

County Farms Advisory Board

Minutes of the Meeting held on Friday, 27 May 2016 at County Hall, Norwich

Present:

Ian Mackie (Chairman)	Bev Spratt
Jonathan Childs	John Timewell
Adrian Dearnley	Tony White

Also Present:

Stuart Clancy	Chairman, Economic Development Sub-Committee
Simon George	Executive Director of Finance
Dinesh Kotecha	Assistant Director, Property
Adrian Thompson	Chief Internal Auditor
Tim Shaw	Democratic Services

1 Apology for Absence and Chairman's Announcements

- 1.1 An apology was received from David Collis.
- 1.2 The Chairman said that the purpose of this meeting was to review the report about the county farms estate that had been presented to the Audit Committee on 21 April 2016. In so doing the Advisory Board would have to consider at this meeting whether the investigation into the complaints was considered to be adequate, what (if any) recommendations the Board might wish to bring before the Economic Development Sub-Committee at this time to clarify and strengthen the County Farms governance within the Council's constitution and to look at ways to strengthen the business management of the county farms estate and the Board's role of scrutiny of the County Farms operational functions.

2 Notes of the Previous meeting held on 27 May 2016

- 2.1 Notes taken at the Board meeting held on 27 May 2016 were laid on the table.

3 Audit Report on County Farms from Audit Committee 21 April 2016.

- 3.1 The Chairman explained some of the issues that had come before the Board since it was set up by the Economic Development Sub-Committee and approved by Full Council at the end of 2014.
- 3.2 The following key points were noted:
 1. The Board was of the view that the investigation had taken too long.
 2. The report was issued before the resolution of the complaint about the actions of a member of staff. The member of staff had returned to their post at County Hall, pending the outcome of an appeal.
 3. At no stage since the start of the investigation had Members of the Board

been interviewed. This was seen as a serious error of judgement given the nature of the report and the stakeholders involved. Members were of the view that this had resulted in gaps of knowledge and an incomplete audit report.

4. The investigation had raised no evidence of wrong doing or ill intention by Members of the Board who felt that they had acted at all times in the best interests of the county farms estate to advance its aims and objectives.
5. The Chairman was of the view that the report of the investigation into the complaints should have made reference to the content of the cross party farms report of June 2014 and its submission to Economic Development Sub-Committee on 24th June. He said that the report in June 2014 had made explicit recommendations on both sub-letting and an adequate level of resourcing for the county farms estate. This matter was taken to Full Council, but not acted upon in accordance with the recommendations. One of the key recommendations at that time was that having consulted with the tenants there should remain a cross party selection panel for the letting of county farm tenancies. In the opinion of Members of the Board reference to this matter should have been recorded in the report of the investigation.
6. It was pointed out that the Board had conformed to the Working Group Memorandum by the Head of Law, dated 25th July 2014, that Working Groups were not clerked and minutes were not kept, so as not to create an additional call on limited resources within Democratic Services. Notes were however taken by officers at Board meetings and acted upon. In order to avoid confusion, Members of the Board **agreed to recommend** that minutes of future meetings of the Board were taken. The Board also **recommended** that the protocol for all Working Groups was reviewed.
7. Notes of board meetings were kept in 2014 by Andrew Crossley and Duncan Blackie. At the May 2016 meeting of the Board evidence was shared from the October and December 2014 meetings. However, a request by the Board to have minutes taken at future meetings was not included in the Audit report.
8. The Audit report had stated that there were no written reports to Economic Development, but had failed to record the report by the Head of Finance in September 2014. The Board had agreed that the the schedule of proposed asset sales, on recommendation of the Head of Finance, should be shared with Economic Development Sub-Committee. In August 2014, the agenda had stated that the Board had made recommendations to Economic Development Sub-Committee. Additional information needed to be included in the report to cover these important points. Members were concerned proposals would come to the Board from officers on disposals of assets and the Board would review against the policy and agree recommendations to Economic Development Sub-Committee. It was pointed out that a schedule of sales was produced by the then Head of Finance and not by the Board. In November 2014, Andrew Crossley had emailed the Economic Development Sub Committee Clerk that the Board would like to propose that £385k be used to support the highways maintenance programme. This was not mentioned in the audit report. However, this proposal was backed at ETD. Also at ETD a proposal to use £1m to support the Acle Straight improvements was agreed. In addition, the Board had made recommendations in support of £2m being used from capital to support adult social care and £500k every year from farms revenue to support the central budget. These proposals came from the Head of Finance, discussed with the Board, and recommendations made to Policy and Resources Committee. At no time were the Board informed that it was working unconstitutionally. The Board

was a driver in supporting the County Council 2015/16 budget. Finally, the Board made a recommendation to make a £10k donation to support a delegation of Norfolk's LAC children to attend the mental health event in Canada. This supported the farms policy of supporting educational activities of Norfolk children. This proposal from the Board was rejected by the then Chair of the Economic Development Sub- Committee. None of this was recorded in the audit report.

9. Members made the point that during the 12 months of meeting there was lack of clarity and officer support regarding decision making powers. The Chairman said this was an issue which Board members spoke to the MD about in January 2015. As a result of that meeting, the Managing Director had commissioned a business plan for the estate. This business plan did not materialise. The Board was never responsible for that business plan.
10. The report did not record that the Board was working to a no sub-letting policy as per the June 2014 recommendations.
11. The Board raised concerns from tenants and members and passed on details to officers to investigate. The Chairman said this was not undertaken due to a lack of dedicated resources and capacity. The Chairman added that the overriding issue that the Board had made in several delegations to senior officers was that the level of resources was insufficient. The four posts requested in the June report were never recruited.
12. With regards to adequate resourcing of the estates team, this was raised with the Managing Director in January 2015. In March 2015 the Chairman wrote to the Managing Director and Executive Director of Resources outlining the Board's concerns regarding the estates team, and the four members of staff the Board had recommended in June 2014 who were still not in place. On May 30th 2015 the Board wrote to the Chairman of Policy and Resources about the lack of resources. These emails were not referred to in the audit report.
13. On 12th June 2015 the Chairman, on behalf of the Board, had met the Council Leader and Executive Director regarding capital allocations and resources for the estate. This meeting was not mentioned in the audit report.
14. In the later part of 2015, to ensure that the decision making processes complied with the constitution and flagged by Duncan Blackie, the Chairman of the Board had met with the Head of Law and Duncan Blackie to agree that the Head of Law would agree disposals with the use of delegate authority from the Managing Director. This meeting was not referenced in the report and the Head of Law was not consulted or interviewed in the writing of the report.
15. Officers were present and set the agendas for Board meetings. Attendance from all parties was high.
16. The report stated that the Board was not always demonstrating transparency. Board members did not agree with this view. They pointed out that the Board was established as part of the research and stakeholder interviews undertaken for the June 2014 report. Tenants wanted to see that Members of the Board could be approached and receive delegations as well as site visits to see the huge value the estate was adding to the County and the work of the County Council. The Board was of the view that Member involvement was making the process more transparent and accountable. This was not stated in the report. The Board had agreed at its May 2016 meeting that a recommendation to Economic Development Sub-Committee and Full Council should include Members along with officers in the long listing and interviewing

of tenants to ensure democratic involvement.

3.3 In summarising the conclusions of this meeting the Chairman said that the Board was of the view that the level of officer support that had been available to it in the past had not been what it should have been. There was a strong view that there was no sense or evidence of ill intention and that Board Members had acted with the highest integrity and dedication to the advancing of the county estate for the benefit of Norfolk and the Council. During the meeting the Executive Director of Finance had had to give apologies on two occasions for the inaction of officers in not carrying out the instructions of the Board to improve operational management of the County Farms Estate. The Board was looking to be part of a renewed effort to make clear policy and recommendations to Economic Development and Policy and Resources Committee, and Full Council to ensure that the work started on branding, care farms, apprentices and Easton College starter farms, expanding current holdings, acquisitions, local produce being sold in county shops, RMS presence and a raft of other income generation schemes were advanced as soon as possible. The Board was of the view that the level of resources as identified in June 2014 must be put in place to have a sustainable level of resource and committee support for what was one of the Council's largest assets. The Board was also of the view that there were gaps in the audit report and it did not provide a full audit trail of decision making, this was as a result of the decision not to interview members of the CFAB as part of the governance report. In essence, Members felt that the evidence used to create the audit report was arguably insufficient and therefore rendered the audit flawed.

3.4 The Board agreed to meet again on the afternoon of 26 July 2016 to receive the draft response to the Economic Development Sub-Committee, to consider alongside the Audit Committee report, and make any formal recommendations concerning governance arrangements to P&R.

The Board favoured a strengthening of Member involvement in the letting process.

Members asked to receive details as to the staffing structure for county farms.

Until the Board had worked up its proposals for a way forward press releases were to be discouraged.

The Board noted that responses were being made to the complainants. Also, that Audit Committee would be asked to note that a county farms improvements board had been established.

Chairman



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