



Policy and Resources Committee

**Minutes of the Meeting Held on 25 March 2019
10 am Edwards Room, County Hall, Norwich**

Present:

Mr A Proctor (Chairman)

Mr B Borrett
Mr S Dark
Mrs M Dewsbury
Mr T FitzPatrick
Mr A Jamieson
Mr S Morpew

Mr G Plant
Mr D Roper
Mr E Seward
Mr B Stone
Mr M Wilby

Substitute Member present:

Mrs B Jones (sub for Ms E Corlett)

Also present:

Ms A Kemp
Mr B Spratt

1 Apology for Absence

1.1 An apology for absence was received from Ms E Corlett.

2 Minutes

2.1 The minutes of the previous meeting held on 28 January 2019 were confirmed by the Committee and signed by the Chairman.

3 Declarations of Interest

3.1 Mr T FitzPatrick and Mr A Jamieson declared "Other Interests" in the NORSE Governance Proposals at item 16 on the agenda.

4A Item of Urgent Business-All Hallows Healthcare Trust

4A.1 In response to a request from Mr Morpew, the Chairman agreed that the Executive Director of Adult Social Services should update the Committee on the current position regarding All Hallows Healthcare Trust which supported people through hospital, nursing home, day care and home care services and was due to

close shortly after experiencing financial difficulties.

- 4A.2 The Executive Director of Adult Social Services said that Health and Care Commissioners were working together to secure continuous care throughout the transfer period. Most of those affected by the closure were Suffolk residents. A written response concerning the implications and numbers of Norfolk residents affected by the closure would be provided to all Members of the County Council shortly.

4B **Chairman's Remarks**

- 4B.1 The Chairman said that item 22 on the agenda had been withdrawn. This was because the report at item 12 on the agenda included a sufficiently detailed business case for the Living Well Homes for Norfolk Fakenham Extra Care Scheme.

5 **Public Question Time**

- 5.1 There were no public questions.

6 **Local Member Issues**

- 6.1 There were two local Member questions from Ms A Kemp and Mrs B Jones. These can be found together with a supplementary question asked by Ms Kemp and the answers given in the meeting at Appendix A to these minutes.

Section A – Items for Discussion and Decision/Action

7 **Finance Monitoring Report Period 10**

- 7.1 The annexed report (7) by the Executive Director of Finance and Commercial Services was received.
- 7.2 The Committee received a report by the Executive Director of Finance and Commercial Services that summarised the Period 10 (31 January 2019) forecast financial outturn position for 2018-19, to assist Members to maintain an overview of the overall financial position of the Council.
- 7.3 The Executive Director of Finance and Commercial Services drew Members' attention to the in-year DSG High needs block net deficit of £5.977m that would be carried forward to the next financial year and to the written confirmation that the Secretary of State had agreed to the transfer of an additional £4.580m from the Schools Block in 2019-20 (over and above the 0.5% transfer already agreed by the Schools Forum).
- 7.4 Members drew attention to the significant areas of financial pressure within Children's Services that were driven by spend on placements (Children Looked After, Staying Put and Leaving Care) and on primarily transport and assessment of special educational needs. In reply the Executive Director of Children's Services explained the work of the Directorate to address these financial pressures through

transformational change including a new Children's Advice and Duty Service at the 'front door' to Children's Services, improved foster carer recruitment, a new therapeutic support service for families at the edge of care as well as other improvements throughout the service.

- 7.5 In reply to questions about the use of the finance general underspend, the Executive Director of Finance and Commercial Services confirmed that £2m of capital receipts would be used on a "one off" basis to help meet transformation costs and pressures within Children's Services subject to the successful completion of the sale of land and property to Hethel Innovation Ltd.
- 7.6 Members said that they were pleased to hear about the capital bid to create the "Changing Places Rooms" (that would be used to support adults with learning or physical disabilities or medical needs to engage with services) within seven multifunction centres around the County. The Executive Director of Community and Environmental Services confirmed that the first site was planned to open 24 hrs a day in Attleborough in May 2019.
- 7.7 In reply to further questions, the Executive Director of Finance and Commercial Services agreed to provide Members of the Committee with details regarding the following:
1. The revenue reserve balances and provisions that were committed expenditure that had yet to be spent (the table on page 29 of the agenda refers).
 2. The £707,000 forecast underspend on early help and prevention in Children's Services (the table on page 35 of the agenda refers).

7.8 **RESOLVED**

That the Policy and Resources Committee:

1. **Note the period 10 forecast general fund revenue underspend of £0.021m (p8 underspend £0.035m) noting also that Chief Officers will take measures throughout the year to reduce or eliminate potential overspends.**
2. **Note the forecast General Balances at 31 March 2019 of £19.536m, before taking into account any over/under spends.**
3. **Note the revised expenditure and funding of the current and future 2018-22 capital programme.**
4. **Approve additional current year capital funding of £0.231m for Changing Places facilities within seven Multifunction Centres as set out in Appendix 2, paragraph 3.1 of the report.**

8 **Delivering Financial Savings 2018-19**

- 8.1 The annexed report (8) by the Executive Director of Finance and Commercial Services was received.
- 8.2 The Committee received a report by the Executive Director of Finance and

Commercial Services that provided details of the forecast year-end position in respect of the delivery of the 2018-19 savings agreed by the County Council at its budget meeting on 12 February 2018.

8.3 During discussion about table 4 on page 53 of the agenda, Members drew a distinction between the Council's efficiency savings that were aimed at providing statutory services in new ways and the Council having to reduce service standards and cease to provide important services. In reply the Executive Director of Finance and Commercial Services said that the Council continued to exploit digital and technological innovations that delivered efficiencies, service improvements and better ways of working that helped prevent the need for reductions in service standards.

8.4 **RESOLVED**

That the Policy and Resources Committee:

1. **Request officers continue to take action to ensure that savings are delivered and that shortfalls in savings are met through alternative savings or underspends.**
2. **Note the total projected shortfall of £4.435m in 2018-19, which amounts to 15% of total savings.**
3. **Note the budgeted value of 2018-19 savings projects rated as RED of £0.642m which are all forecast not to be delivered.**
4. **Note the budgeted value of 2018-19 savings projects rated as AMBER of £14.645m, of which £10.51m are forecast to be delivered.**
5. **Note the budgeted value of GREEN and BLUE rated projects of £14.712m, where £15.513m of savings are forecast to be delivered.**
6. **Note the forecast changes to assumptions and rescheduling of savings totalling £5.900m in 2019-20, £1.550m in 2020-21 and £2.500m in 2021-22, which have been reflected in budget planning.**

9 **Performance and Risk Monitoring**

9A **Corporately Significant Vital Signs Performance Management report**

9A.1 The annexed report (9A) by the Executive Director Strategy and Governance was received.

9A.2 The Committee received a report by the Executive Director of Strategy and Governance that provided up to date performance management information for corporately significant vital signs as at the beginning of March 2019. The report was based on the 'vital signs' performance indicators agreed by the Committee in March 2018.

9A.3 The Executive Director of Children's Services said that education, health and care (EHC) plans were for children and young people aged up to 25 who needed more support than was available through special educational needs support. The expanded age range of up to 25 years of age had resulted in additional educational, health and social care demands but without additional Government

financial support.

9A.4 Members drew attention to the rise in the number of people killed and seriously injured in road collisions in Norfolk and spoke about how each incident represented a significant emotional and financial burden to local people and public services. The Executive Director of Community and Environmental Services said that the complex reasons for the rise in road casualties were being examined by a Task and Finish Group of the Communities Committee; the application of new technology could provide some of the solutions. The Deputy Leader drew attention to the changes in police accident recording methodology for people killed or seriously injured on Norfolk's roads which meant that certain metrics (other than total numbers of people killed and seriously injured) were not directly comparable this year to previous years.

9A.5 **RESOLVED**

That Policy and Resources Committee note the performance data and recommended action.

9B **Risk Management Report**

9B.1 The annexed report (9B) by the by the Executive Director of Finance and Commercial Services was received.

9B.2 The Committee received a report by the Executive Director of Finance and Commercial Services that provided the Committee with sight of corporate risks with significant changes since the last risk management report in October 2018, and other related matters, following the latest review conducted during late February and early March 2019.

9B.3 In reply to questions about the steps that Adult Social Services were taking to respond to changes in demography, funding, and government policy, the Chairman of Adult Social Care Committee said that a robust Promoting Independence Strategy was in place to prevent, reduce and delay the demand for social care and provide for a sustainable model of social care for the future.

9B.3 The Executive Director of Community and Environmental Services informed the Committee that while there were elements of the Broadland Northway scheme that had yet to be fully costed the final account for the project had been agreed with the main scheme contractor and the project would be delivered below the revised budget of £205m. The final costings would be reported to the most appropriate Select Committee in Summer 2019.

9B.4 **RESOLVED**

That the Policy and Resources Committee:

- 1. Agree the main changes to the corporate risk register since the last report (in Appendix A to the report) which include the following;**
- 2. To lower the classification of risk RM017 – Failure to deliver the**

Broadland Northway within agreed budget (£205m) from being managed at a corporate level to a service level.

- 3. To close risk RM021 – Failure of Estate Management, as recommended by the Business and Property Committee.**
- 4. The heat map with corporate risk index, plotting all current corporate risks (Appendix C to the report).**

10 Procurement Six-Monthly Update

10.1 The annexed report (10) by the by the Executive Director of Finance and Commercial Services was received.

10.2 The Committee received a report by the Executive Director of Finance and Commercial Services that provided a regular update on procurement issues, so that Members had sufficient notice about forthcoming procurements and were aware of current issues and any concerns.

10.3 RESOLVED

That the Policy and Resources Committee:

- 1. Note the procurement pipeline and comments on contracts mentioned in the report.**
- 2. Note the information contained in the report about contract management.**

11 Progress on the Council's Equality, Diversity & Inclusion Objectives 2017-2020

11.1 The annexed report (11) by the Executive Director of Community and Environmental Services was received.

11.1 The Committee received a report by the Executive Director of Community and Environmental Services that summarised progress on the Council's five Equality, Diversity and Inclusion Objectives for 2017-2020.

11.2 Members discussed the importance of the work that was done with the chairs of Norfolk's five county-wide independent Access Groups (led by disabled people) to compile a list of barriers in Norfolk to disabled people's independence and come up with ways to address these barriers over the next 25 years. It was recognised that some of the issues (listed in paragraph 13 of the report) were not within the Council's gift to address and others, while essential to achieve a more accessible Norfolk, would be difficult to resolve. Members asked for one of the Council's new select committees to be kept informed of progress with this challenging work.

11.3 Members also spoke about the reasons why women, people with disabilities and those from minority groups found it difficult to stand for election to the County Council.

11.4 **RESOLVED**

That the Policy and Resources Committee confirm that the Council's five Equality, Diversity and Inclusion Objectives for 2017-2020 remain relevant.

12 **Living Well-Homes for Norfolk-Fakenham Extra Care Scheme**

12.1 The annexed report (12) by the Executive Director of Adult Social Services was received.

12.2 The Committee received a report by the Executive Director of Adult Social Services that summarised the business case for approving £212,500 capital funding from the Living Well Homes for Norfolk Capital Programme to Housing 21 to support the development and secure nomination rights in a new 66 unit Living Well Homes (extra care housing) for older people, in Fakenham, North Norfolk.

12.3 Mr T FitzPatrick, the local County Councillor for Fakenham, spoke in favour of the care scheme mentioned in the report.

12.3 All Members of the Committee commended the officers responsible for achieving the success of this care scheme.

12.4 **RESOLVED**

That the Policy and Resources Committee approve £212,500 of capital contribution funding from the Living Well Homes for Norfolk Capital Programme to Housing 21 to support the development and secure nomination rights in a new 66 unit Living Well Home (extra care housing) for older people in Fakenham, North Norfolk.

13 **Norfolk County Council's Carers Charter Next Steps**

13.1 The annexed report (13) by the Executive Director of Adult Social Services was received.

13.2 The Committee received a report by the Executive Director of Adult Social Services that set out the next steps around promoting the Carers Charter and engaging with other key employers and with public sector partners to pledge actions and sign the Charter. The report also set out progress against specific service-level actions to take forward the Norfolk County Council pledges in the Charter.

13.3 Members spoke about the importance of the Council putting in place achievable and recognisable targets for each of the pledges contained within the Charter.

13.4 **RESOLVED**

That the Policy and Resources Committee:

- a) **Agree to promote the Charter and gain commitment and signatories.**

b) Ask the Charter Task and Finish Group to reconvene to review progress in late June/early July 2019.

14 Integration with the NHS and 10 Year Plan

- 14.1 The annexed report (14) by the Executive Director of Adult Social Services was received.
- 14.2 The Committee received a report by the Executive Director of Adult Social Services that provided an overview of the recently published NHS 10-year Plan and updated Members on work locally to move towards an integrated care system across Norfolk and Waveney. The report made the case for further integration between the Council and NHS partners to deliver joined up health and care services and recommended that this was endorsed by Policy and Resources Committee.
- 14.3 The Executive Director of Children's Services said that she would provide Members with an update after the meeting on Children's Services arrangements for integration with the NHS.
- 14.4 **RESOLVED**

That the Policy and Resources Committee welcome the NHS plan and support the NCC response by:

- 1. Committing to continued integration with NHS partners to deliver the ambitions of an ICS. Aligning our services and relevant resources with emerging primary care networks and continuing leadership in STP activity, e.g. Local Delivery Groups and chairing workstreams.**
- 2. Giving delegated authority to the Executive Director of Adult Social Services to renew our contractual arrangements (under a Section 75 Agreement) for the integrated management of community services with Norfolk Community Health & Care to March 2021.**
- 3. Approving the reshaping of integrated commissioning arrangements to support a move towards an integrated care system.**
- 4. Following the recommendations of the Mental Health Strategy and to support development of an integrated health and care model for children and adult's mental health services, which could include structural integration with the community mental health provider to create a joint service.**
- 5. Committing to full participation in the prevention agenda across the Council.**
- 6. Supporting the Council's lead role in information intelligence, producing the Joint Strategic Needs Assessment, and increasing our contribution to whole-system, population based, intelligence as the basis of decision making.**

15 Independence Matters and Limited Company Consents

- 15.1 The annexed report (15) by the by the Executive Director of Finance and

Commercial Services was received.

- 15.2 The Committee received a report by the Executive Director of Finance and Commercial Services that, following the national financial difficulties experienced by Allied Healthcare and in line with the Care Quality Commission advice, explained the urgent action taken by the Council to secure the safe continuation of care to service users affected in Norfolk through the support of Independence Matters CIC, which had led to some changes in the structure of that company.

15.3 **RESOLVED**

That the Policy and Resources Committee:

- 1. Note the actions taken by Independence Matters to repurpose a subsidiary company to create Home Support Managers to manage the safe transfer of contracts from Allied Health Care.**
- 2. Recommend to Full Council the appointment of directors to companies as detailed in Appendix A to the report.**
- 3. Approve the agreement of a new Strategic Partnership Agreement with Independence Matters CIC including purchase and transfer of shares to NCC to ensure Teckal compliance.**

16 **Norse Governance Proposals**

- 16.1 The annexed report (16) by the by the Executive Director of Finance and Commercial Services was received.

- 16.2 The Committee received a report by the Executive Director of Finance and Commercial Services that proposed a further strengthening of the Norse Board with the appointment of two independent Non-Executive Directors with one vote each. It was pointed out that as with Repton the appointments would be made through a transparent process of advertisement, interview and appointment.

16.3 **RESOLVED**

That the Policy and Resources Committee:

- 1. Agree the proposal to recruit two independent non-executive Directors with one vote each. These will be remunerated positions.**
- 2. Agree to the same approach as Repton Property Developments Ltd and advertise and recruit as soon as possible.**
- 3. Ask for the appropriate amendments to be made to the Articles of Association.**

17 **Transition from a Committee to an Executive Leader and Cabinet System of Governance.**

- 17.1 The annexed report (16) by the Chief Legal Officer was received.

- 17.2 The Committee received a report by the Chief Legal Officer that included the draft

Constitution agreed by the Cabinet System Member Working Group.

17.3 Mr Roper asked for it be placed on record that he viewed the transition from a Committee to an Executive Leader and Cabinet System of Governance as a political decision of the County Council that was aimed at serving the interests of the ruling political party rather than the interests of the Council as a whole. Other Members said that the County Council had already taken the decision to move to an Executive Leader and Cabinet System of Governance and the Policy and Resources Committee had to consider the most appropriate form of constitution for the Council to achieve its aims.

17.4 **RESOLVED (by 9 votes to 4 votes)**

That the Policy and Resources Committee:

- 1. Note the final working draft of the new Constitution.**
- 2. Grant authority to the Chief Legal Officer to make any further changes agreed as necessary by the Committee to produce the final draft Constitution to be presented to Full Council on 15 April 2019.**

17.5 **That the Policy and Resources Committee RESOLVE to RECOMMEND to Council (by 9 votes to 4 votes):**

- 1. To adopt the final draft as the Council's new Constitution from 7 May 2019.**
- 2. To delegate authority to the Chief Legal Officer to make changes to factual references, changes required by a change in the law and consequential changes as well as correct typographical and formatting errors noted between 15 April and 7 May 2019.**
- 3. To delegate authority to the Chief Legal Officer to make such changes as necessary to reflect the new form of governance and consequential changes in all Council documents that would otherwise require approval from the Council or any of its Committees.**

18 **Electoral Review of Norfolk County Council**

18.1 The annexed report (18) by the Chief Legal Officer was received.

18.2 The Committee received a report by the Chief Legal Officer that set out the background and process for the County Council's electoral review.

18.3 The Chairman said that a Working Group should be set up for the specific purpose of providing Member oversight of the electoral review.

18.4 **It was moved by Mr Roper, seconded by Mr Morphew:**

"That the Policy and Resources Committee agree to set up an Electoral Review Working Group that was not subject to the Widdicombe principles composed of 8 or 9 Members including 2 Labour and 2 Liberal Democrat Members."

- 18.5 In the ensuing discussion those Members who were in support of the motion said that they would like to see a new Working Group set up where the Widdicombe principles did not apply. They were of the view that this would allow the best possible opportunity for a Council wide response to be presented to the Local Government Boundary Commission.
- 18.6 Those Members who were against the motion said that while they would like to see the Council respond to the Local Government Boundary Commission with a joint voice it was only right for the Widdicombe principles to be applied to this Working Group in the same way as they should be applied to any other Working Group.
- 18.7 **On being put to the vote the motion on the table was LOST (by four votes in favour and 9 votes against).**
- 18.8 **It was then RESOLVED (by 9 votes to 4 votes)**

That the Policy and Resources Committee:

- 1. Note the decision by the Local Government Boundary Commission for England to undertake an electoral review of Norfolk County Council and the timescale set out in paragraph 3.2 of the report;**
- 2. Agree that an Electoral Review Working Group provides Member oversight of this project with the composition and Terms of Reference set out in Appendix A to the report;**
- 3. Agree that Officers give further consideration to resourcing phase 2 of the project once the proposed size of the new Council is clearer.**

Section B – Item for Report

- 19 **Feedback from Members serving on Outside Bodies**

Appendix A

Public Question from Councillor Alexandra Kemp

Council's Commitment to No Incineration in Norfolk Policy

Will the Policy and Resources Committee - including the Leader - who, if Council agrees, will shortly become an Executive Leader, ultimately responsible for all Council policy and strategy decisions in the new Cabinet System - unequivocally and wholeheartedly affirm their commitment to honour this Council's No Incineration in Norfolk Policy, enshrined in Appendix M of the Waste Plan and Policy Framework, and confirm that the Policy will be part of the new Waste Plan and that they are doing all they can to ensure that it is enforced, which is currently a matter of great concern in this Division and in West Norfolk?

Response by Chairman of Policy and Resources Committee

For clarity and accuracy, the actual wording of the County Council's policy approved by Full Council is: 'No development of incineration in Norfolk for waste the County Council is responsible for as a Waste Disposal Authority'. That policy continues to be fully respected and there is no need to revisit a clearly worded County Council policy or have it replicated in other documents.

Supplementary Question from Councillor Alexandra Kemp

" I am asking for an immediate Internal Investigation, results to be published at full Council in May, of how much money, a Committee of this Council recently placed in a long-term " Investment Opportunity" to fund incineration around the country, and why the current and long-term financial risks were not considered, including why the flagship Belvedere Incinerator was recently sold off after it struggled with its debts; and Cornwall incinerator's failure to produce any energy at all for 7 months; and why the Committee failed to consider the risk to this Council's No Incineration in Norfolk Policy, at Appendix M and full Council's Motion of December 2014."

Response by Chairman of Policy and Resources Committee

The Pensions Committee has a fiduciary duty to do what is right to obtain the best possible financial returns for those who are members of the Norfolk Pension Scheme.

Appendix B

Question from Cllr Brenda Jones

The original budget for 2019-20 proposed a use of reserves that was described as 'prudent', that figure has now reduced by £5m.

At full council Conservative Councillors assured the public that cuts to the Minimum Income Guarantee would be reversed as soon as money was available, will the Policy and Resources Committee now commit to the prudent use of reserves to restore the Minimum Income Guarantee for young disabled people?

Answer:

Response by the Chairman of Policy & Resources Committee

A decision was taken by County Council in February 2019 to change the Council's Adult Social Care Charging Policy, to bring it in line with the Government's guidelines and with other councils in our region. The full year effect of this saving will be £4m. This decision was not taken lightly and was part of a wider programme of savings for 2019-20 totalling £31.6m, needed to deliver a robust budget for next financial year as part of our medium term financial strategy. The use of reserves can be a necessary mechanism to

provide temporary funding to support delivery of services, but is not considered an alternative to pursuing long term solutions to help the council deliver a balanced and sustainable budget.

The comment made by a single Conservative Councillor at full council on 11th of February was the opinion of an individual member and not representative of the intent of the Administration.

The meeting concluded at 12.12 pm

Chairman