-year review and an annual report after its close. In addition, the Director of Strategic Finance (Section 151 Officer) will regularly report to the Treasury Management Panel and the Cabinet on treasury management policies, practices, activities and performance monitoring information.
- e) The Director of Strategic Finance (Section 151 Officer) is responsible for:
 - monitoring performance against prudential indicators, including reporting significant deviations to the Cabinet and County Council as appropriate.
 - ensuring all borrowing and investment decisions, both long and short term, are based on cash flow monitoring and projections.
 - ensuring that any leasing financing decisions are based on full options appraisal and represent best value for the County Council, in accordance with the County Council's leasing guidance.
 - the provision and management of all banking services and facilities to the County Council.

4.8 Norfolk Pension Fund

~~a) The Local Government Pension Scheme (LGPS) is a national pension scheme, administered locally with its own regulator (the Department for Levelling Up, Housing and Communities (DLUHC)).~~

- a) The Local Government Pension Scheme (LGPS) is a national pension scheme, administered locally with its own regulator (the Ministry of Housing Communities and Local Government (MHCLG)).
- b) The County Council is the Administering Authority of the Norfolk Pension Fund and administers the LGPS on behalf of all the participating employers and scheme members. Norfolk County Council is also an employer within the scheme.
- c) Norfolk County Council delegates all its responsibilities as Administrator of the scheme to the Pensions Committee who act as quasi-trustee of the Fund. Pensions Committee must act in the best interests of the Fund, scheme members/beneficiaries and participating employers.
- d) All Pension Fund assets are separate from the County Council, and all costs and income are accounted for separately. The Fund has a separate bank account.
- e) The Pensions Committee is responsible for all aspects of the administration of the scheme. This includes responsibility for deciding upon the best way in which the Pension Fund is to be invested with appropriate regard to its fiduciary responsibilities.
- f) Advice is received as required from professional advisers. The Pensions Committee formally reviews the performance of investments and the overall strategy on a regular basis. The Fund is invested in compliance with the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016. The 2016 Regulations introduced the requirement for LGPS funds to pool investment assets from the 1st April 2018.
- g) In order to facilitate the pooling of assets, the Norfolk Pension Fund has entered into an Inter-Authority Agreement with 10 other Administering Authorities, collectively known as the ACCESS (A Collaboration of Central, Eastern & Southern Shires) Pool. The ACCESS Funds are Cambridge, East Sussex, Essex, Hampshire, Hertfordshire, Isle of Wight, Kent, Norfolk, West Northamptonshire, Suffolk and West Sussex.
- h) The Pensions Committee is also responsible for the selection and monitoring of Investment Managers, Custodian and other related service providers to the Fund.
- i) The Director of Strategic Finance (Section 151 Officer) is responsible for the administration and financial accounting of the Norfolk Pension Fund. The Director of Strategic Finance (Section 151 Officer) is responsible for the preparation of the Pension Fund statutory accounts and annual report. The

County Council delegates responsibility for the approval of the annual Pension Fund statutory accounts to the Audit and Governance Committee.

- j) The Norfolk Pension Fund has developed an Investment Strategy Statement in relation to the investment of the assets. This Statement includes details of compliance with recognised good investment practices. It is the Pensions Committee's responsibility to monitor the Fund's position in relation to the Investment Strategy Statement.
- k) The Pension Fund maintains a Funding Strategy Statement, which sets out the Fund's approach to funding liabilities, based on principles agreed by the Pensions Committee. The Pension Fund is committed to providing clear, relevant, accessible and timely information to all stakeholders and to this end publishes and maintains a Customer Care and Communication Strategy Statement and a Governance Statement.
- l) The Director of Strategic Finance (Section 151 Officer) ensures compliance with relevant regulatory and legislative guidelines and for keeping records of all scheme members, calculation and payment of benefits, transfers between schemes and the collection of contributions from participating employers.
- m) In line with all public service pension schemes, LGPS Funds are required to have a local Pensions Board. The Board helps ensure that the Fund is managed and administered effectively and efficiently and complies with the Code of Practice on Governance and Administration of Public Service Pension Schemes issued by the Pensions Regulator. In Norfolk the local pension board is known as the Pensions Oversight Board and is made up of scheme member and scheme employer representatives with an independent chair.

5 Assets, Systems, Processes and Records

5.1 Introduction

- a) Robust systems and procedures are essential to an effective framework of accountability and control.

5.2 Data Management

- a) Cabinet is responsible for ensuring that policies and procedures are in place to enable management of data to support effective decision-making.
- b) It is the responsibility of the Executive Directors to ensure data management policies are understood and used effectively within their services.

5.3 Financial Processes and General Data Protection Regulations

- a) The Director of Strategic Finance (Section 151 Officer) is responsible for the determination and operation of the County Council's accounting processes, for the form of accounts and for the supporting financial records. The Director of Strategic Finance (Section 151 Officer) must approve any changes made by Executive Directors to the financial processes or the establishment of new processes, including IT systems.
- b) Executive Directors must ensure that any processing (computerised or manual) that involves personal information is registered in accordance with the DPA (Data Protection Act) 2018 and UK GDPR (General Data Protection Regulation) and that all staff are aware of their responsibilities and any advice from the Information Commissioner.
- c) Executive Directors must ensure that all staff are aware of their responsibilities under Freedom of Information legislation, and that procedures are in place to ensure compliance.
- d) Executive Directors must ensure that all staff are aware of their responsibilities under the Code of recommended practice for local authorities on data transparency. These include:
 - The requirement to maintain an inventory of data sets.
 - The general requirement that, where data is published, it should be in a non-proprietary format and published in a timely fashion.
 - The requirement to publish certain, specified data sets.
- e) To ensure that open data which is published corporately is accurate and complete, Executive Directors must ensure that:
 - All contracts over £50,000 are registered on the corporate contracts register maintained by the procurement team.
 - All goods and services are ordered via one of the council's electronic ordering systems (for general purposes, myOracle).
 - All goods and services are ordered in advance and purchase order descriptions are accurate and complete.
 - All changes of structure are notified to HR.

5.4 Schemes of Authorisation and Financial Responsibility

- a) It is the responsibility of Executive Directors to ensure that the scheme of authorisation and financial responsibility is implemented using myOracle and is operating effectively. The scheme of authorisation and financial responsibility identifies staff authorised to act on the Executive Director's behalf, or on behalf of the County Council, in respect of payments, income collection and procurement (including ordering). Procurement authorisations shall be made in accordance with the requirements of Contract Standing Orders. For clarity, staff identified to act in this way will be required to formally accept their responsibilities under the scheme of authorisation and financial responsibility.

5.5 Income Collection

- a) The Director of Strategic Finance (Section 151 Officer) is responsible for the provision and management of all income collection arrangements for the County Council.
- b) Cabinet is responsible for approving procedures for writing off debts as part of the overall control framework of accountability and control. The Debt Recovery Policy and Framework forms part of the Financial Procedures and is required to be followed by all parties involved in the recovery of monies owed to the Council.
- c) The Director of Strategic Finance (Section 151 Officer) has delegated authority from Cabinet to approve debt settlement agreements within the debt write off limits set out in the Debt Recovery Policy and Framework.

5.6 Payments to Employees, Third Parties and Members

- a) Except for schools, the Director of Strategic Finance (Section 151 Officer) is responsible for all payments of salaries and wages to all staff, including payments for overtime, goods and services provided, and for the payment of allowances to elected Members. Schools have delegated responsibility under the Local Management of Schools (LMS) scheme.

5.7 Survey incentives

Survey incentives may be offered, if the following criteria are met:

- Any prize or incentive is low value (and participants cannot respond multiple times for multiple amounts).
- The overall maximum amount available to be paid out is low and is limited.
- It is not open or available to NCC staff or their families.
- It is judged to be the best way to promote engagement and participation and (in broad terms) the activity supports in delivering service objectives.

5.8 Donations

Donations can include (but are not limited to) –

- A financial donation.
- A legacy or bequest.
- Physical assets.

Due Diligence

Services must carry out due diligence, appropriate for the size and nature of the donation before accepting donations. Donations must be refused where it would be inappropriate or unethical to accept a donation. Reasons to refuse donations include:

- Donations that come from an illegal source.

- Donations with an illegal condition or have features or conditions that may undermine the Council's independence.
- Donations for use that does not fit within the purposes of the Council.
- Donations that would bring unacceptable burdens that outweigh its benefit to the Council. For example, a gift of land with an unaffordable mortgage, or property that is too expensive to insure.
- Donations from a donor who does not have the mental ability to decide to donate.

Donation records

Services must determine if donations to the Council are unringfenced or for a specific purpose. Services must keep a record of donations that are given for specific purposes. Services must record:

- Name and address
- Value of donation
- Date of donation
- Conditions of donation.

Handling of donations - Gift Aid cannot be claimed on donations to the Council.

Financial procedures on Income and the Cash security at work compliance code are to be followed for receipt of payment donations.

Relevant service stock policies are to be followed for receipt of physical assets.

5.9 Taxation

- a) The Director of Strategic Finance (Section 151 Officer) is responsible for advising Executive Directors, in the light of guidance issued by appropriate bodies and relevant legislation as it applies, on all taxation issues, including VAT, that affect the County Council. Executive Directors are responsible for ensuring that such advice is complied with within their services.
- b) The Director of Strategic Finance (Section 151 Officer) is responsible for maintaining the County Council's tax records, making all tax payments, receiving tax credits and submitting tax returns by their due date as appropriate.
- c) The Director of Strategic Finance (Section 151 Officer) will ensure that VAT incurred in relation to "exempt" business income is not at risk of exceeding the partial exemption limit in any financial year and undertake the annual calculation after year-end.

5.10 Trading Accounts

- a) Cabinet must approve the establishment of all Trading Accounts. Trading Accounts are required for all services that provide goods or services to a third party on a traded basis or where the organisation has identified that a service should operate as a separate trading unit.

- b) The Director of Strategic Finance (Section 151 Officer) is responsible for the form of the trading accounts included in the Trading Framework document. Executive Directors are responsible for reporting on the activities of any trading organisation within their respective areas of service, taking account of current accounting standards and best practice in reporting.

5.11 Monitoring Reporting

- a) Executive Directors are responsible for ensuring that monthly budget monitoring reports for both revenue and capital expenditure and income are produced for their respective areas of service. The Director of Strategic Finance (Section 151 Officer) is responsible for regularly reporting the details (including compliance with the Prudential Code) to Cabinet.
- b) Any variation, or variations, to a contract which in aggregate result in additional costs exceeding 5% of the original contract value or £50,000 (whichever is the greater) shall be subject to the prior approval of the Director of Procurement and Sustainability.

5.12 Companies, Trusts and Charities

- a) Cabinet is responsible for:
- approving the establishment and viability (including the business case) of all new companies, trusts and charities, including the requirement for a robust business case that outlines financial, legal, strategic, and risk considerations.
 - approving investments in other companies, trusts and charities, in which the County Council has a financial interest except where the investment is within criteria Cabinet has previously delegated to an Executive Director.
 - taking decisions as shareholder and sole trustee where appropriate, and ensuring that governance arrangements are clearly defined and documented.
 - monitoring and receiving reports on the County Council's companies, trusts and charities to ensure alignment with Council objectives and financial sustainability.
 - Approving the dissolution of County Council's companies, trusts, and charities, ensuring continuity of service and protection of public assets.
- b) Executive Directors are responsible for:
- i. informing the Monitoring Officer and Director of Strategic Finance (Section 151 Officer) of any new proposals, to ensure that legal and financial considerations are properly considered before any arrangements with an outside body or creation of a new company, trust or charity are considered.
 - ii. Ensuring that all proposals are supported by a comprehensive business case, including:
 - Short and long-term financial implications
 - Risk assessments (including financial, reputational, and service delivery risks)
 - Legal basis and statutory powers

- Contribution to strategic priorities
- Exit strategy and contingency planning
- Consideration of subsidy control implications
- iii. ~~EE~~Executive Directors are also responsible for ensuring robust/tight controls are in place for the financial management of loan and guarantor arrangements with Norfolk County Council owned companies/entities. This including the presentation of signed loan agreements and financial forecasts to the Director of Strategic Finance (Section 151 Officer)~~is presented with robust business cases and signed loan agreements.~~
- iv. Ensuring that any use of Council support services by external entities is fully costed and agreed with the Section 151 Officer.

- c) The Director of Strategic Finance (Section 151 Officer) is responsible for:
- i. Advising on the financial implications of proposals, including tax treatment, accounting arrangements, service pricing, and funding structures.
 - ii. Reviewing the ongoing viability and financial performance of companies, trusts, and charities in which the Council has an interest.
 - iii. Ensuring that all relevant entities are incorporated and consolidated within the County Council's financial accounts in accordance with accounting standards and legislation.
 - iv. Recommending appropriate financial regulations and procedures to be adopted by Council owned entities to ensure sound financial governance.
 - v. ~~of such entities and regularly reporting the performance of their activities, with a view to ensuring that the County Council's interests are being protected~~Ensuring that financial commitments, guarantees, and risks are clearly documented and monitored.

d) The Monitoring Officer is responsible for:

- b) ~~—~~
- i. ~~The~~ Advising on legal requirements and implications related to the creation, operation, and dissolution of companies, trusts and charities.
 - ii. Ensuring compliance with relevant legislation, including the Companies Act and Charities Act, and supporting the development of governance frameworks.

e) The appointment and removal of directors to companies, trusts and charities in which the County Council has an interest must be made by Cabinet, based on the advice of the Director of Strategic Finance (Section 151 Officer) and Monitoring Officer. Appointed directors must understand and comply with their statutory duties under relevant legislation (Companies and/or Charities Act etc) and act in the best interest of the entity.

f) The Director of Strategic Finance (Section 151 Officer) and Monitoring Officer must be contacted at the earliest opportunity to discuss any proposals involving external entities, to ensure that legal, financial, governance, and risk issues are properly considered before progressing.

d)g) [Further details on the roles and responsibilities of the Executive and Officer Advisory Panel are set out within the Terms of Reference of Norfolk County Council owned Companies Governance Panel.](#)

5.13 Early payments and loans to suppliers and service providers

a) Early Payments

In the normal course of business, the County Council may on occasion make early payments (ahead of contractual payment terms). These are agreed on a case-by-case basis, entirely at the discretion of the County Council, and (where appropriate) taking into account the overall value of the contract and the implications of any failure of service provision. Any decision to vary a contract by amending the payment terms shall be taken in accordance with Regulation 72 of the Public Contracts Regulations 2015. The Council has a protocol in place which governs the amendment of payment terms for existing contracts. This protocol covers both permanent, ongoing arrangements and one-off requests for early payment. The Council's Contract Standing Orders set out the general principle that advance payment terms should not be offered during procurement activities other than in exceptional circumstances. In all cases, care must be taken to ensure the Council is not committed to making infeasibly fast payments. There are broadly three scenarios which may arise:

b) Payment ahead of terms

- (i) Where suppliers or service providers experiencing cash flow difficulties or other financial hardship seek payment ahead of terms but not in advance of the supply of goods or services, the contract manager, in conjunction with the relevant Finance Business Partner, may agree to payment ahead of terms provided that an appropriate discount is secured. For the avoidance of doubt, at the discretion of the Council, a discount may be set at zero (i.e., payment made ahead of terms with no discount required).
- (ii) Where suppliers or service providers which are not in financial difficulties seek payment ahead of terms but not in advance of the supply of goods or services, the Director of Procurement and Sustainability, in conjunction with the relevant Finance Business Partner, may agree to payment ahead of terms provided that an appropriate discount is secured. For the avoidance of doubt, at the discretion of the Council, a discount may be set at zero (i.e. payment made ahead of terms with no discount required).

c) Payment in advance of goods or services being supplied

Due to the credit risk involved, only the Director of Strategic Finance (Section 151 Officer), Assistant Director of Finance (Deputy Section 151 Officer) or Assistant Director of Finance (FES) may agree to vary a contract to allow for payment in advance of goods or services being delivered, subject to an appropriate discount being secured, and taking into account subsidy considerations. For the avoidance of doubt, at the discretion of the Council, a discount may be set at zero (i.e. payment made ahead of terms with no discount required), but only with the approval of the Director of Strategic Finance (Section 151 Officer).

- d) Loans may be made, in exceptional circumstances, outside of contractual agreements or where no contract or payment relationship exists. This has the potential to arise (for example) in the context of a third-party organisation experiencing financial difficulty, where the failure of the third party would significantly impact upon services the Council provides or is responsible for. Loans will be considered on a case-by-case basis, entirely at the discretion of the County Council, and taking into account the overall level of the loan and the implications of any failure of service provision. Loans in this context would be intended generally for short term cash flow purposes and to ensure the continuity of a service, or to avoid additional costs arising from any provider failure, although it is recognised that other circumstances necessitating a loan may also arise and this list is not comprehensive.
- e) The Director of Strategic Finance (Section 151 Officer) has discretion to consider making a short-term loan in the above circumstances, whilst also considering:
- the ability of the loan recipient to repay and the provision of a robust plan to demonstrate how the situation which gave rise to the need for a loan will be resolved (it is also likely that a Financial Assessment of the recipient will be required).
 - any potential subsidy issues, particularly in respect of determining an appropriate interest rate for the loan, which should be set with reference to the published margin tables³; and
 - the duration and value of the loan sought.
- f) Loans will be requested through the relevant Finance Business Partner for the service area, in consultation with the Executive Director for the service. Loans will not be made until they have been approved by the Director of Strategic Finance (Section 151 Officer), or the Assistant Director of Finance (Deputy Section 151 Officer), following consultation with the Leader and / or Deputy Leader in the case of a loan over £50,000 and / or for a loan period in excess of six months.
- g) Loans may be repaid either by instalment or as a lump-sum. The terms of the loan, including arrangements for repayment, must be agreed and a loan agreement signed by both parties before any loan can be made. The service area initiating the loan will be required to identify a cost centre which will bear the cost of the loan in the event of a failure by the loan recipient to make

³ Look at [published margin tables](#)

repayments as agreed. The Executive Director for the service should consider the need to make the relevant Cabinet Member(s), Leader and / or Deputy Leader aware of this potential cost to the service budget.

- h) Any loan arrangements not specifically covered above, including mid to longer term loans made for other purposes, will be subject to approval by the Director of Strategic Finance (Section 151 Officer), or the Assistant Director of Finance (Deputy Section 151 Officer), following consultation with the Leader and / or Deputy Leader. Any loans made in this way will be reported to Cabinet.

5.14 Contract Standing Orders

- a) Executive Directors are responsible for ensuring that the procurement of all goods, works and services is undertaken in accordance with the Council's Contract Standing Orders.
- b) Contract Standing Orders form part of the County Council's Constitution and are the rules that govern how procurement will be undertaken by the Council, and what processes must be followed.
- c) Any award with a value exceeding £30,000 entered into on behalf of the Council must be evidenced by way of a contract. Such contracts must either be signed by at least two authorised officers of the Council or made under the common seal of the Council attested by at least one authorised officer.

5.15 Assets

- a) Executive Directors should ensure that records of assets are properly maintained and securely held (in practice property asset records are kept by the Corporate Property Team on behalf of Executive Directors). Executive Directors 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.
- b) In making disposals officers will have due regard to the provisions of the Local Government Act 1972 (section 123) concerning best consideration, subject to the discretion afforded to authorities by the General Disposal Consent (England) 2003 (see DCLG Circular 06/2003). All decisions to dispose at less than best consideration will be referred to Cabinet for determination.
- c) Disposal must be made by competitive process unless the Director of Strategic Finance (Section 151 Officer) authorises otherwise. The appointment of agents to handle disposals is subject to the normal provisions of Council Standing Orders.
- d) All property disposals (including lease surrenders/assignments), acquisitions and other property transactions (such as granting / taking licences, granting of easements and wayleaves to statutory undertakers etc., granting tenancies at will) are to be made only by the Council's Corporate Property Officer (Director of Property). In reaching decisions on the disposal of land and property, the

County Council should give due consideration to the advice of the Corporate Property Officer (Director of Property). The Council's named and designated Corporate Property Officer (Director of Property) may, in accordance with arrangements approved by the Director of Strategic Finance (Section 151 Officer), dispose of property assets, acquire property assets and approve of property transactions as set out in the tables at [5.43.615.1](#) and [5.43.715.2](#) below. Proposals for disposals, acquisitions and other property transactions must involve the Local Member as set out within the Local Member Protocol in the Constitution (Part 10D of the Constitution).

- e) Land and buildings declared surplus by a service will be reviewed by the Corporate Property Strategy Group and where there is no alternative beneficial use such property will be reported to Cabinet to confirm its status as a surplus asset to be disposed of and/or exploited for income purposes.

5.15.1 Disposals

The disposal of surplus assets will be undertaken as follows:

- a) Land and property asset disposal

Disposal value* £m	Responsibility and authorisation
Over £1.250m (unless covered by a specific item in the budget)	Cabinet
Over £0.250m and up to and including £1.250m	Cabinet Member for Commercial Services and Asset Management
Over £0.100m and up to and including £0.250m	Corporate Property Officer (Director of Property) in consultation with the Director of Strategic Finance (Section 151 Officer)
Up to and including £0.100m	Corporate Property Officer (Director of Property)
All disposals at less than best consideration (irrespective of value)	Cabinet

b) Other asset disposal

Disposal value* £m	Responsibility and authorisation
Over £0.500m	Cabinet
£0.250m and up to and including £0.500m	Executive Director in consultation with Director of Strategic Finance (Section 151 Officer)
Up to but not including £0.250m	Executive Director
All disposals at less than best consideration (irrespective of value)	Cabinet

c) Land and property asset leases – leases out

Disposal value* £m	Responsibility and authorisation
All leases out or lease out renewals where the total value (annual rent multiplied by lease term) is more than £1.250m, or the term is over 25 years	Cabinet
All leases out or lease out renewals where the total value (annual rent multiplied by lease term) is over £0.250m and up to and including £1.250m, and the term is for 25 years or less	Cabinet Member for Commercial Services and Asset Management
All leases out or lease out renewals where the total value (annual rent multiplied by lease term) is up to and including £0.250m and the term is for 25 years or less	Corporate Property Officer (Director of Property)

d) Farm Business Tenancies

Disposal value* £m	Responsibility and authorisation
Farm business tenancies or renewals where the total value (annual rent multiplied by tenancy term) is more than £1.250m, or the term is over 25 years	Cabinet
Farm business tenancies or renewals where the total value (annual rent multiplied by tenancy term) is over £0.250m and up to and including £1.250m, and the term is for 25 years or less	Cabinet Member for Commercial Services and Asset Management
Farm business tenancies or renewals where the total value (annual rent multiplied by tenancy term) is up to and including £0.250m, and the term is for 25 years or less	Corporate Property Officer (Director of Property)

e) Other land and property asset transactions

Disposal value* £m	Responsibility and authorisation
Granting of all: <ul style="list-style-type: none"> i. Licences ii. Leases, easements and wayleaves to statutory undertakers iii. Granting of eEasements and wayleaves iv. Tenancies at will v. Lettings in accordance with the Mobile Home Act 1983 vi. Statutory transfers in accordance with the school standards and frameworks act 1998 	Corporate Property Officer (Director of Property) or by delegation to the Head of Estates, Partnerships and Programmes or Head of Construction & FM where a case is urgent, and the Director of Property is unavailable

*Disposal value in these tables refers to the valuation of the asset, irrespective of the consideration to be received.

5.15.2 Acquisitions

Acquisitions of assets will be undertaken as follows:

a) Land and property asset acquisitions

Acquisition value £m	Responsibility and authorisation
Over £1.250m	Cabinet
Over £0.250m and up to and including £1.250m	Cabinet Member for Commercial Services and Asset Management
Over £0.100m and up to and including £0.250m	Corporate Property Officer (Director of Property) in consultation with the Director of Strategic Finance (Section 151 Officer)
Up to and including £0.100m	Corporate Property Officer (Director of Property)

b) Other Asset Acquisitions

Acquisition value £m	Responsibility and authorisation
Over £0.250m	Cabinet
Up to and including £0.250m	Executive Director

c) Land and property asset leases – lease acquisitions

Acquisition value £m	Responsibility and authorisation
Lease acquisitions and renewals where the proposed total rental value (annual rent multiplied by lease term) is above £1.250m, or the term is over 25 years	Cabinet
Lease acquisitions and renewals where the proposed total rental value (annual rent multiplied by lease term) is over £0.250m and up to and including £1.250m, and the term is for 25 years or less	Cabinet Member for Commercial Services and Asset Management

Acquisition value £m	Responsibility and authorisation
Lease acquisitions and renewals where the proposed total rental value (annual rent multiplied by lease term) is up to and including £0.250m, and the term is for 25 years or less	Corporate Property Officer (Director of Property)

d) Other land and property transactions

Acquisition value £m	Responsibility and authorisation
Acquisition of all: <ol style="list-style-type: none"> i. Licences ii. Leases, easements and wayleaves from statutory undertakers iii. Easements and wayleaves from other third parties. iv. Tenancies at Will 	Corporate Property Officer (Director of Property) or by delegation to the Head of Estates, Partnerships and Programmes Or Head of Construction & FM where a case is urgent, and the Director of Property is unavailable

e) The following activities are business as usual and will be approved by the Director of Property:

b. Where NCC acts as landlord or where NCC acts as tenant:

- Determination (ending of), surrender, assignment or forfeiture of leases, licences and other property rights.
- Agreeing dilapidations.
- Landlord consents (granting and requesting).
- Rent reviews.
- Agreeing sub leases.
- Minor alterations to lease in/lease out agreements to ensure the agreement is completed.

c. For freehold property disposed of or acquired:

- Agreeing overage and claw back provisions.
- Minor alterations to disposal or acquisition agreements to ensure the agreement is completed.

f) The County Council has an aspiration to at least maintain the size of its

current County Farms estate, under the County Farms policy agreed by the County Council in October 2014. To that end any capital receipts from the sale of County Farmland will be treated in the following way:

- (i) For all County Farms land that is sold:
- If it is sold as **agricultural land**, 100% of the capital receipt will be hypothecated towards further acquisitions of County Farmland / capital improvements to the County Farm estate that produce a revenue uplift.
 - If it is sold as **residential/development** land: A valuation will be undertaken to establish the value of the land, should it have been sold without planning permission. That value will then be hypothecated towards further County Farm acquisitions / capital improvements to the County Farm estate that produce a revenue uplift.
 - The balance of the sale value will be split:
 - 65% towards general capital receipts to be utilised by the Council for any purpose.
 - 35% will be put into a reserve for the use of County Farms for further acquisitions / capital improvements to the County Farm estate that produce a revenue uplift.
 - If this reserve reaches £3m in value, then any additional receipts will be made available for general Council use for any purpose

5.16 Making Grants

- a) Executive Directors are authorised by the Scheme of Delegated Powers to Officers to make grants (subject to any specific grant thresholds set out in the limitations on officers delegated powers within the Constitution). Executive Directors are responsible for ensuring that:
- adequate records are kept for the required period.
 - controls are in place to ensure any grant conditions will be met, with provision to recover / claw back unused grant as appropriate.
 - grant payments made by their department do not constitute a breach of subsidy rules; and
 - any requirements to notify Members under the Local Member Protocol are complied with.
- b) When making grant decisions or awards, Norfolk County Council must reserve the right to refuse (or recover) funding awarded by the authority if it is found that the recipient, or anyone connected to the use of the funding provided, is an active participant in support of extremist views / activity that is contra to the Authority's duty of due regard in relation to the Prevent Duty 2011.

5.17 Retention of Financial Records

- a) The County Council has a specific policy in place on the minimum retention periods for financial records and these periods are set out in the corporate records retention and disposal scheme. Executive Directors should ensure records are maintained and held securely for the correct period, after which they should be disposed of in accordance with the procedures.

6) External Arrangements

6.1 Introduction

Where the County Council operates in a devolved environment or through a partnership or other arrangements, the Director of Strategic Finance (Section 151 Officer) must ensure that the roles and responsibilities for each of the activities and tasks in maintaining financial administration and stewardship are clearly defined, allocated and operated effectively.

6.2 Partnerships

- a) The County Council has formal representation on many external boards.
- b) Separate governance arrangements will exist for external boards / partnerships / joint ventures and decisions taken by Council Members at these boards that affect Norfolk County Council will still be subject to the Norfolk County Council Constitution.
- c) The Director of Strategic Finance (Section 151 Officer) must ensure that the accounting and reporting arrangements to be adopted relating to partnerships and joint ventures, as defined within Financial Procedures, are satisfactory. The Director of Strategic Finance (Section 151 Officer) and Monitoring Officer must consider the overall corporate governance arrangements and legal issues when arranging contracts with external bodies. They must also ensure that the risks have been fully appraised before agreements are entered into with external bodies.
- d) Executive Directors are responsible, in consultation with the Director of Strategic Finance (Section 151 Officer) and Monitoring Officer, for ensuring that appropriate approvals are obtained before any negotiations are concluded in relation to work with external bodies. They should also ensure that the risks identified above are mitigated where possible.

6.3 External Funding

- a) The Director of Strategic Finance (Section 151 Officer) is responsible for ensuring that all funding notified by external bodies is received and properly recorded in the County Council's accounts. Executive Directors are responsible for ensuring that the Director of Strategic Finance (Section 151 Officer) is notified of external funding bids at an early stage. If there are conditions associated with funding, Executive Directors are responsible for ensuring that adequate records are kept for the required period and controls are in place to

ensure that any grant conditions will be met, with provision in place to repay any amounts deemed non-compliant with the conditions.

- b) The receipt of grants and acceptance of other external funding, outside of the annual budget setting process, should be undertaken in line with the approvals set out in the scheme of virement in Annex A. This reflects the fact that this type of income may have clawback provisions that could have a budgetary impact, and there should be transparency about the source of funding for any increase in spending within a service.

6.4 Financial Guarantees

- a) Executive Directors must inform the Director of Strategic Finance (Section 151 Officer) of all proposals that may require a financial guarantee prior to implementation.
- b) The Director of Strategic Finance (Section 151 Officer) is responsible for ensuring that any proposed financial guarantee requirement is within the powers of the County Council and shall consult with the Monitoring Officer as appropriate. As a matter of principle, the County Council seeks to avoid providing financial guarantees. Any guarantees that are provided will be reported to Cabinet in financial monitoring reports.
- c) Requirements for suppliers to provide the County Council with either bonds or guarantees shall be agreed with the Corporate Property Officer (Director of Property) (for property contracts) or the Director of Procurement and Sustainability (for other contracts)

6.5 Work for Third Parties

- a) Cabinet is responsible for approving the contractual arrangements for any work for third parties or external bodies, not already covered by the Scheme of Authorisation to Executive Directors.

6.6 Subsidy and Competition

- a) Executive Directors are responsible for ensuring that any payments (or payments in kind) made by their department do not constitute a subsidy or breach rules on competition. Subsidy (which includes the provisions which pre-date the UK-EU Trade and Co-operation Agreement where a project began when the UK was a member of the EU or during the subsequent transition period) are measures which mean that a level playing field for open and fair competition and sustainable development cannot be ensured. Typical examples can include:
 - Cheap loans
 - Grant funding
 - Sharing staff, equipment or accommodation (particularly with wholly owned companies)

- Waiver of deductions due on contracts.
- b) If an Executive Director is unsure as to whether a payment or payment in kind would constitute a subsidy or anti-competitive practice, the advice of the Director of Strategic Finance (Section 151 Officer) should be sought in consultation with the Monitoring Officer where appropriate.

6.7 Projects / Business Cases (including Private Finance 2 (PF2)⁴)

- a) Executive Directors considering projects or business cases should consult with the Director of Strategic Finance (Section 151 Officer) during the preparation of the business case for submission.
- b) County Council / Cabinet are responsible for approving material projects / business cases at all key stages. The Executive Director is responsible for ensuring that such approvals are sought and obtained from County Council / Cabinet in a timely manner.
- c) There will not be a maximum payback period for carbon reduction projects where the Director of Strategic Finance (Section 151 Officer) agrees that the net present value of the project is positive, after allowing a reasonable contingency for risk.
- d) The Director of Strategic Finance (Section 151 Officer) is responsible for:
- ensuring that the project / business case has the necessary support from appropriately skilled financial and procurement specialists at all stages of its procurement, as well as during the operational stage
 - ensuring that the necessary banking arrangements are available in time for the project to commence
 - endorsing the outline business case, including underlying financial assumptions, value for money, and ability to deliver
 - ensuring that the financial implications of all projects are incorporated in financial planning.
- e) Executive Directors are responsible for:
- preparing a business case for submission prior to commencing the procurement process
 - ensuring that the project has the necessary support from appropriately skilled legal and procurement specialists at all stages of its procurement, as well as during the operational stage
 - compliance with Contract Standing Orders

⁴ Private Finance 2 (PF2) is the current model of Private Finance Initiative (PFI) for new Government projects. At the Autumn Budget 2018, the Government announced that it would no longer use PF2, although existing PFI and PF2 contracts were not affected by the announcement. In the event that PF2 or a successor scheme were to become an option in future, Executive Directors considering such projects should consult with the Director of Strategic Finance (Section 151 Officer) during the preparation of the business case for submission.

- ensuring that, at all stages, cost estimates for both the capital and revenue expenditure are carefully made and reviewed to ensure that they are robust before seeking formal approval from County Council / Cabinet
 - ensuring that procedures are in place to limit, as far as reasonably possible, the likelihood of the County Council failing to pay the contractor on time, or otherwise defaulting or making an overpayment
 - informing the Director of Strategic Finance (Section 151 Officer) of any matter that may lead to termination under the contract. Cabinet is required to approve termination of a contract by use of the Authority Default provisions
 - fully considering the risks associated with undertaking a project and reporting them to Cabinet when they are considering the approval of a project
 - ensuring that any dedicated bank accounts necessary to enable their projects to function efficiently are set up and properly operated. Any bank accounts opened in the name of the County Council require the approval of the Director of Strategic Finance (Section 151 Officer).
- f) In relation to existing PFI and PF2 contracts, Executive Directors are responsible for ensuring that deductions required to the unitary payment for the unavailability of the contracted service or a performance shortfall are made in full in a timely manner. If another service or asset is proposed in exchange for foregoing such deductions, the Director of Strategic Finance (Section 151 Officer) is responsible for ensuring that the alternative proposal has a value equal to the foregone deductions.
- g) Where the County Council has the right to make a deduction under the contract, any waiver of the deduction shall be treated as a write-off of debt and shall be covered by the Council's Debt Recovery procedure. When considering the thresholds for approval of the write off, all deductions due in a financial year should be aggregated together.
- h) Private Finance transactions contain complex financial arrangements including (usually) a Funder's Direct Agreement that can obligate the County Council to take over the responsibility for the Contractor's debt in the event of Authority or Contractor default. It is the responsibility of the Executive Director to ensure that the Director of Strategic Finance (Section 151 Officer) has all the relevant information regarding these arrangements and of any material financial matters. It is the responsibility of the Director of Strategic Finance (Section 151 Officer) to account for the arrangements in accordance with the relevant regulations and proper accounting practice.

6.8 Social Impact Bonds (SIBs)

- a) Social Impact Bonds (SIBs) are a means of commissioning services where payment or funding for the service is conditional on the achievement of specified outcomes. Executive Directors considering such projects should consult with the Director of Strategic Finance (Section 151 Officer) during the preparation of the business case for submission to Cabinet.

- b) Cabinet is responsible for approving SIB projects. The Executive Director is responsible for ensuring that such approvals are sought and obtained from Cabinet in a timely manner.
- c) The Director of Strategic Finance (Section 151 Officer) is responsible for:
- ensuring that the project has the necessary support from appropriately skilled financial and procurement specialists at all stages of its procurement, as well as during the operational stage
 - endorsing the outline business case, including underlying financial assumptions, value for money, and ability to deliver
 - ensuring that the financial implications of all SIBs are incorporated in financial planning.
- d) Executive Directors are responsible for:
- preparing a business case for submission to Cabinet at an appropriate point
 - ensuring that the project has the necessary support from appropriately skilled legal and procurement specialists at all stages of its procurement, as well as during the operational stage
 - compliance with Contract Standing Orders
 - ensuring that, at all stages, cost estimates are carefully made and reviewed to ensure that they are robust, that a sufficient budget is available to fund the anticipated level of outcome payments, and there are measures in place to limit the County Council's exposure to uncapped outcome payments
 - ensuring that procedures are in place to limit, as far as reasonably possible, the likelihood of the County Council failing to pay the investor on time, or otherwise defaulting or making an overpayment
- e) It is the responsibility of the Executive Director to ensure that the Director of Strategic Finance (Section 151 Officer) has all the relevant information regarding the arrangements for the SIB and of any material financial matters. It is the responsibility of the Director of Strategic Finance (Section 151 Officer) to account for the arrangements in accordance with the relevant regulations and proper accounting practice.

Annex A - Norfolk County Council's Scheme of Virement

1. Background

- a) The scheme of virement is intended to enable Cabinet, Executive Directors and their staff to manage budgets with a degree of flexibility within the overall policy framework determined by the County Council, and therefore to optimise the use of resources.
- b) The scheme is administered by the Director of Strategic Finance (Section 151 Officer) within guidelines set by the County Council. Any variation from this scheme requires the approval of the County Council.
- c) The overall budget is approved by the County Council. Executive Directors and budget managers are therefore authorised to incur expenditure in accordance with the estimates that make up the budget. The rules below cover virement; that is, switching resources between approved estimates or heads of expenditure – both revenue and capital. For the purposes of this scheme, a budget head is considered to be the subdivision of Departmental / service budgets as reported in the County Council Budget Book for the relevant year. Virement does not include the switching of resources between revenue and capital.
- d) Virement does not create additional overall budget liability. Executive Directors are expected to exercise their discretion in managing their budgets responsibly and prudently. For example, they should aim to avoid supporting recurring expenditure from one-off sources of savings or additional income, or creating future commitments, including full-year effects of decisions made part way through a year, for which they have not identified future resources. Executive Directors must plan to fund such commitments from within their own budgets.
- e) The capital and revenue budgets may contain block allocations of funding for specific purposes. The movement of resources from a block allocation to a specific identified scheme does not constitute a virement provided that the expenditure being incurred is in accordance with the original policy decision agreed by the County Council. If an Executive Director wishes to transfer funding from a block allocation and use it for a different purpose, for example, the transfer of purchase of care from one client group to a different client group, the rules below will apply.
- f) The scheme also covers receipt of grants and acceptance of other external funding, outside of the annual budget setting process.

2. Revenue

- a) County Council is responsible for agreeing virement **between** directorates (as shown in the budget report to County Council in February each year), and where the virement has a value in excess of £1.250m.
- b) Cabinet is responsible for agreeing virement **between** directorates where the virement has a value of up to £1.250m, subject to the prior agreement of the virement by the service department(s) concerned.
- c) County Council is also responsible for agreeing virements between budget heads defined in 3.8 above – **within** directorates, where the virement has a value in excess of 1% of the net budget of the service (as shown in the budget report to County Council in February) or £1.250m – whichever is the higher. For Children’s Services, net budget is calculated exclusive of amounts delegated to schools.
- d) All other virements are the responsibility of Executive Directors, subject to consultation with the relevant Cabinet Portfolio Holder, Leader or Deputy Leader and the agreement of the Director of Strategic Finance (Section 151 Officer).
- e) Executive Directors may delegate authority to make virements to other officers, consistent with the above and in accordance with formally agreed departmental arrangements.

3. Capital

- a) The Director of Strategic Finance (Section 151 Officer) is responsible for agreeing virements up to a value of £1.250m between services and schemes (as shown in the Capital Budget document produced by the Director of Strategic Finance (Section 151 Officer)).
- b) County Council is responsible for agreeing virements greater than £1.250m between services or schemes (as defined above).
- c) All other virements (including virements of any value within a service) are the responsibility of Executive Directors, subject to consultation with the relevant Cabinet Portfolio Holder, Leader or Deputy Leader and the agreement of the Director of Strategic Finance (Section 151 Officer) and subject to the service’s overall financial provision for capital spending not being exceeded in the current and future years.

Annex B - Norfolk County Council Process for the issue of a report under Section 114 of the Local Government Finance Act 1988

1. Background

- a) Section 114 of the Local Government Finance Act 1988 requires a report to all the authority's Members to be made by the Section 151 Officer (Director of Strategic Finance (Section 151 Officer)) in consultation with the Monitoring Officer (Director of Legal Services) if there is, or is likely to be, unlawful expenditure or an unbalanced budget. Similar provisions apply under s114A if the decision is an Executive decision. The Director of Strategic Finance (Section 151 Officer) takes a view of the robustness of the Council's budget across the whole period covered by the Medium-Term Financial Strategy. Making a report under section 114 is likely to have serious implications and this Annex therefore sets out the process and controls which will be adopted prior to such a report being made. It should be noted that the objective of these Financial Regulations and, more broadly, the Council's effective financial management and reporting procedures, is to minimize the prospect of the Director of Strategic Finance (Section 151 Officer) being required to make such a report, and such an eventuality is to be avoided if possible.
- b) The Director of Strategic Finance (Section 151 Officer) has a duty to report to the authority if they believe:
- that a decision involves, or would involve, unlawful expenditure (114 (2) (a)).
 - a course of action is unlawful and is likely to cause a loss or deficiency (114 (2) (b)).
 - an entry of account is unlawful (114 (2) (c)).

2. Action

- a) In such circumstances, the Director of Strategic Finance (Section 151 Officer) is required to make a report to the authority and send a copy to every Member and the external auditor. The Full Council (or in the case of a report under s114A, the Executive) must consider the report within 21 days and the action to which the report relates must not be pursued until this has taken place. Full Council (or the Executive in the case of a s114A report) must decide whether it agrees or disagrees with the report and determine the action it proposes to take.
- b) The Director of Strategic Finance (Section 151 Officer) is also required to inform the authority in the event they believe that expenditure is likely to exceed available resources (114 (3)). The authority then may not enter into agreements incurring expenditure until the report has been considered by the full council.

- c) Information leading to the preparation of a section 114 report might arise from a council officer (including a member of the Finance Directorate), a Member of the council, the public, or from the authority's auditors. Members and officers should note that it is the Director of Strategic Finance (Section 151 Officer)' duty to investigate possible issues which might lead to a formal report. The statutory duty to make a report rest with the Director of Strategic Finance (Section 151 Officer).
- d) A report made under section 114 (2) requires the Director of Strategic Finance (Section 151 Officer) to make a judgement that a decision or course of action is unlawful. Such a decision will only be made after consultation with the Monitoring Officer (Monitoring Officer). A report made under section 114 (3) relates to a financial judgement which may be reached by the Director of Strategic Finance (Section 151 Officer) alone, although consultation with the Chief Executive Officer and Monitoring Officer is still required in case other corporate and legal issues arise as a result of the report.
- e) These Financial Regulations adopt the recommendations of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government, where further information about the issuing of a section 114 report can be found.

3. Section 114 Process

- 3.1 The process for the issuing of a report under section 114 (2) in relation to an unlawful decision or course of action (either retrospective or potential) is as follows:
 - a) **Director of Strategic Finance (Section 151 Officer) consults with the Monitoring Officer** to determine whether an action or proposed action was or will be unlawful
 - b) Consult with the Chief Executive Officer
 - c) In the event of a disagreement or doubt, Monitoring Officer to seek opinion of counsel
 - d) Following confirmation that an action would be unlawful; a prospective **action may be halted** at this stage through management action. In such an event, no further action or report would be required
 - e) In the case of an **event which has already occurred, or where it is not possible to stop** the course of action, the Director of Strategic Finance (Section 151 Officer) will **draft a report** under Part VIII of the Local Government Finance Act 1988
 - f) Report agreed with Chief Executive Officer and Monitoring Officer (consultation with counsel if required)

- g) Director of Strategic Finance (Section 151 Officer) **signs report** - sent to every member of the council and the external auditor as soon as practical. The report should normally be sent with the summons to the Full Council meeting (or Cabinet, if appropriate) which will consider it. Proof of sending should be retained
- h) From the date of issue, a **prohibition period** begins (the action may not be progressed). Within 21 days the Full Council (or Cabinet, if appropriate) must meet to consider the report. The Chief Executive Officer notifies the External Auditor of the date, time and place of the meeting
- i) Full Council (or Cabinet, if appropriate) may **agree the report** and decide remedial action **or disagree the report** and take no action. The prohibition period ends the following day, and the Chief Executive Officer **notifies the External Auditor of the outcome**

3.2 The process for the issuing of a report under section 114 (3) in relation to an unbalanced budget position is as follows:

- a) **Director of Strategic Finance (Section 151 Officer)** identifies that **Capital or Revenue expenditure exceeds likely resources** (either for current or future year)
- b) **Consult with Chief Executive Officer and seek corrective action** for the relevant year. Director of Strategic Finance (Section 151 Officer) considers need for **informal consultation with Internal and External Auditor**
- c) In the event that **corrective action is successful**, no further action or report would be required
- d) In the **event that the corrective action is not successful**, the Director of Strategic Finance (Section 151 Officer) will **draft a report** under Part VIII of the Local Government Finance Act 1988
- e) **Consultation** about report with Chief Executive Officer and Monitoring Officer
- f) Director of Strategic Finance (Section 151 Officer) **signs report** - sent to every member of the council and the external auditor as soon as practical. The report should normally be sent with the summons to the Full Council meeting which will consider it. Proof of sending should be retained
- g) From the date of issue, a **prohibition period** begins (no new expenditure may be undertaken). All budget holders (including schools) must be notified of restrictions. Within 21 days the Full Council (or Cabinet, if appropriate) must meet to consider the report.

The Chief Executive Officer notifies the External Auditor of the date, time and place of the meeting

- h) Full Council (or Cabinet, if appropriate) may **agree the report** and decide remedial action **or disagree the report** and take no action. The prohibition period ends the following day, and the **Chief Executive Officer notifies the External Auditor of the outcome**

4. Exceptions and other considerations

- a) There are a number of circumstances which would not necessarily result in the preparation of a section 114 report. These include:
- Emerging matters or a developing situation. This would include occasions where a view is requested on a proposal which may be under consideration but which if pursued could result in a reportable matter. A simple preliminary request would not give rise to a need to report, although any further developments would need to be monitored.
 - Items of trivial expenditure or loss of income.
 - Cases of discovered fraud (which may in any case lead to criminal prosecution) would not normally result in a requirement for a section 114 report but will be dealt with under the Council's existing Anti-Fraud and Corruption Strategy, as referenced elsewhere within the Financial Regulations.
 - A service overspend in and of itself is unlikely to give rise to a section 114 report, which would only be required where the Council's total resources are likely to fall short of expenditure and the Director of Strategic Finance (Section 151 Officer) judges that there is no reasonable prospect of the position being resolved or mitigated.
- b) The above list is not exhaustive. In these and similar circumstances, the Director of Strategic Finance (Section 151 Officer) will give consideration to the need for a report under section 114, in consultation with other officers as required.
- c) In the case of a developing situation, careful consideration will need to be given to the timing of any report, in particular to distinguish between an emerging situation and an actual one. Every reasonable action will be taken to avoid the need for a section 114 report by providing timely financial advice including alternative options to avoid an emerging reportable situation from ultimately arising.

5. Further action

- a) The Director of Strategic Finance (Section 151 Officer)' statutory duties under section 114 are discharged once a report has been issued to Full Council (or Cabinet, if appropriate). In the event that Full Council (or Cabinet, if appropriate) does not agree with a report issued under section 114, it is likely that any further formal action would be taken by the External Auditor through the issue of an advisory notice under section 29 (schedule 8) of the Local Audit and Accountability Act 2014 or by applying to the court for a declaration under section 31 of the above Act.

Report to Strategic and Corporate Select Committee

Item No: 10

Report Title: Forward Work Programme

Date of Meeting: 21 January 2026

Responsible Cabinet Member: N/A

Responsible Director: Caroline Clarke, Director of Democratic and Regulatory Services

Executive Summary

Members of the committee are encouraged to review the forward work programme (**Appendix A**) for the coming meetings, and ensure that it aligns with their interests & reflects the committee's duty to scrutinise the executive's decisions & help conduct policy development, this being mandatory for policy framework items.

Members are also asked to consider the member working groups which are aligned to Strategic and Corporate Select Committees remit and areas of responsibility. A more detailed report on the member groups has been provided following the request made at Strategic and Corporate's meeting on 19 November.

Action required

- To review and suggest any changes to the Forward Work Programme (Appendix A) for the Select Committee.
- To agree to discontinue the Strategic Development Oversight Group (SDOG), which now duplicates the functions of this committee in scrutinising the Norfolk Fire and Rescue Service. To note the roles and updated Terms of Reference for the other two groups set out in section 2.7.

1. Background and Purpose

- 1.1 At the first meeting of the Strategic and Corporate Select Committee on 16 July under the new governance arrangements, the committee agreed to hold a work programming session immediately following the committee, where members would discuss items for inclusion, amendment, or removal from the work programme.

- 1.2 The Committee agreed the following general principles:
- Meetings should be kept, as far as possible, to 2-3 substantive items, allowing for deeper discussion and scrutiny of the chosen topics in the available time.
 - Annual reports should be shared with the committee, but not necessarily occupy agenda time if there was no scope to shape or influence.
- 1.3 The Strategic and Corporate Select Committee agreed the draft forward work programme for the year ahead following their first meeting in July and have since agreed revisions to that programme at subsequent meetings.
- 1.4 Additional meetings were required on 22 September, 10 October, and 22 October in order to scrutinise reports relating to Local Government Reorganisation, Devolution, and the council's budget and policy framework respectively. The forward work programme was discussed, amended, and approved following 22 October's meeting.

2 Proposal

- 2.1 Members should set a work programme annually and review it on a regular basis to ensure that it continues to add value to the council's decision-making and supports the continuous improvement of local services.
- 2.2 A well-designed scrutiny work programme should prioritise issues of public concern, align with the strategic goals of the council, and provide a clear framework for addressing community needs and challenges.
- 2.3 This is the fifth regular meeting of the Strategic and Corporate Select Committee (seventh in total), and the Forward Work Programme is set out at **Appendix A** for Members to review, which is based on their contributions at each of the regular meetings where the work programme was discussed.
- 2.4 A review of member working groups within Norfolk County Council has taken place and reported initially to the Corporate Work Programming Panel. The Corporate Work Programming Panel decided that each Select Committee should be made aware of working groups which are aligned to their remit, so they can comment on whether they are still required under the new governance arrangements.
- 2.5 Strategic and Corporate Select Committee has one member working group which aligns to the committee's remit, hence the committee are asked to decide whether this group should continue or whether changes are needed given time has passed since the groups' inception and change in governance arrangements.
- 2.6 The working group is the **Strategic Development Oversight Group**, which has a role to scrutinise the Community Risk Management Plan and other Norfolk and Fire Rescue Service related issues. Given the governance changes which gave the Strategic and Corporate Select Committee responsibility to scrutinise Fire and Rescue services, it is **recommended to discontinue** this member working group.

2.7 The other two groups (**Norfolk Against Scams Partnership** and **Equality, Diversity, & Inclusion Performance Board**) which were included in 19 November's report for Strategic and Corporate Select Committee for awareness have been investigated further as per committee's request. The findings are as follows:

- 2.7.1 The **Norfolk Against Scams Partnership (NASP)** is a wider partnership group, chaired by Cllr Margaret Dewsbury given her Cabinet responsibility for Trading Standards. It provides a forum for multi-agency discussions and working: while it is hosted by NCC, the partnership is voluntary and hence NCC does not control membership. The Steering Group for the NASP has held off on finalising their review of terms of reference (ToR) so that it can incorporate implications from decisions on Devolution and Local Government Reorganisation, avoiding a further refresh being required later in 2026. The 2019 ToR is provided, and the updated ToR will be circulated later in 2026 to committee as soon as it becomes available. **No changes to this group are recommended**, as its voluntary and partnership nature means that the group has been "hosted" rather than "created" by NCC.
- 2.7.2 The **Equality, Diversity, and Inclusion (EDI) Performance Board** is an internal group at NCC, also chaired by Cllr Dewsbury, which is tasked with monitoring performance on EDI objectives, ultimately reporting on these to Cabinet and Full Council. While its role was highlighted to the Strategic and Corporate Select Committee for awareness, the group is operational rather than member-led in nature. The EDI performance board meets three times a year to monitor progress on EDI objectives, and consequently Cabinet delivers an annual update against EDI objectives, which is a statutory responsibility. **No changes to this group are recommended**, but the most recent Terms of Reference are provided at Appendix B. The Strategic and Corporate Select Committee are asked to consider whether any pre-scrutiny of annual reporting of EDI objectives should be recommended, or whether the group's attendance should be expanded to allow for greater member oversight.

3 Impact of the Proposal

- 3.1 Regular review of the Forward Work Programme will ensure that scrutiny remains member-led, relevant, transparent, and impactful.
- 3.2 Reviewing member working groups in line with the new governance arrangements will ensure that best practice is followed and groups exist where there is a clear need and output.

4 Evidence and Reasons for Decision

- 4.1 As above.

5 Alternative Options

5.1 The Committee can amend the proposed work programme.

5.2 The Committee could request that all groups with member attendance aligned with the Strategic and Corporate Select Committee's remit are discontinued, however, this would create a risk implication for EDI reporting, as this is a statutory requirement. Similarly, the Norfolk Against Scams Partnership is not a group wholly controlled by NCC, with the decision to participate collectively made by partners, hence the request may have limited impact.

6 Financial Implications

6.1 None identified.

7 Resource Implications

7.1 Workforce: None identified.

7.2 Property: None identified.

7.3 IT: None identified.

8 Other Implications

8.1 Legal Implications: None identified.

8.2 Human Rights Implications: None identified.

8.3 Equality Impact Assessment: None identified.

8.4 Data Protection Impact Assessments (DPIA): None identified.

8.5 Health and Safety implications: None identified.

8.6 Sustainability Implications: None identified.

8.7 Impact of Devolution on the decision: None identified.

8.8 Impact on Devolution of the decision: None identified.

8.9 Impact of Local Government Reorganisation on the decision: None identified.

8.10 Impact on Local Government Reorganisation of the decision: None identified.

8.11 Any Other Implications: None identified.

9 Risk Implications / Assessment

9.1 None identified.

10 Action required

- To review and suggest any changes to the Forward Work Programme (Appendix A) for the Select Committee.
- To agree to discontinue the Strategic Development Oversight Group (SDOG), which now duplicates the functions of this committee in scrutinising the Norfolk Fire and Rescue Service. To note the roles and updated Terms of Reference for the other two groups set out in section 2.7.

11 Background Papers

11.1 None.

Officer Contact

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

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

Forward Work Programme – Strategic and Corporate Select Committee

21 January 2026 meeting	
Report title	Reason for report
Update on Devolution and LGR Proposals – Standing Item	To provide an update to committee members on the Devolution Priority Programme in Norfolk and Suffolk and Local Government Reorganisation.
Review of Companies Governance	To scrutinise NCC’s approach to its governance of wholly owned companies. Requested by committee at work programming session.
Amendments to Financial Regulations	For committee to be presented with proposed amendments to Financial Regulations, and to review and advise of any required changes ahead of Full Council. Requested by finance officers as per previous governance arrangements.
<i>Items to be circulated as briefing to all members:</i>	
Local Government Finance Settlement Update	To provide an update on the Local Government Finance Settlement 2025-2026
11 February 2026 meeting	
Report title	Reason for report
Scrutiny of proposed 2026-27 Annual Budget and Associated Papers	To conduct further scrutiny of 2026-2027 Annual Budget proposals
Norfolk Fire and Rescue Service - Community Risk Management Plan	Policy framework item. Post public consultation review and scrutiny ahead of Cabinet decision.
18 March 2026 meeting	
Report title	Reason for report
Update on Devolution and LGR Proposals – Standing Item	To provide an update to committee members on the Devolution Priority Programme in Norfolk and Suffolk and Local Government Reorganisation. Requested by committee at work programming session.
Review of Policy Framework	To further review the policy framework, following October’s meeting Requested by committee at October 2025’s meeting
Review of NCC Constitution	For committee to review the Norfolk County Council constitution, highlighting any required changes or clarification

15 July 2026 meeting	
Report title	Reason for report
Update on Devolution and LGR Proposals – Standing Item	To provide an update to committee members on the Devolution Priority Programme in Norfolk and Suffolk and Local Government Reorganisation. Requested by committee at work programming session.
Scrutiny of Norfolk Fire and Rescue Service performance	To scrutinise the performance of Norfolk Fire and Rescue Service, including how it meets its statutory duties and carries out preventative activity Requested by committee at work programming session. To bring forward?
Scrutiny of Trading Standards performance	To scrutinise the performance of NCC's Trading Standards function. Requested by committee at work programming session.
16 September 2026 meeting	
Report title	Reason for report
Strategic Property Asset Management Framework	For committee to review and scrutinise the Strategic Property Asset Management Framework, as item expires in 2027 on NCC Policy Framework. Policy Framework item
Review of current care provision and disposal of assets	For committee to consider the review of current care assets held by Norse and provide views to Cabinet Requested by committee at work programming session.
21 October 2026 meeting (Budget Pre-Scrutiny)	
Report title	Reason for report
Scrutiny of proposed 2027-28 Annual Budget and Associated Papers	To conduct pre-scrutiny of 2027-2028 Annual Budget proposals, ahead of consultation
<i>Future meetings of Strategic and Corporate Select Committee:</i>	
18 November 2026 meeting	
20 January 2027 meeting	
10 February 2027 meeting (Budget Scrutiny)	
17 March 2027 meeting	

Pipeline items:

- Scrutiny of Annual Delivery Plan – bridging plan ahead of Council Strategy refresh.

Equality, Diversity & Inclusion (EDI) Performance Board - Terms of Reference

Overview

1. Norfolk County Council has agreed an ambitious set of Equality, Diversity and Inclusion (EDI) Objectives.
2. The EDI Performance Board has been established to enable the Cabinet Member for Communities and Partnerships to monitor performance on the EDI objectives, and to report on this to Cabinet and Full Council.

Purpose of the Board

3. Receive quarterly reports on performance in relation to each department's EDI objectives, regarding the delivery of actions and targets.
4. Scrutinise performance to seek assurance that actions will be delivered in accordance with agreed timescales and to identify early warning signs of quality issues or delays. If delays are identified, determine whether appropriate actions are being put in place to mitigate this.
5. Oversee the development, implementation and monitoring of performance management arrangements, including scrutiny of identified action plans to address shortfalls in performance.
6. Consider specific areas of performance, focussing in detail on priorities or specific issues where performance is showing deterioration, or where there are quality concerns.
7. Keep the objectives under review, alerting the Cabinet Member to any emerging issues that may impact on delivery, action planning or future objective setting.
8. Oversee arrangements for data quality to ensure confidence in the performance information being used for monitoring and reporting purposes.
9. Reports to the Board will inform six-monthly reporting (or as required) to Cabinet.

Chair of the Board

10. The Board will be Chaired by the Cabinet Member for Communities and Partnerships.

Membership

11. The Board will be attended by a representative of each department.
12. The role of each representative is to report formally to the Cabinet Member on behalf of their department, responding to questions by the Cabinet Member. Departmental Representatives are accountable for reporting to and from the senior management teams and department they represent.
13. Other individuals may be invited to attend on an ad-hoc basis when additional advice is required, to enable the Board to carry out its business.
14. If Departmental Representatives are unable to attend they should nominate a deputy.

Meetings

15. The Board will meet quarterly or as required. Meetings will be set up 12 months in advance.
16. Agenda and papers will be circulated five working days in advance of meetings.
17. Notes of meetings will be circulated five working days following meetings.

Decision-making

18. The Board has no decision-making powers. Any decisions taken by the Cabinet Member will be in accordance with the Council's Constitution and Standing Orders.

Budget

19. There is no operating budget for the Board.
20. The costs of meeting any actions to address identified issues will be agreed on an as and when basis by the department affected.