



Corporate Select Committee

Minutes of the Meeting Held on 13 November 2023 at
10:00 am in Council Chamber, County Hall, Martineau Lane Norwich NR1 2DL

Present:

Cllr R Oliver (Chair)
Cllr A Birmingham
Cllr A White
Cllr B Price
Cllr V Thomson
Cllr W Nunn (Vice Chair)
Cllr S Clancy
Cllr G Carpenter
Cllr T Jermy
Cllr C Smith

Substitute Members Present:

Cllr B Watkins

Also Present:

Cllr Kay Mason Billig	Leader of the Council
Harvey Bullen	Director of Strategic Finance
Alex Cook	Finance Manager (Planning and Strategy)
Titus Adams	Assistant Director of Finance (Deputy S151 Officer)
Cllr Jane James	Cabinet Member for Corporate services and innovation
Geoff Connell	Director of Digital Services
Kurt Frary	Head of IT, Digital Services
Simon Hughes	Director of Property
Jeannine de Sousa	Head of Construction & FM, Corporate Property
Paul Cracknell	Executive Director of Strategy and Transformation
Maisie Coldman	Trainee Committee Officer

1. Apologies for Absence

1.1 Apologies were received from Cllr Roper (substituted by Cllr Watkins), Cllr Sayers and Cllr Bills.

2. Minutes

2.1 The minutes of the meeting held on 11 September 2023 were agreed as an accurate record and signed by the Chair.

3. Declarations of Interest

3.1 There were no declarations of interest.

4. Items of Urgent Business

4.1 There were no items of urgent business.

5. Public Question Time

5.1 There were no public questions.

6. Local Member Issues/Questions

6.1 There were no member issues/questions.

7. Strategic and Financial Planning 2024-25

7.1 The committee received and was introduced to the Strategic and Financial Planning 2024-25 report by Cllr Mason Billig, Leader of the Council. The report set out the latest Budget and Medium-Term Financial Strategy position as reported to Cabinet in October 2023 (Appendix 1), in particular the emerging risks and uncertainties within the Council's planning position, the savings proposals for 2024-25 as set out in Appendix 1, which fall within the Committee's remit and the budget gap which remains to be closed for 2024-25. The Select Committee was asked to consider and comment on this information, and in this context comment on any areas that it would recommend exploring for savings development in relation to the services within the Select Committee's remit, in order to provide further input to the 2024-25 budget process and inform the final package of saving proposals put forward to Cabinet later in the year.

7.1.1 The report noted the saving proposals, that amounted to £26.485 million, to contribute to closing the £46.216 million budget gap for 2024-25. The proposed savings divided by departments are outlined in Item 7, Appendix 1, Table 4. Cllr Mason Billig highlighted that Norfolk County Council (NCC) was not the only authority that was experiencing wider economic and financial pressure. The Committee heard that the report also included Financial Benchmarking Indicators and how they were used.

7.2 The following points were noted during discussion and in response to questions from the committee:

- Members shared their concerns regarding the budget gap.
- The Committee heard that the increase in the cost of living, in addition to other factors, was placing pressure on services at NCC. NCC has been required to find savings each year for over a decade and it was becoming more difficult to identify areas for savings that do not have an immediate impact on the delivery of front-line services. Currently, there are efforts to work smarter with the resources that NCC has, to review and consider how services operate, and to explore new technologies, such as AI, to understand how they could aid smarter working. Future

funding from the government would be important and the Council continues to call for a longer-term settlement to provide more certainty.

- In response to a question about Section 114 notices, the Director of Strategic Finance commented that this involves an element of judgement about the financial resilience of an individual organisation, and this was highly dependent on future funding from government. At this moment in time, the Director of Strategic Finance does not consider NCC at risk of having to issue a 114 notice and it was noted that there are other options which would need to be explored before this point would be reached. It was also highlighted that Government had requested Local Authorities experiencing financial stress to engage with them about mitigating options.
- It was clarified that NCC's strategy was to focus on making savings that did not impact front-line services, and that the budget overall for 2024-25 was expected to be bigger than that of 2023-24.
- A member requested clarification about what the other alternative approaches to identify savings were. In response, the Director of Strategic Finance noted that there are different approaches, and resource prioritisation, that could be adopted when setting the budget. The council budget-setting process for 2024-25 allocated saving targets to each department. A different distribution of saving targets could have been applied and the comment in the report was therefore intended to highlight that there are options available during the process. Part of the role of the Section 151 officer was to ensure that the council has a robust budget to deliver its services.
- In response to a question about borrowing, it was noted that whilst there were maturing loans, these did not need to be funded from reserves. NCC were required annually to set aside a minimum revenue provision within the revenue budget to repay borrowing when it becomes due. Regarding the profile of debts, NCC has a relatively smooth profile of maturing debt. This was reported to the Treasury Management Panel and would be reported to Cabinet in December as part of the mid-year Treasury Management Strategy update. The council has borrowed in the last few years at historically low rates. There was adequate provision in the MTFs to repay debt. In the context of rising interest rates, the focus now was on the cost of further borrowing in future and the Capital Programme is being carefully considered in this context to ensure affordability.
- In response to a question asking if NCC was undertaking enough commercialisation activity and whether there was a strategy for this, the committee heard that there was the ability to do this, and commercial opportunities were pursued in order to minimise the impact on the taxpayer.

- The Committee questioned the approach if further savings were identified later in the budget setting process. It was noted that the Council has a legal duty to consult the public on potential saving opportunities if they met the threshold for consultation. If required, further consultation would take place prior to savings being implemented.
- The possibility of setting up Member Task and Finish Groups was considered.
- Cllr Jermy noted that it was positive to see that streetlighting continued to be upgraded. In response to a question about how many upgrades were still to be completed, it was advised that the detailed position would be circulated after the meeting.
- A member shared anecdotal evidence of a resident being unable to pay their Council Tax and not having the computer literacy to access information about what support was available. They highlighted that an increase in Council Tax may see additional people being unable to afford to pay and questioned what safeguards the budget includes to address digital exclusion. The committee heard that residents can access the internet and support from their local library. The concerns were shared by Cllr Jane James, but they were hopeful that the success of the Tech Skills pilot in West Norfolk would provide proof of concept and be able to be rolled out county-wide. There were also conversations about the responsibility of the billing authority to make their customers aware of the support that they are entitled to.
- Cllr Price expressed that they felt that the money gained from ceasing the Transport for Norwich advisory committee was not significant enough to justify the loss of partnership working and collaboration. The Leader of the council responded that the Transport for Norwich budget was finite, and once spent, there would no longer be a requirement for the committee. A steering group remained to ensure that the Cabinet Member for Highways, Infrastructure, and Transport could continue to discuss schemes with partners. The steering group was however unable to meet until Norwich City Council had appointed a member to the group.
- In response to a question surrounding spending on highway developments, it was noted that road and infrastructure developments were part of the Capital Programme and separate from the Revenue Budget, although there was a crossover. The importance of sufficient and safe transport and infrastructure was highlighted.
- Cllr Birmingham highlighted the positive impacts that respite services provide and asked that this be considered when undertaking reviews of this provision.

- Cllr Thomson sought clarification about NCC's involvement in Moving Traffic Offences. It was advised that this information would be circulated to Committee members after the meeting.
- Cllr Nunn welcomed the proposal to build 2,800 units of extra care housing for older people and to provide 183 units of supported housing for young adults. He asked if there were plans to extend these further. In response, the Leader of the Council noted that NCC would fill in the gaps where outside providers could not be found/did not exist.

7.3 Having considered and commented on the Strategic and Financial Planning 2024-25, as summarised above, the Select Committee **resolved** to:

1. **Note** the latest Budget and Medium-Term Financial Strategy position as reported to Cabinet in October 2023 (Appendix 1), in particular the emerging risks and uncertainties within the Council's planning position.
2. **Note** the savings proposals for 2024-25 as set out in Appendix 1, which fall within the Committee's remit.
3. **Note** the budget gap which remains to be closed for 2024-25.

8. The Artificial Intelligence Opportunity

8.1 The committee received, and was introduced to, the Artificial Intelligence (AI) Opportunity report by Cllr Jane James, Cabinet Member for Corporate Services and innovation. The AI opportunities available for Norfolk were outlined and it was highlighted to members the importance of ensuring that data was used ethically and appropriately.

8.2 Geoff Connell, Director of Digital Services, and Kurt Frary, Head of IT, Digital Services, provided the committee with additional context and how AI would be useful for NCC. They highlighted the pilot in Adult Social Service where AI was used to identify people who were at risk of falling. The implementation of AI would aid colleagues, help free up resources, and improve efficiency. Members were reassured that AI was not seen as a tool that would replace staff, they are essential to quality assure the products and outcomes feedback by AI. An Artificial Intelligence Governance Board (AIGB) has been established by NCC to ensure the ethical and responsible development, deployment, and management of AI technologies with AI. Consultation with expert bodies and peer groups was occurring to better understand how technology was being used, especially considering how quickly it was evolving.

8.3 The following points were noted during discussion and in response to questions from the committee:

- Cllr Clancy noted that AI was where the future was and technology should be embraced, however, services needed to be maintained to a level that residents are satisfied with and can access smoothly. In

response to this, the committee heard the trust that residents have in NCC was important, and that relationships with the people that use the services remained a priority. New technology would be tested on staff before being released to the public.

- Geoff Connell did not think that the implementation of AI technology within the workplace would result in a reduction of staff numbers but would help them do more with what was already available. Using the example of adult social care, they illustrated that there was not enough staff to employ. The additional capacity that AI could produce would allow for a more efficient service and the ability to do more preventative work. The Director of HR sits on the AIGB so that the changes that staff might expect to see can be understood.
- Norfolk was a leading authority in the use of AI, NCC has good relationships with main suppliers that allow early access to trial new technologies. There was close work with other bodies, peer groups, and partnerships to understand the new technology and how it would benefit Norfolk. Funding options were being explored to afford the capacity to make use of AI.
- One of the focus areas as part of this work would be to ensure that residents do not fall behind. The pilot Tech Skills programme in West Norfolk has been upskilling residents' knowledge of technology, but also finding ways that technology, and AI, can help improve the quality of their daily lives.
- A workshop for all elected members on digital skills was being looked at to provide a general overview of the uses of AI but also how it could be used within the work that members carried out.
- A member raised concerns about the potentiality of data and AI being used inappropriately and unethically. Officers stressed that cyber security was taken seriously and that there would be research into the mechanisms and processes to protect NCC from AI.
- A member suggested that whilst the exploration was happening to see how AI could be utilised to free staff time and resources, could this time also be used as an opportunity to review whether all paperwork was needed. Officers noted that this would be a process reviewing opportunity.
- The implementation of AI was not going to replace the option to interact with a human and residents needed to have the choice as to whether they wanted to interact with the technology or not. It was felt that the additional resources generated through the use of technology would free up time to support residents who prefer human interactions.
- Your Norfolk Magazine would be published twice a year to inform residents of who to contact / where to go for support. This was felt to be

particularly beneficial to residents who were not confident using technology.

- Officers noted that there were Invest to Save funds in place that could be used for the experimentation of AI at NCC which was suggested to be around £100, 000. Geoff Connell shared with the committee that if there was evidence of positive results, then funding would need to be found to implement new technologies. are not explored and utilised then processes are unlikely to improve, and efficiency will remain the same.

8.4 Having reviewed and commented on the Artificial Intelligence Opportunity, the Select Committee **resolved** to:

- **Endorse** the pace of adoption of Artificial Intelligence balanced with the controls to manage the associated risks.
- **Advise** when the Committee would next want to be updated on progress.

9. County Farms Rural Estates Strategy 2023-2027

9.1 The committee received, and was introduced to, the County Farms Rural Estates Strategy 2023-2027 report by Cllr Jane James and was provided with an overview from Jeannine de Sousa, Head of Construction & FM, Corporate Property. This strategy was an evolution of previous ones and worked with the evolving picture of Norwich agriculture. The County Farms Rural Estates Strategy proposed to redraw the boundary lines of County Farms. Currently, farm holdings are split across the county, the redrawing of the boundaries would create larger more regular areas. This would create larger farms that would have increased commercial viability and facilitate the use of larger machinery. Members of the Committee heard that this work would be done in collaboration with farmers and that it was an opportunity to support the community. The other alternative options were shared with the Committee.

9.2 The following points were noted during discussion and in response to questions from the committee:

- It was clarified that the County Farms Estate contributes 2.5 million pounds of gross income to the rural economy.
- The team managing and supporting the County Farms Estate was made up of three people. The internal team would deliver the proposed strategy and thus, there would be no additional cost to the workforce.
- Cllr Price questioned how larger farm holdings, and thus larger machinery would benefit the environment, noting the environmental consequences that this could generate. Simon Hughes, Director of Property, responded that many of the current holdings were designed for use tractors from the 1960s/70's and that the use of larger

machinery was a standard. It was noted that the reference to larger machinery was referring to entry-level tractors.

- A member asked what the process was for farm progression. The team worked with the tenants to understand their business ambitions, this was usually known after 5 – 10 years.
- Written into County Farm Estate leases was that tenants were expected to support biodiversity and maintain footpaths.
- Tenets were able to attend events to inform them how technology could be used within their farm. There was also communication through newsletters and work with partners.
- Cllr Jermy wondered if the strategy marked a move away from the original purpose of the County Farms Estate which was to support, and encourage, people into farming. Managing a larger estate would require more resources and thus, could become inaccessible for entry farmers. In response, the committee heard that ensuring that farms were economically viable was important, and redrawing the boundaries was regarded as essential to this. In modern agriculture, 100 acres was not regarded as a large holding. There was evidence of positively supporting people in agriculture who did not already have significant resources.
- Members expressed different views on the environmental impact of larger machinery, particularly regarding soil compaction. Cllr Nunn shared anecdotal evidence of their experience of farming, highlighting that farms need to take up the opportunity that new technology provides to have viable outcomes. the price of machinery means that it was required to be shared.
- The chair asked how providing tenancies to farmers were justified. In response, Simon Hughes noted that the County Farm Estates' purpose was to encourage farmers into agriculture, this was reflected in government policy and regarded as important. He shared that the current use of the land provides better outcomes for NCC than alternative options
- A member expressed their dissatisfaction that rewilding was not being addressed in the strategy despite the benefits it could yield to soil health and flooding. In response, it was shared that there has to be a balance between rewilding and food provision. Most of the estate was grade 1 and 2 which reduced its suitability for rewilding, however, work was being done to create a plan for tree planting and support with biodiversity.

9.3 The Corporate Select Committee **commented** on the County Farms Rural Estates Strategy for 2023-2027.

10. Forward Work Plan 2023

10.1 The committee resolved to **agree** the forward work programme.

Meeting concluded at 11:40

Rhodri Oliver Chair

Corporate Select Committee



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