

# Norfolk County Council

Date: **Monday 11 December 2017**

Time: **10.00 a.m**

Venue: **Council Chamber, County Hall, Norwich**

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## Prayers

## To Call the Roll

## AGENDA

### 1. Minutes

To confirm the minutes of the meeting of the Council (Page 5)  
meeting held on 16 October 2017

### 2. To receive any announcements from the Chairman

### 3. 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. It is recommended that you declare that interest but it is not a legal requirement. 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:

- your well being or financial position
- that of your family or close friends
- that of a club or society in which you have a management role
- that of another public body of which you are a member to a greater extent than others in your ward.

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

#### **4. Questions to Leader of the Council**

Procedure note attached (Page 28)

#### **5. Notice of Motions** (Page 30)

#### **6. Recommendations from Service Committees (If any)**

- Policy & Resources – 30 October & 27 November 2017 (Page 39)
- Environment, Development & Transport – 10 November 2017 (Page 168)

#### **7. Reports from Service Committees (Questions to Chairs)**

Procedure note attached (Page 169)

- Adult Social Care – 9 October & 6 November 2017 (Page 171)
- Business and Property – 18 October 2017 (Page 175)
- Children's Services – 17 October & 14 November 2017 (Page 180)
- Communities – 11 October & 15 November 2017 (Page 184)
- Digital Innovation & Efficiency – 12 October & 8 November 2017 (Page 189)
- Environment, Development & Transport – 20 October & 10 November 2017 (Page 194)
- Policy & Resources – 30 October & 27 November 2017 (Page 199)

Other Committees

- Health Overview and Scrutiny Committee –26 October 2017 (Page 209)
  - Joint Museums Committee – 27 October 2017 (Page 214)
  - Records Committee – 3 November 2017 (Page 218)
- 8. Review of Norfolk County Council Members' Allowances Scheme** (Page 219)
- Report of the Independent Remuneration Panel
- 9. Proportional Allocation of Seats on Committees** (Page 237)
- Report of Head of Democratic Services
- 10. Appointments to Committees, Sub-Committees and Joint Committees (Standard Item)**
- (i) To note any appointments made under delegated powers;
  - (ii) To consider any proposals from Group Leaders for changes to committee places
- 11. To answer Questions under Rule 8.3 of the Council Procedure Rules (only if any received)**

Chris Walton  
Head of Democratic Services  
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Date Agenda Published: 1 December 2017

**For further details and general enquiries about this Agenda please contact the Assistant Head of Democratic Services:**

Greg Insull on 01603 223100 or email [greg.insull@norfolk.gov.uk](mailto:greg.insull@norfolk.gov.uk)



**Norfolk County Council****Minutes of the Meeting Held on Monday 16 October 2017****Present:**

Mr T <b>Adams</b>	Ms A <b>Kemp</b>
Mr Tim <b>Adams</b>	Mr K <b>Kiddie</b>
Mr S <b>Aquarone</b>	Mr M <b>Kiddle-Morris</b>
Mr S <b>Askew</b>	Mr B <b>Long</b>
Ms J <b>Barnard</b>	Mr I <b>Mackie</b>
Mr D <b>Bills</b>	Mr G <b>Middleton</b>
Mr B <b>Borrett</b>	Mr J <b>Mooney</b>
Mr R <b>Brame</b>	Mr S <b>Morphew</b>
Mrs J <b>Brociek-Coulton</b>	Mr G <b>Nobbs</b>
Mrs P <b>Carpenter</b>	Mrs J <b>Oliver</b>
Mr M <b>Castle</b>	Mr G <b>Peck</b>
Mr S <b>Clancy</b>	Mr G <b>Plant</b>
Ms K <b>Clipsham</b>	Mr A <b>Proctor</b>
Mr E <b>Colman</b>	Mr W <b>Richmond</b>
Ms E <b>Corlett</b>	Mr D <b>Roper</b>
Mr S <b>Dark</b>	Mr D <b>Rowntree</b>
Mrs M <b>Dewsbury</b>	Ms C <b>Rumsby</b>
Mr N <b>Dixon</b>	Mr M <b>Sands</b>
Mr D <b>Douglas</b>	Mr E <b>Seward</b>
Mr P <b>Duigan</b>	Mr C <b>Smith</b>
Mr T <b>East</b>	Mr T <b>Smith</b>
Mr S <b>Eyre</b>	Mr M <b>Smith-Clare</b>
Mr J <b>Fisher</b>	Mr B <b>Spratt</b>
Mr T <b>FitzPatrick</b>	Ms S <b>Squire</b>
Mr C <b>Foulger</b>	Mr B <b>Stone</b>
Mr T <b>Garrod</b>	Mr M <b>Storey</b>
Mr A <b>Grant</b>	Mr H <b>Thirtle</b>
Mrs S <b>Gurney</b>	Mrs A <b>Thomas</b>
Mr R <b>Hanton</b>	Mr V <b>Thomson</b>
M Chenery of <b>Horsbrugh</b>	Mr J <b>Timewell</b>
Mr H <b>Humphrey</b>	Ms K <b>Vincent</b>
Mr B <b>Iles</b>	Mrs C <b>Walker</b>
Mr A <b>Jamieson</b>	Mr J <b>Ward</b>
Mr T <b>Jermy</b>	Mr B <b>Watkins</b>
Mrs B <b>Jones</b>	Mr A <b>White</b>
Dr C <b>Jones</b>	Mr M <b>Wilby</b>
Mr C <b>Jordan</b>	

**Present: 73**

## **Apologies for Absence:**

Apologies for absence were received from Ms C Bowes; Mrs S Butikofer; Mr D Collis; Mr F Eagle; Mr D Harrison; Mr E Maxfield; Mr R Oliver; Mr R Price; Mrs M Stone; Dr M Strong and Mrs S Young.

## **1 Minutes**

- 1.1 The minutes of the Council meeting held on Monday 24 July 2017 were confirmed as a correct record and signed by the Chairman.

## **2 Chairman's Announcements**

- 2.1 The Chairman announced that for the second year in a row, Norfolk County Council's library service had won the prestigious national award for "Libraries Change Lives" which had demonstrated how libraries made a difference to communities. The county's library service, which operated under contract to HMP Norwich had won the award after setting up a cognitive stimulation therapy group, working with prisoners with dementia and memory loss in the elderly lifer unit at the prison, alongside the local voluntary group Forget-me-nots. Council joined the Chairman in congratulating the library service on achieving this award.

- 2.2 The Chairman went on to inform Council of his numerous visits since the last meeting, highlighting in particular a visit to the new Air Academy which had been opened by the Hon. Group Captain Carol Vorderman, and meeting Prince Edward, the Earl of Wessex on a visit to Springwood School, King's Lynn where he had spoken with pupils engaged in the Duke of Edinburgh Award Scheme, the running of which he had taken over from his father. The Chairman also referred to his reception where he had launched his theme to promote and raise awareness for the county's youth organisations and the importance of adult volunteering.

## **3 Declarations of Interest**

- 3.1 There were no declarations of interest.

## **4 Questions to Leader of the Council**

### **4.1 Question from Mr S Morphey**

- 4.1.1 Mr Morphey said he had got the impression that the budget consultation process this year was going to be held on as few issues as possible, for as little time as possible making it difficult for people to respond. He asked if the Leader could reassure him whether the consultation would be expansive and whether there would be a proper dialogue and an opportunity for a lot of people to raise a lot of issues which could influence council policy. He also asked the Leader how he intended to carry out the consultation.

- 4.1.2 The Leader replied that the same process for consultation on the budget would be used as had been used previously which, as far as he was aware had not changed. The Leader added that public meetings would be held, although these were not specifically about budgets, they were to ascertain what services Norfolk

people wanted. He added that the first public meeting would be held on 7 November 2017 at Mattishall.

**4.2 Question from Mr D Roper**

4.2.1 Mr Roper referred to the proposals to house children's centres and libraries in the same buildings where possible. He said he represented a rural division which only had a children's centre, and that a neighbouring division only had a library. He asked the Leader which community should feel most worried about the proposals.

4.2.2 The Leader replied that neither community should feel worried as the aim of the proposals was to improve the service. He added that the proposals were trying to improve services and was not about buildings so no community should feel worried.

**4.3 Question from Mrs C Walker**

4.3.1 Mrs Walker asked if the Leader shared the concerns that the CQC had once again placed Norfolk & Suffolk Foundation Trust (NSFT) in special measures and if he would be calling on the NSFT Board to resign, or at least retire, so that the public could have confidence in the health services.

4.3.2 The Leader replied that he wouldn't normally comment on issues about the National Health Service as it did not come under his remit, but he was genuinely concerned about mental health provision in Norfolk and had been for many years. He added that personally, he thought more could be done.

**4.4 Question from Mr E Seward**

4.4.1 Mr Seward asked if the Leader expected to continue to reimburse a proportion of second homes council tax to District Councils in the next financial year 2018-19.

4.4.2 The Leader replied there was a small proportion of the money going back to District Councils but this would finish the following year. He added that second homes council tax was County Council money, with a subsidy given to District Councils which was soon coming to a close.

**4.5 Question from Mr M Sands**

4.5.1 Mr Sands said that, at the last Full Council meeting, Mr Roper had asked the Leader to explain how residents were too dependent on Council services. The Leader had failed to provide the examples asked for and had said in a recent interview that Council should stop spoon-feeding people. He asked the Leader to provide the examples Mr Roper had asked for and explain fully what it was that we were spoon-feeding people that we should stop.

4.5.2 The Leader replied that he was talking in general but he was trying to help people be independent as their independence was important to him as it should be to them.

**4.6 Question from Mr S Askew**

4.6.1 Mr Askew asked if the Leader, and the rest of Council, would join him in congratulating the Police Force in Norfolk. He added that, as Council was aware, during the summer in his division, a hideous murder had taken place in East Harling and the way the police had handled the matter was fantastic. Mr Askew had received many reports from local people, including the Clerk of the

Parish Council in East Harling who wanted to congratulate the police for the way they had dealt with the public and parish council and kept them informed as well as the way they had gone about their work.

4.6.2 The Leader responded that he would be happy to join with Mr Askew's request and in his opinion and experience he considered Norfolk had one of the best police forces in the country.

4.7 **Question from Ms A Kemp**

4.7.1 Ms Kemp said her question was about Brexit and the interests of Norfolk in the negotiations. She added that when 52% of people voted last year to leave the EU, they didn't want to lose jobs and they didn't want to become poorer. She continued that it was now known that two large firms in Norwich were at risk and one of the reasons given was the low pound during the Brexit uncertainty. Ms Kemp asked what part was being played by rural areas and other county council's in the negotiations as the Local Government Network had said we needed to be represented. Ms Kemp asked if the Leader had been asked to take part in negotiations and if not, why not and also asked about assurances for the £9m Leader Fund which we had from the EU to help business start-ups and business growth, and subsidies particularly for small farmers that might otherwise go under because nobody wanted to pay more for food than they already did. Ms Kemp asked the Leader what was happening.

4.7.2 The Leader replied that Brexit was being negotiated nationally and that these negotiations were being closely monitored. He added that Brexit was Brexit and he could not add anything further.

4.8 **Question from Mr B Watkins**

4.8.1 Mr Watkins referred to the news that Norwich had ranked 323<sup>rd</sup> out of 324 districts for social mobility and this was a cause for great concern. He said in order to try to address this deficiency, the Government had made Norwich an opportunity area with £6m worth of funding to cut the rate of exclusions, get more young people into higher education, or higher level apprenticeships and halve the attainment gap between disadvantaged and all pupils. Mr Watkins asked the Leader if he thought this was good news for the city and if so, how did he respond to the consultants hired by the Government who had already said opportunity areas were unlikely to meet its own targets for increased social mobility.

4.8.2 The Leader replied that he had not read that report but he would try to get a copy. He added that he thought it was great news for the people of Norfolk.

4.9 **Question from Ms E Corlett**

4.9.1 Ms Corlett referred to the recent interview with the EDP where the Leader had said that there would be some pain with the forthcoming cuts. She asked the Leader to tell Council who he thought was most likely to bear the pain of the cuts.

4.9.2 The Leader responded that he genuinely did not know where the pain would be felt, although situations changed and there may be less pain than he imagined.

4.10 **Question from Mr S Aquarone**

4.10.1 Mr Aquarone asked the Leader what he would say to a recipient of social care in his division who had been told they would have to pay more from their own

limited funds in the next three years as a result of the front-loading budget cuts over 3 years rather than 4.

- 4.10.2 The Leader replied that the claims system had been set up and he assumed the individuals qualified. He added that he was being asked to comment on what specifically he would say, but that he would not know what to say until he knew the details which he assumed Mr Aquarone did.

## **5 Notice of Motions**

- 5.1 The following motion was proposed by Ms A Kemp and seconded by Mr D Roper:

“This Council appreciates and acknowledges all the Waste Advisory Group's (WAGs) good work in setting Norfolk on the road to recycling and therefore RESOLVES to reconstitute it with immediate effect; the WAG has a strategic role in leading the Norfolk Waste Partnership and was formed to draft Strategy and Policy for the County Council; this approach led to the full Council adopting 20 Waste Policies, committing the Council to the Moving Towards Zero Waste Delivery Plan; the WAG oversaw procurement of Residual Waste Contracts for Services, that led to the end of reliance on landfill for the first time; the valuable input of the WAG in the process was widely recognised and would be lost if the WAG is disbanded.”

- 5.1.1 The following amendment was proposed by Mr T East and seconded by Mr J Timewell:

“This Council appreciates and acknowledges WAG's success in committing the Council to a Moving towards Zero Waste Delivery Plan and overseeing procurement of Residual Waste Contracts for Services. Given that WAG has a strategic role in leading the Norfolk Waste Partnership and was formed to draft Strategy and Policy for the County Council, this Council RESOLVES to reconstitute it with immediate effect.

Norfolk County Council is the lead strategic authority in Norfolk. We need a specific, committed policy group in order to fulfil this role and provide the direction that the Norfolk Waste Partnership needs. Without it, it will fall to our voting representatives who are only two amongst many, to carry forward strategic waste policy”.

- 5.1.2 As proposer of the original motion, Mrs A Kemp accepted the amendment, which became the substantive motion.

- 5.1.3 Following debate, and upon being put to a vote, with 24 votes in favour, the motion was **LOST**.

- 5.2 The following motion was proposed by Mr S Morphew and seconded by Ms E Corlett:

### A New Deal for Counties.

“Council welcomes the publication of the County Council Network (CCN) report ‘A New Deal For Counties: Our Plan For Government’. On devolution and the industrial strategy, CCN is calling on the government to prioritise county economies and their role in securing economic growth. They argue that the manifesto commitment on the removal of the mayoral requirement for devolution

deals and promise of a 'common devolution framework' should be delivered.

Norfolk County Council agrees to adopt the principles set out in the report and commits to join in with other authorities to lobby the government to agree to the Fairer Funding Formula as a matter of urgency.”

- 5.2.1 The following amendment was proposed by Mr C Jordan and seconded by Mr T Smith:

“Council ~~welcomes~~ **notes** the publication of the County Council Network report ‘A New Deal For Counties: Our Plan For Government’. ~~On devolution and the industrial strategy, CCN is calling on the government to prioritise county economies and their role in securing economic growth. They argue that the manifesto commitment on the removal of the mayoral requirement for devolution deals and promise of a ‘common devolution framework’ should be delivered.~~

Norfolk County Council commits to join in with other authorities ~~agrees to adopt the principles set out in the report and commits to join in with other authorities~~ to lobby the government to agree to the Fairer Funding Formula as a matter of urgency.”

- 5.2.2 As proposer of the original motion, Mr S Morpew accepted the amendment, which became the substantive motion:

Council notes the publication of the County Council Network report ‘A New Deal For Counties: Our Plan For Government’.

Norfolk County Council commits to join in with other authorities to lobby the government to agree to the Fairer Funding Formula as a matter of urgency.

- 5.2.3 Following debate and upon being put to a vote, Council unanimously voted in favour of the motion and it was **CARRIED**.

- 5.3 The following motion was proposed by Ms E Corlett and seconded by Mr T Jermy:

5.3.1 Public Sector Pay.

Norfolk County Council supports moves to remove the pay cap for public service workers. These workers have had real term pay cuts as pay settlements have been significantly below inflation. Council calls upon the government to fully fund agreements made by pay review bodies and through negotiated agreements within the recognised collective bargaining system.

- 5.3.2 The following amendment was proposed by Mr C Jordan and seconded by Mr B Stone:

Norfolk County Council supports moves to remove the pay cap for public service workers. ~~These workers have had real term pay cuts as pay settlements have been significantly below inflation.~~ Council calls upon the government to fully fund ~~agreements made by pay review bodies and through negotiated agreements within the recognised collective bargaining system~~ any pay increases that the government themselves impose.

- 5.3.3 As proposer of the original motion, Ms E Corlett accepted the amendment, which became the substantive motion:

Norfolk County Council supports moves to remove the pay cap for public service workers. Council calls upon the government to fully fund any pay increases that the government themselves impose.

5.3.4 Following debate, and upon being put to a vote, with 71 votes in favour, 0 votes against and 2 abstentions, the motion was **CARRIED**.

5.4 The following motion was proposed by Mr M Sands and seconded by Mrs J Brociek-Coulton:

5.4.1 Unpaid Carers Charter.

Norfolk County Council believes carers deserve a fair deal. Council recognises that carers can face difficulties with their employers, young carers in their education and all carers potentially risk becoming more isolated because they cannot take advantage of social activities because of their caring responsibilities.

To help combat these three problems council agrees to a cross party commission with representatives of appropriate interests including carers to produce a Carers Charter with recommended standards for employers, educational establishments and community organisations. These standards could include but not be restricted to

- a) Carer friendly practices employers could adopt to enable employees with carer responsibilities to work more flexibly
- b) Support that schools could provide to students with caring responsibilities whose studies and participation in school life might be adversely affected
- c) Support that the county council can offer or be part of to support community organisations in providing respite and social activities for carers who activities may be restricted by caring responsibilities

Council agrees to establish the Commission no later than December 2017 with a target date to report by June 2018.

5.4.2 The following amendment was proposed by Mr C Jordan and seconded by Mrs S Gurney:

Norfolk County Council believes carers deserve a fair deal. Council recognises that carers can face difficulties with their employers, young carers in their education and all carers potentially risk becoming more isolated because they cannot take advantage of social activities because of their caring responsibilities.

To help combat these three problems council agrees to **ask the Adult Social Care committee to consider setting up** a cross party commission with representatives of appropriate interests including carers to produce a Carers Charter with recommended standards for employers, educational establishments and community organisations. These standards could include but not be restricted to

- a) Carer friendly practices employers could adopt to enable employees with carer responsibilities to work more flexibly
- b) Support that schools could provide to students with caring responsibilities whose studies and participation in school life might be adversely affected

- c) Support that the county council can offer or be part of to support community organisations in providing respite and social activities for carers who activities may be restricted by caring responsibilities

Council agrees to establish the Commission no later than December 2017 with a target date to report by June 2018.

- 5.4.3 As proposer of the original motion, Mr M Sands accepted the amendment, which became the substantive motion:

Norfolk County Council believes carers deserve a fair deal. Council recognises that carers can face difficulties with their employers, young carers in their education and all carers potentially risk becoming more isolated because they cannot take advantage of social activities because of their caring responsibilities.

To help combat these three problems council agrees to ask the Adult Social Care committee to consider setting up a cross party commission with representatives of appropriate interests including carers to produce a Carers Charter with recommended standards for employers, educational establishments and community organisations. These standards could include but not be restricted to

- a) Carer friendly practices employers could adopt to enable employees with carer responsibilities to work more flexibly
- b) Support that schools could provide to students with caring responsibilities whose studies and participation in school life might be adversely affected
- c) Support that the county council can offer or be part of to support community organisations in providing respite and social activities for carers who activities may be restricted by caring responsibilities

Council agrees to establish the Commission no later than December 2017 with a target date to report by June 2018.

- 5.4.4 Following debate, and upon being put to a vote, the motion was unanimously **CARRIED**.

- 5.5 The following motion was proposed by Mr M Smith-Clare and seconded by Mrs C Walker:

- 5.5.1 Alderman Swindell School

Council believes the concerns expressed by the parents and community during the consultation on the future of Alderman Swindell School should be fully discussed and debated by all members of the Children's Services Committee before any decisions are made under delegated powers by the Director of Children's Services.

- 5.5.2 The following amendment was proposed by Ms E Corlett and seconded by Mr M Sands:

Council believes the concerns expressed by the parents and community during the consultation on the future of Alderman Swindell School should be fully discussed and debated by all members of the Children's Services Committee before any decisions are made under delegated powers by the Director of Children's Services. **Should the Alderman Swindell School close, Council commits to retaining the land for educational use.**

- 5.5.3 As proposer of the original motion, Mr M Smith-Clare accepted the amendment which became the substantive motion:

Council believes the concerns expressed by the parents and community during the consultation on the future of Alderman Swindell School should be fully discussed and debated by all members of the Children's Services Committee before any decisions are made under delegated powers by the Director of Children's Services. Should the Alderman Swindell School close, Council commits to retaining the land for educational use.

5.5.4 Following debate and upon being put to a vote, with 23 votes in favour, the motion was **LOST**.

5.6 The following motion was proposed by Mr S Morphew and seconded by Dr C Jones:

5.6.1 Protecting Jobs and Brands for Norwich.

Council welcomes the campaign to protect the jobs and keep the iconic brands manufactured by Britvic and Unilever where they belong in Norwich. They are a crucial part of the city and county's manufacturing base and economy. Robinsons, one of Britvic's brands, has been based in Norwich for more than 90 years, while Unilever produces arguably Norwich and Norfolk's most iconic brand, Colman's Mustard, made in the city for more than 200 years.

Council commits to support the campaign and use its powers and influence to keep those jobs and brands in Norwich.

5.6.2 The following amendment was proposed by Mr C Jordan and seconded by Mr S Clancy:

~~Council welcomes the campaign to protect the jobs and keep the iconic brands manufactured by Britvic and Unilever where they belong in Norwich and~~ **acknowledges the practical work already being done by the EDP campaign and council officers to help find a solution.** ~~They are a crucial part of the city and county's manufacturing base and economy. Robinsons, one of Britvic's brands, has been based in Norwich for more than 90 years, while Unilever produces arguably Norwich and Norfolk's most iconic brand, Colman's Mustard, made in the city for more than 200 years.~~

~~Council commits to support the campaign and use its powers and influence to keep those jobs and brands in Norwich.~~

5.6.3 As proposer of the original Motion, Mr S Morphew did not accept the amendment, which was then debated by Council.

5.6.4 Following debate, and upon being put to a vote, with 23 votes against the amendment the amended motion was **CARRIED** and became the substantive motion:

Council welcomes the campaign to protect and keep the iconic brands manufactured by Britvic and Unilever where they belong in Norwich and acknowledges the practical work already being done by the EDP campaign and council officers to help find a solution.

5.6.5 Upon the substantive motion being put to the vote, the motion was unanimously **CARRIED**.

The meeting adjourned at 12.25pm and reconvened at 12.35pm.

## **6 Recommendations from Service Committees**

### **6.1 Policy & Resources – 25 September 2017**

6.1.1 Mr C Jordan, Chairman of Policy & Resources Committee, moved the recommendations in the report.

#### **6.1.2 New Anglia Economic Strategy**

6.1.2.1 The following amendment to the recommendation was proposed by Mr E Seward and seconded by Mr D Roper:

The New Anglia Economic Strategy for endorsement as part of the Council's policy framework –

“subject to a number of changes being made which seek to better reflect the challenges and opportunities faced by more rural areas of the two counties, including North Norfolk.”

6.1.2.2 As Chairman of the Policy & Resources Committee, Mr C Jordan did not accept the amendment which was then debated by Council.

6.1.2.3 Upon the amendment being put to a vote, with 19 votes in favour the amended Recommendation was **LOST**.

6.1.2.4 Upon the substantive Recommendations being put to the vote, with 6 votes against and 11 abstentions, Council **RESOLVED** to:

#### **New Anglia Economic Strategy:**

- Endorse the New Anglia Economic Strategy, as part of the Council's policy framework.
- Note that a Norfolk investment plan will be developed.

#### **6.1.3 Consents for the appointment of company directors – Repton Property Developments.**

Council **RESOLVED** to:

- Appoint the nominated directors to Repton Property Developments as set out in the report at Appendix 2 of the agenda papers.

#### **6.1.4 Petition Scheme – Trigger Points**

Council **RESOLVED** to:

- Amend the Petition Scheme to reduce the number of signatures on a petition for a Council debate as set out in the report to 0.5% of the population to the nearest 100.
- Agree that the provision for a petition to require a senior officer to attend a service committee meeting and given evidence/answer questions is

deleted.

## 6.2 **Children's Services Committee – 12 September 2017**

6.2.1 Mrs P Carpenter, Chairman of Children's Services Committee, moved the recommendations in the report.

### 6.2.2 **Norfolk County Council Adoption Agency Annual Review**

Council **RESOLVED** to:

- Approve the Statement of Purpose.

### 6.2.3 **Statement of Purpose of Norfolk's Fostering Services Annual Review.**

Council **RESOLVED** to:

- Approve the Statement of Purpose.

### 6.2.4 **Annual Review of Norfolk Residential Service**

Council **RESOLVED** to:

- Approve the Statements of Purpose and Functions for all the Local Authority children's homes to comply with the Care Standards Act 2000.

### 6.2.5 **Norfolk Youth Justice Plan 2017-18**

Council **RESOLVED** to:

- Approve the Norfolk Youth Justice Plan 2017-18.

## 7 **Reports from Service Committees (Questions to Chairman)**

### 7.1 **Report of the Adult Social Care Committee meeting held on 4 September 2017.**

Mr B Borrett, Chairman of Adult Social Care Committee moved the report.

#### 7.1.1 **Question from Mr B Watkins**

Mr Watkins said that the Department of Health had made clear its expectations to health and social care systems to hit new stringent targets for delayed transfers of care. For Norfolk and Waveney that meant a reduction of 16% between July 2017 and March 2018 and that delays attributable to Adult Social Services must reduce by 21% over the same period. He asked the Chairman how realistic he thought the governments delayed transfer of care targets were and if we failed to meet them, what the likely implications were. He also asked if it could mean the Council, through the Better Care process, would receive less funding as a result in future.

The Chairman replied that Mr Watkins was right to highlight this as a matter of concern as there was a very real risk that some of the Better Care Fund money may not be received. He added that we had chosen to work with the NHS, but

the targets were demanding at the very least and there was a real risk that they would not be met. Through working very closely with the Clinical Commissioning Groups (CCG's) and the hospitals across Norfolk a good working relationship had been established, even if it might be fractious at a national level. The Chairman added that he would not pretend everything was fine, but thought the CCGs, hospitals and County Council working together and fostering the culture of cohesion and openness, would benefit us in the future.

**7.1.2 Question from Mr M Sands**

Mr Sands said that the question on the Autism Act of 2009 had not been answered at last Council and asked if the Council was any further forward in implementing this, addressing the needs and inclusivity of the Autism community?

The Chairman replied that this was something Adult Social Care Committee was aware of and he had nothing further to report. He was hoping that the topic may be discussed at the next Adult Social Care Committee meeting.

**7.1.3 Question from Mr S Askew**

Mr Askew asked if the Chairman of Adult Social Care would join him in congratulating the care home in his division, Beeches in East Harling, which had achieved an outstanding rating in its assessment during the summer. He added that he had been given to understand that it was the only care home in the county that had achieved this rating.

The Chairman replied that he couldn't agree with Mr Askew more about the fabulous result at Beeches in East Harling and he was glad he had chosen to raise it so they received recognition for all the hard work the people who worked there had put in to achieve that excellent result.

**7.1.4 Question from Mr M Sands**

Mr Sands raised the topic of Mundesley mental health hospital which remained in special measures, and the most recent CQC inspection, published on 18 September 2017, which had found that sufficient improvements had not been made and the hospital was at risk of having its licence revoked. Mr Sands asked if the Chairman agreed that it was wholly unacceptable that, due to a lack of beds and alternatives to hospital admission, our Approved Mental Health professionals were having to place patients detained under the mental health act in a failing hospital. He also asked the Chairman to confirm what contingency plans had been discussed and agreed with Norfolk and Suffolk NHS Foundation Trust and the Clinical Commissioning Groups in the event that the hospital was closed by the CQC?

The Chairman replied that he was very concerned about the result of the inspection on the Mental Health Trust and clarified for those Members who were not familiar with the hospital that this was not a judgement on the County Council. The Chairman said he understood that a quality summit would now be called by the CQC for Partners to discuss how best to support the service and confirmed that the Director of Adult Social Care at Norfolk County Council and the Chair of the Adult Safeguarding Board would be part of that summit.

**7.1.5** Dr C Jones said that Mundesley Hospital was a private hospital, with the Chairman replying that he would still expect a similar summit to be held.

**7.1.6** Council **RESOLVED** to note the report.

7.2 **Report of the Business & Property Committee meeting held on 8 September 2017**

Mr K Kiddie, Chairman of Business & Property Committee moved the report.

7.2.1 **Question from Mr B Spratt**

Mr Spratt said he wanted to congratulate the Chairman on purchasing the 440 acres of arable land recently as he felt it was a great asset to the Norfolk County Council portfolio. He asked the Chairman if any more land would be purchased in due course.

The Chairman said that he had taken the opportunity to visit Bank House Farm recently which was in the west of the County Farms Estate. He added that it was breath-taking to stand on the side of the 18ft drain and see this wonderful piece of farmland which was most productive and fertile. The Chairman added that Norfolk County Council had purchased the land at a very good deal which confirmed its commitment to our county farms and tenant farmers and helped rationalise our estate in the west. The purchase had taken the total amount of land owned by the County Farms Estate to 16,700 acres and confirmed that any opportunities to purchase more land in the future would be considered if appropriate to do so.

7.2.2 Council **RESOLVED** to note the report.

7.3 **Report of the Children's Services Committee meeting held on 12 September 2017**

Mrs P Carpenter, Chairman of Children's Services Committee moved the report.

7.3.1 **Question from Ms E Corlett**

Ms Corlett asked if the Chairman of Children's Services Committee welcomed the cross-party report from the Local Government Association "A country that works for all children" and accepted the evidence that we heard at conference last week from the Association of Directors of Children's Services and the Children's Commissioner on the impact of child poverty and in particular its link to increased child protection cases? Ms Corlett continued that if the Chairman did agree, would she work with opposition spokespeople to make representations to Government on behalf of all Norfolk children to both pause the roll-out of universal credit, and provide funding for children's social care to address the £20 billion funding gap, and make tackling child poverty in Norfolk a priority?

The Chairman responded that she had attended the same conference and heard the same things and she would be willing to work cross-party, as always.

7.3.2 **Question from Ms A Kemp**

Ms Kemp referred to the Youth Justice Report, which she felt was an excellent report and a credit to the social workers and probation workers. Ms Kemp drew Members' attention to the HM Inspectorate report which said that when they had their national inspection of accommodation of homeless 16 and 17 year old children working with Youth Offending Teams, they found that 1 in 3 of the children whose cases they inspected were in unsuitable or unsafe accommodation, some placements even putting children at risk from unsafe adults. Ms Kemp continued that she knew this was a national report but there were 6 Local Authorities and as far as this related to Norfolk, what were we doing to ensure all young people were

in safe accommodation.

The Chairman replied that this matter had arisen at a recent Corporate Parenting Board meeting and had happened prior to the election in March this year, adding that all Members were aware of the need to tighten the service we had and improve the service by working more closely with the providers. The Chairman said she was acutely aware of the situation and that the service was working towards better systems of delivery.

**7.3.3 Question from Mr B Spratt**

Mr Spratt said that in his Division of Tacolneston, there was a concern that the borders were going to be changed for the catchment area and some of the pupils from Tacolneston school would no longer be eligible to attend Wymondham schools. He asked if the Chairman could give some assurance as to whether this was the case, or if a consultation would be held if it was not correct.

The Chairman responded that she would provide a written response to the question.

**7.3.4 Council RESOLVED to note the report.**

**7.4 Report of the Communities Committee meeting held on 6 September 2017.**

Mrs M Dewsbury, Chairman of Communities Committee, moved the report.

**7.4.1 Question from Mr D Roper**

Mr Roper asked if the Chairman of Communities Committee agreed with the Leader of the Council, who in his recent Facebook Live session had said that mobile libraries were of their time?

The Chairman replied that mobile libraries didn't offer as many facilities as other libraries and listed some of the work carried out with adults and children. She continued by saying that people spent about 15-20 minutes choosing enough books to see them through a couple of weeks from the mobile library and then they moved on. The Chairman continued that it was not possible to include all the services carried out in libraries on the mobile libraries so it probably was right that they were of their time, but what was needed was to find somewhere where there was a bigger building to make computers available for people to learn how to use them to order groceries, or maybe just to access a wider range of books which were not always available on a mobile library. The Chairman also said that some libraries offered "knit and natter" clubs or offered board games, but it was not a matter of saying we don't need books for people in rural areas because they are often elderly and lonely people who read because they don't have anything else. The Chairman asked Members in the rural areas to think of ideas how services could be improved to give people in rural areas more than just 15-20 minutes choosing a library book.

**7.4.2 Question from Mr I Mackie**

Mr Mackie congratulated the library service on an excellent "libraries week" and also the award the Chairman of the County Council had announced at the start of the meeting. He added that we all know how important libraries, as hubs, have become in our communities, for example in his division there was a dementia café as well as the summer reading scheme. He asked the Chairman if she could confirm that there were no plans to reduce the number of Norfolk libraries.

The Chairman replied that there was no intention to close libraries and that the proposal was about libraries evolving. She added that a library was a collection of books and far more than that was currently being offered by our libraries, including the award they had just won for healthy libraries as well as the opening of the Business and Intellectual Property Centre at the Forum, rolled out through Fakenham, Thetford and other market towns, supporting local economy and helping people to set up small businesses. There were all sorts of things taking place for elderly people, including knit and natter, walk and talk every Monday from Hethersett, coffee mornings. Other schemes for children had included a reading scheme, a writing scheme and also the introduction of a maths scheme to try to help parents learn more about maths and how they could help their children, keeping young people interested in maths during the summer holidays. She continued that the service also helped social mobility by offering other activities. Libraries were innovative.

#### 7.4.3 **Question from Ms J Barnard**

Ms Barnard referred to the issue of drug and alcohol performance across the board on opiates/alcohol or other substances, Norfolk fell well below the national average on service users entering recovery, not to mention shockingly behind our own set targets. Substance addiction was a serious issue in our communities impacting on families/health/crime levels and housing.

Ms Barnard continued that Communities Committee had acknowledged that there were a number of key elements to recovery including improvements to health, wellbeing, access to opportunities but crucially housing. As the number of homeless people in Norfolk continued to rise more people were vulnerable to turning to substance use or falling into addiction but we continued to fail these vulnerable people in our communities.

Ms Barnard asked if the Chairman could tell the Council what would be done to address this as a matter of urgency, importantly would she be calling for NCC to assess what action would be taken locally to address the affordable/social housing crisis which was no doubt a catalyst in this situation and a huge barrier to recovery for many of the homeless community suffering from addiction.

The Chairman replied that we were putting a drug and alcohol contract out to tender because the current service wasn't working well. When it came to housing, the Chairman said she had heard of people sleeping in doorways at Yarmouth library so something needed to be done, although housing was the responsibility of the District Council. It was hoped that the District Councils could work with us on that as well as adult social care services.

#### 7.4.4 **Question from Mr Tim Adams**

Mr Adams said he was very interested to listen to the comments on libraries but that he was not convinced that our mobile libraries were safe. He asked the Chairman to confirm that if a mobile library was not a frontline service, what was?

The Chairman replied that she thought they were a statutory provision and as they were the face of the county council people went to them for all sorts of advice and information.

#### 7.4.5 **Question from Mr G Nobbs**

Mr Nobbs asked Mrs Dewsbury if she would make an attempt to answer Mr Mackie's question which required a yes or no answer.

The Chairman replied “no, there were no plans to reduce the number of libraries”.

**7.4.6 Question from Mr T Jermy**

Mr Jermy asked, given Communities Committee’s remit for public health, if the Chairman of the Committee was aware of a raffle taking place at a Downham Market GP surgery to fund equipment needed at that surgery. He continued by asking if the Chairman thought it was a good idea to fund vital health services in this way and was she aware that the same surgery was running its publicly funded flu clinic in the local conservative club in Downham Market and if she considered that was appropriate.

The Chairman replied she didn’t know about the raffle or the flu clinic in the conservative club but would provide a written answer to the question.

**7.4.3 Council RESOLVED** to note the report.

**7.5 Report of the Digital Innovation & Efficiency Committee meeting held on 18 September 2017.**

Mr T Garrod, Chairman of the Digital Innovation & Efficiency Committee moved the report.

**7.5.1 Council RESOLVED** to note the report.

**7.6 Report of the Environment, Development and Transport Committee meeting held on 15 September 2017.**

Mr M Wilby, Chairman of EDT Committee moved the report.

**7.6.1 Question from Mr T East**

Referring to item 13 of the report (Norfolk Town Networking Improvement Strategy), Mr East asked the Chairman what Swaffham had that Fakenham didn’t have and what the underlying reason was behind the proposal at the Environment, Development & Transport Committee to elevate Swaffham from second bottom of the list to 5<sup>th</sup> in the first tranche. He asked the Chairman to elaborate on his decision.

The Chairman replied that as far as he was concerned all of Norfolk’s market towns were equal and as he considered we should aim for five towns in the first twelve months he had proposed adding an additional town which was Swaffham.

**7.6.2 Question from Mr T Jermy**

Mr Jermy referred to the Facebook Live video with the Leader and the EDP which had recently taken place, where Mr Jordan had alluded to the overspend in relation to the NDR being significant. Mr Jermy asked if the Chairman of EDT had any proposals about how the overspend would be financed given the dire financial position.

The Chairman replied that no-one knew the final figure.

**7.6.3 Question from Mr B Spratt**

Mr Spratt said that he had heard rumours about the Council not replenishing salt bins this winter. He asked the Chairman if that was the case.

The Chairman replied that it was on the agenda for discussion at the next EDT Committee meeting.

7.6.4 **Question from Ms A Kemp**

Ms Kemp asked the Chairman about the Road Safety Reduction Partnership which had been abolished. She added that it was a very important Partnership because the number of people killed or seriously injured in Norfolk had risen by 50. She continued that the Group produced detailed expert reports with statistics regarding vulnerable road users together with recommendations. Ms Kemp continued that she had been assured that the Committee would be receiving reports at its meetings, but she had not found any reports on line. Ms Kemp asked for the Road Casualty Reduction Partnership to be restored because it had a crucial and important role to play and why it was that when we had funding and resources for a new Digital Committee we couldn't we have the Road Casualty Reduction Partnership restored.

The Chairman replied that this subject came under the remit of Communities Committee and he would ask the Chairman of Communities Committee to reply. The Chairman of Communities Committee responded that the Committee would be receiving a detailed report on people killed or seriously injured in Norfolk at its meeting in November 2017.

7.6.5 Council **RESOLVED** to note the report.

7.7 **Report of the Policy and Resources Committee meeting held on 25 September 2017.**

Mr Jordan, Chairman of Policy and Resources Committee, moved the report.

7.7.1. **Question from Mr D Roper**

Mr Roper referred to the Committee papers and the fact that there were various budget proposals going forward about capitalising revenue spending for the second year running. He asked the Chairman for some reassurance that he didn't treat capitalisation as some sort of money tree and that it impacted on services.

The Chairman replied that he treated it as a very serious matter.

7.7.2 Council **RESOLVED** to note the report.

**Other Committees**

7.8 **Report of the Health Overview and Scrutiny Committee meetings held on 20 July and 7 September 2017.**

M Chenery of Horsbrugh, Chairman, moved the report.

7.8.1 **Question from Ms E Corlett**

Ms Corlett referred to the availability of mental health beds and said she was concerned that the recent CQC report on NSFT cast doubt on some of the assurances that Health Overview & Scrutiny Committee had been given. She added, in light of a recent announcement that NSFT were back in special measures, could the Chairman advise Council what steps were being taken by

HOSC to safeguard the provision of mental health services for the people of Norfolk.

The Chairman replied that a quality summit was not going to be held, instead there would be an oversight meeting by the NHS. He added that he would be attending the first meeting to build up a picture of what was happening and that he was hoping to add the topic to the HOSC forward work programme at the next meeting, for a one-item agenda on 7 December which would give the Scrutiny Manager time to invite witnesses and for the Committee to consider the topic.

7.8.2 Council **RESOLVED** to note the report.

7.9 **Report of the Audit Committee meeting held on 21 September 2017.**

Mr I Mackie, Chairman, when moving the report thanked the Finance team for achieving an unqualified set of accounts for 2016-17. Council **RESOLVED** to note the report.

7.10 **Report of the Health and Wellbeing Board meeting held on 27 September 2017.**

Mr B Borrett, Chairman, moved the report.

7.10.1 **Question from Mr B Watkins**

Mr Watkins referred to the reference in the Sustainability and Transformation Plan (STP) in the report to the new Independent Chair of the STP Oversight Board, the RH Patricia Hewitt who had admitted that public consultation and engagement needed to be improved. He continued that a lot of people had been sceptical about the STP process and this was a welcome admission. Mr Watkins asked the Chairman how he would respond to paragraph 2.2 of the report which said that the future focus for the STP would be on the delivery of outcomes, particularly NHS ones and as a consequence prevention and wellbeing seemed to be rather long-term aspirations.

The Chairman replied that we were very lucky to get a very high ranking Independent Chair for the Norfolk STP and that he was glad Patricia Hewitt had stepped into the role. The STP was going to have a large amount of authority going forward with a spend of £2.6bn on health, including the money the county council spent and we needed to see a more integrated delivery and health and social care. He continued by saying that the entire adult social care strategy was based on moving towards prevention, which takes longer to have an effect and realise benefits. He continued that it was no surprise to hear that the STP was talking about prevention being a longer-term goal because it was not so easy to deliver. The Chairman said he was keen to support the way the STP was moving forward and would like to see more accountability which was one of the reasons the Chairman of the STP and the lead officer had attended the Health and Wellbeing Board meeting and had been given a standing invitation to attend, together with a standing item on the agenda to report on progress with the STP. The Chairman said he was very keen to achieve a broad strategy going forward which had not previously come into the public domain as there had not been anywhere else for them to reside. As the plan progressed, it was hoped that the STP would become more accountable.

Council **RESOLVED** to note the report.

7.11 **Report of the Standards Committee meeting held on 4 October 2017.**

Mr M Kiddle-Morris, Chairman, moved the report. Council **RESOLVED** to note the report.

7.12 **Report of the Norwich Highways Agency Joint Committee meetings held on 20 July and 21 September 2017**

Mr J Fisher, Chairman, moved the report. Council **RESOLVED** to note the report.

**8 Appointments to Committees, Sub-Committees and Joint Committees (Standard Item).**

None

**9 To answer questions under Rule 8.3 of the Council Procedure Rules**

**9.1 Question from Mr S Morphew to Chair of Policy & Resources Committee/Leader:**

When the proposed budget cuts are put out for public consultation, will the Leader, his deputy, and his Committee chairs be attending public consultation meetings across the county to hear the views of those likely to be affected by their proposals?

The Leader replied that he had answered that question earlier and would be holding public meetings.

**9.2 Question from Ms E Corlett to the Chairman of Children's Services Committee:**

At the Policy & Resources Committee meeting in July, Cllr Carpenter told Cllr Morphew there would be no closure of children's centres. Does she still stand by that?

The Chairman responded that circumstances never remained static and having gained much more experience of children's services, she was less concerned about having a set number of children's centre buildings. She considered that the service provided, rather than what building hosted it, was the most important factor to the public. The Chairman said she was reassured from experiences elsewhere that successful children's centre services could be provided from buildings shared with other services and partners. The Chairman added that she cared very much about this service and she was determined to remain faithful to the Surestart values which meant, at every stage, focus would remain on protecting the service.

**9.3 Question from Mr M Sands to the Chairman of Adult Social Care Committee:**

Would the Chair agree that spreading the pain of cuts over 4 years rather than 3 would mean some services for vulnerable people are protected for longer?

The Chairman replied that the question had been asked by the Labour Group at the Adult Social Care Committee and had been answered.

**9.4 Question from Mr T Jermy to the Chairman of Environment, Development & Transport Committee:**

The crucial announcements about the next round of investment in the rail network were delayed until October. If the Secretary of State for Transport has not made the announcement by the time council meets, it should be imminent. Will the Chair please provide details of the lobbying he and council officers have done to influence the investment in rail services affecting Norfolk for Control period 6 begging in 2019?

The Chairman said he could reassure Mr Jermy that he did rally for all infrastructure improvements, including rail, as did all officers at every opportunity and that infrastructure was a big priority for the Council.

**9.5 Question from Mr D Rowntree to the Chairman of Digital Innovation & Efficiency Committee:**

How will the DIEC contribute to assisted technology proposals being developed as part of the forthcoming budget cuts?

The Chairman replied that the Committee would consider the various opportunities to enable assisted technology and advise Adult Social Care and Policy & Resources Committee and any other Committee as necessary who would own the overall business case and services put in to implement the technology. The Committee would also action its own research to inform it of likely suppliers.

**9.6 Question from Mrs C Walker to the Chairman of Business & Property Committee:**

Has the Committee Chair met with the workers or management of Britvic or Unilever yet?

The Chairman said this had already been discussed and reiterated that he would continue to engage with Norwich City Council to move the matter forward.

**9.7 Question from Mr T Jermy to the Chairman of Business & Property Committee:**

The Charles Burrell Centre, which occupied the former Charles Burrell High School in Thetford had recently been awarded £112,500 from the national 'Power to Change' programme. The funding will be utilised to create further space on site to support small businesses and provide employment and training opportunities for local residents. Since its creation, enabled by Norfolk County Council, over 20 new businesses have been created and over 150 jobs supported. Will the Chairman of Business and Property Committee congratulate the Centre on this achievement and undertake to evaluate the success thus far with a view to adopting this approach utilising other County Council owned assets?

The Chairman replied that the Business and Property Committee was highly supportive of job creation across the county and would congratulate any organisation or enterprise that helped people to gain employment. He added that the Committee would be pleased to receive an update when it became available as well as any proposals to help generate further growth across the county.

**9.8 Question from Mrs J Brociek-Coulton to the Chairman of Communities Committee:**

Would the Chair agree that the amalgamation of fire and police control rooms could be the start of the slippery slope towards the Police & Crime Commissioner taking over Norfolk's Fire and Rescue Service?

The Chairman replied "No".

The meeting concluded at 1.45p.m.

**Chairman**



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### Questions requiring written responses from the Council Meeting – 16 October 2017

	<b>Question and response:</b>
<p>Question to the Chairman of Children's Services Committee from <b>Mr B Spratt</b></p>	<p>Mr Spratt said that in his Division of Tacolneston, there was a concern that the borders were going to be changed for the catchment area and some of the pupils from Tacolneston school would no longer be eligible to attend Wymondham schools. He asked if the Chairman could give some assurance as to whether this was the case, or if a consultation would be held if it was not correct.</p> <p><b>Reply:</b> I understand that at least one of the local parish councils is consulting on changing parish boundaries. Whilst catchment areas often follow parish boundaries they are not set by them.</p> <p>The catchment area for each school forms part of the admission arrangements which are set by the admission authority for each school. A catchment area can only be changed following a formal consultation as required by admissions legislation.</p> <p>As a voluntary aided school, Tacolneston governors are the admission authority and only they could change the catchment area following appropriate consultation which would need to actively seek the views of parents and the local Diocese. I have already advised the diocese on this matter.</p>
<p>Question to the Chairman of Communities Committee from <b>Mr T Jermy</b></p>	<p>Mr Jermy asked, given Communities Committee's remit for public health, if the Chairman of the Committee was aware of a raffle taking place at a Downham Market GP surgery to fund equipment needed at that surgery. He continued by asking if the Chairman thought it was a good idea to fund vital health services in this way and was she aware that the same surgery was running its publicly funded flu clinic in the local conservative club in Downham Market and if she considered that was appropriate.</p> <p><b>Response by the Chairman of Communities Committee</b></p> <p>We can confirm that a raffle was held to raise money for equipment for the Bridge Street GP Surgery in Downham Market at the Health Roadshow in October.</p> <p>We've been in touch with the Clinical Commissioning Group in Kings Lynn on the questions Cllr Jermy raised in Council regarding Bridge Street practice using the Conservative Club for vaccinations. Their response was as follows:</p> <p>"This issue had already been raised directly with ourselves and this was the response we received from the Practice:</p>

	<b>Question and response:</b>
	<p>“I've been in touch with my practice team and can confirm that there was a booking error with the town hall, our planned venue, which came to light on Sept 8th, requiring us to find an alternative venue for our health roadshow, which involves 25 different organisations who support patient care within our community. Due to this unforeseen difficulty and for reasons of suitability of space, availability, access and accessibility, it was considered that changing the venue to the Conservative Club, which was available and able to provide the space needed, was a better option than cancelling the event. I can confirm that this in no way reflects any political allegiance of the practice and that none of the partners is a member of the Conservative Club or Party. I can also confirm that our administrative team consulted with our Patient Participation Group (PPG) representatives, who were aware of the need to change the venue at short notice.”</p>

### **Procedure for Leader's Question Time**

In order to give as many people as possible the opportunity to put a question to the Leader, questions should be asked succinctly and in a business-like manner. They should not be preceded by lengthy preambles. Similarly, answers should be given succinctly, to make sure there is sufficient time for a reasonable number of questions to be dealt with. The Chairman will be prepared to intervene if he considers this principle is not being adhered to.

### **Agenda Item 4 – Questions to the Leader of the Council**

Questions to the Leader will be a 15 minute session for questions relating only to the role of Leader.

1. Questions to the Leader must be relevant to matters for which the Council has powers or duties. Members do not need to give prior notice of what they plan to ask and the Chairman's ruling as to relevance of questions will be final. If the Leader cannot give an immediate answer or feels that a written answer would be more helpful or appropriate, then the questioner will receive a written reply and this will be published to all members and to the public via the minutes.
2. The Chairman will begin Leader's Question Time by inviting the Leader of the Labour Group to ask the first question. All Group Leaders may delegate the asking of their question to another member of their Group. There is no right to ask a supplementary question.
3. After the first question has been answered, the Chairman will invite the Leader of the Liberal Democrat Group to ask a question.
4. After the second question has been answered, the Chairman will invite the Leader of the Independent Group to ask a question
5. When the third question has been answered, the Chairman will invite and select a member of the Conservative Group to ask a question.
6. If the 15 minutes has not expired, the Chairman will then invite all members of the Council to indicate if they wish to ask a question, by raising their hands. The Chairman will select a member to ask their question and all other members should put down their hands until the Chairman next invites questions.

7. The Chairman will follow the same principle of selecting questioners alternatively from Groups as in paragraphs 2-5 above.
8. The session will be timed by the existing lights system for timing speeches. The amber light will be lit after 14 minutes and the red light lit after a further minute. If a question is being asked at the point at which the red light is lit, the Chairman will allow the question to be completed and the answer to be given.

### Notice of Motions

Notice of the following motions have been given in accordance with the Council Procedure Rules:

1. Proposed by Colleen Walker, seconded by Terry Jermy

Council believes the economic development contribution of the County Council is crucial in supporting business and growth in Norfolk. Council further believes the Business and Property Committee is currently too inward looking and not including on its agenda issues that are important to Norfolk like Britvic, Coleman, CITB, Downham Market Science hub, Multiyork and Remploy.

Council resolves to request the Managing Director to present a report to the January Policy and Resources Committee with recommendations to strengthen the Economic Development function for incorporation into the 2017/8 budget if Policy and Resources Committee agrees. Council further resolves that if any of the recommendations require consideration by CAG that they be brought directly to Council to avoid delay

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2. Proposed by Emma Corlett, seconded by Mike Smith-Clare

Council notes:

- a. The public response to proposals to reduce council funding for Children's Centres from £10m to £5m as exemplified by the petition that has exceeded 5000 signatures opposing the proposals
- b. The briefing provided for Council members in 2016 (attached at annex A) setting out the overwhelming benefits to families of Children's Centres and the longer term cost effectiveness of investing in Children's Services  
Council therefore resolves to:
  1. Abandon the proposals to reduce funding to Children's Centres;
  2. Withdraw those proposals from public consultation;
  3. Utilise any recoverable underspends from Children's Centres for this financial year to mitigate the budget for 2018/19 and ask officers to bring proposals to fund any residual gap from other budgets;
  4. Prepare budgets for 2018/19 to 2020/21 based on the presumption of protecting Children's Centres;

5. Request the Director of Children's Services to update the briefing to members on the benefits of Children's centres;
6. Recommend that all members visit their local Children's Centre(s) by the time committees meet in January 2018, in order to be better informed during discussions on the future of Children's Centres

Note by Head of Democratic Services

Once the motion has been moved and seconded, Councillor Corlett will present the petition referred to in the motion.

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3. Proposed by Chris Jones, seconded by David Rowntree

Council regrets the proposal by Norfolk's Chief Constable to abolish PCSOs and reduce public access to police stations. Council believes this is contrary to the Police and Crime Plan produced by the Police and Crime Commissioner to increase visible policing. Council notes the increase in warranted officers being proposed and that they will not materially increase visibility because of the nature of the work required of them.

Council believes the reduction in visible policing, even with the increase in warranted officers, is detrimental to the peace of mind of Norfolk residents. Whether it results in increased low level crime, it will undoubtedly result in increased fear of crime. Local intelligence and early warning of problems that can be mitigated by early intervention will also be lost.

As those most affected are likely to be the more vulnerable, Council believes abolishing PCSOs and reducing visible policing will put further strain on Council services either from victims, those needing support or because of the missed opportunities for early intervention mean a problem has already escalated. Whilst Council appreciates the financial challenge faced by Norfolk constabulary caused by cuts in police funding, we also believe shifting the burden onto Councils is no solution.

Council resolves:

1. To welcome the increase in warranted officers and oppose the abolition of PCSOs, and to request the Chief Constable and Police and Crime Commissioner to review their proposals
2. To lobby the Home Secretary and Secretary of State for Communities and Local Government to recognise the links between visible policing and its impact on demand for council services and provide more funding for visible policing through PCSOs

3. To undertake an impact assessment to establish the likely knock on effect on demand for County Council services and the projected impact on safeguarding of the reduction of police presence in Norfolk's schools

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4. Proposed by Sarah Butikofer, seconded by Brian Watkins

Over the last three years (2013-2015) in Norfolk 290 people have taken their own lives, on average there are 77 suicides every year in the county. This gives Norfolk an age-standardised suicide rate of 12.4 per 100,000, significantly higher than the national average of 10.1.

Nationally, suicide is the biggest killer of men under the age of 45.

Suicide is preventable yet in England 13 people kill themselves every day; one person every 90 minutes in the UK.

The government's Mental Health Five Year Forward View (2016) has set the ambition to reduce the number of deaths from suicide by 10% from 2016-2021.

This Council rejects the target of a 10% reduction as inadequate.

The Council agrees that the Norfolk Suicide Prevention Strategy 2016-21 should be rewritten so that its target can be reset away from this government target and should follow the lead taken by the Cheshire and Merseyside Suicide Prevention Network of a 'NO MORE' suicide prevention strategy in saying clearly that aiming for zero suicides is the only acceptable outcome for the people in Norfolk.

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5. Proposed by Steffan Aquarone, seconded by Marie Strong

This Council considers that sexual harassment is completely unacceptable and believes that it has no place in today's workplace. Any councillor or member of staff who feels that they have been subjected to unwanted sexual advances should be able to raise their concerns without fear of intimidation or retaliation.

In light of this, the Managing Director is asked to report to the next meeting of the Policy and Resources Committee on the number of sexual harassment claims that have been made in the last two years, any action or learning points and if any changes are required to the Council's procedures in light of the report's findings

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6. Proposed by Ed Maxfield, seconded by Dan Roper

A 2016 report by The Children's Society found that when care leavers move into independent accommodation they begin to manage their own budget fully for the first time. The report showed that care leavers can find this extremely challenging and with no family to support them and insufficient financial education, are falling into debt and financial difficulty.

Research from The Centre for Social Justice found that over half (57%) of young people leaving care have difficulty managing their money and avoiding debt when leaving care.

Norfolk County Council has statutory corporate parenting responsibilities towards young people who have left care up until the age of 25.

The Children and Social Work Act 2017 places corporate parenting responsibilities on district councils for the first time, requiring them to have regard to children in care and care leavers when carrying out their functions.

This council believes that:

1. To ensure that the transition from care to adult life is as smooth as possible, and to mitigate the chances of care leavers falling into debt as they begin to manage their own finances, they should be exempt from paying council tax until they are 25.
2. Care leavers are a particularly vulnerable group for council tax debt.

This council resolves to use the County Council's convening powers and expertise in corporate parenting to work with all council tax collecting authorities to exempt all care leavers in the county from council tax up to the age of 25, sharing any arising costs proportionately.

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#### 7. Proposed by Bill Borrett

Social care services across the country is facing a funding gap of over £2.5bn by 2020.

We believe that older and disabled people and their carers deserve lives which are good, dignified, healthy and as independent as possible, in their own communities.

The government needs to urgently recognise why social care matters and treat it as a national priority.

Therefore, this council resolves to call upon the government to:

1. Carry out an urgent and fundamental review of social care and health before next year's autumn Budget.
  2. Properly fund social care with genuinely new government money and to explore other mechanisms to support social care.
- 

8. Proposed by Keith Kiddle

This council recognises the vital importance of job creation and economic growth as drivers of prosperity, improved quality of life, and as the number one means of lifting people out of poverty.

We celebrate the fact that over 30,000 more Norfolk people are in work now than in 2010, and applaud the role played by the Conservative government in helping creating the conditions that have brought this about.

The launch of the government's Industrial Strategy now takes this to a new level, ensuring investment is targeted in the areas likely to generate the greatest outcomes.

This council resolves to:

- Make the strongest possible case to the government that Norfolk is open for business
  - Prepare a plan for submission to the Secretary of State for Business, Energy and Industrial Strategy, outlining how Norfolk can play its part in raising productivity, driving innovation and creating jobs, and putting us at the front of the queue for new investment.
  - Express to the government our support and readiness to play a full role in addressing the four Grand Challenges, particularly the challenge of an ageing population
-

## **Children's Centre Monitoring Update Report – Members Briefing additional report information**

### **2. Feedback – what families say about Children's centres...**

2.4 Below is a selection of comments and quotes from parents who have received services from children's centres:

- The stay and play group supported my son with his confidence building. Staff were always helpful and friendly. It's a great place to go.
- Provided lots of very helpful advice in many areas, excellent groups for children to socialize at and provided huge emotional support regarding my youngest daughters weight issues
- The groups/staff from children centre gave me confidence about all the things which a parent have to deal with a baby/toddler
- After suffering from post-puerperal psychosis after the birth of my daughter the children's centre provided a safe, welcoming and encouraging environment for the both of us when my daughter was just over 1 years of age
- The sessions have helped our daughter to develop and given her opportunities to do things she wouldn't have been able to do at home. It has also helped me meet other mothers being quite introverted I would have been quite lonely without the children centre
- Helped with speech problems. Got us out of the house to socialise
- Without the children centre I do not know where I would be. They have supported me through difficult times and allowed me to not just socialise with others but in a way they have become my second family.
- I have made a group of friends along the way, I have gained in confidence in myself as a parent
- learnt about helping my daughter learn through play which we do at home
- It has been fantastic to be able to chat to other mums who understand what it's like to actually have a breast fed baby over 6 months old, and to be reassured that our feeding patterns, especially night feeding, is normal for a breast fed baby

### **4. Financial Update**

4.1 Research into the early years has found that for every £1 spent on quality early care and education saves taxpayers £13 in future costs (ref: Centre for

Research in Early Childhood (2013) *The impact of early education as a strategy in countering socioeconomic disadvantage*).

## **6. Partnership Working**

- 6.6 Below is an example summary from this year's annual conversation performance review describing how a cluster of three children's centres has focused on ensuring they are able to full-fill the service specification through utilising partnership arrangements for developing their workforce:

As a cluster we have seen a marked increase in the number of referrals for families with an FSP, CP, and CIN plan. We have up skilled all of our outreach staff in solution focused training and they have all attended a signs of safety briefing and training provided by NCC. Our Senior Family Practitioners have attended the 2 day signs of safety training. We have also attended threshold guidance training and staff have completed workshops around this via the NSCB.

We meet regularly with the named link social worker and go through the social care list for the cluster updating information relating to the families we are already working with and identifying those that we could offer support to. We also meet regularly with the named social worker and HV teams to ensure all children on the list are known and seen by the appropriate professional to improve their life chances and outcomes.

We have Portage trained staff to link in with families who have a child with an additional need.

We have staff trained in specific areas of expertise - domestic abuse champion, dental champion, and neglect champion. Early years professional, ante-natal Solihull and all staff are trained to foundation level in Solihull taking a joined up approach to supporting positive parenting across the cluster. We have booked staff on to train in Solihull facilitator training, Infant massage, Mental health train the trainer, so going forward we can deliver our own parenting courses and baby massage across the cluster. We will also continue to develop practice so all staff can accurately recognise mental health and wellbeing issues within families across the cluster.

## **7. School Readiness and the link to a child's learning**

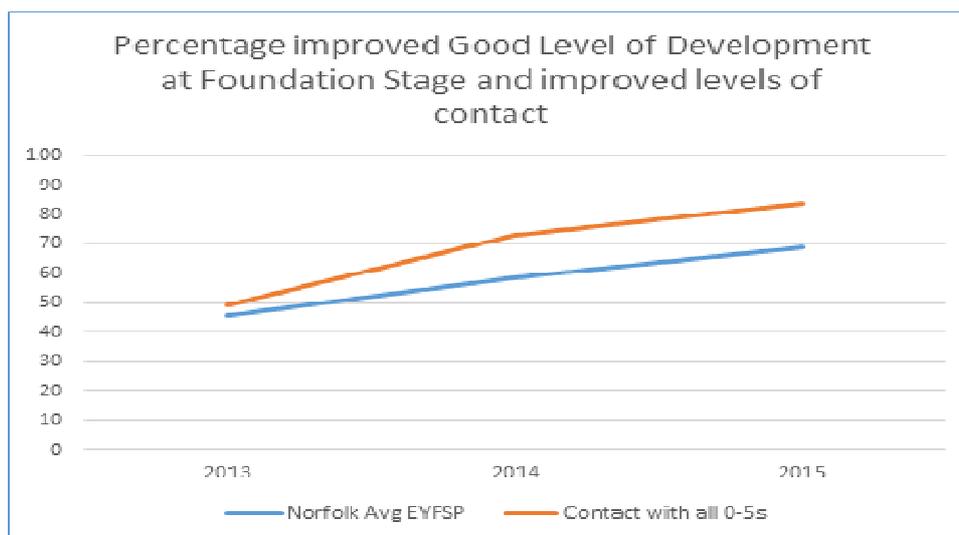
- 7.1 As part of school readiness children's centres play an important role in providing brokerage for families locally in accessing high quality pre-school provision. This typically happens when children are aged 2 and 3 years old.
- 7.2 The below graph G shows the correlation between the rising amount of meaningful contact children's centres are having with children prior to them starting school and the published Early Years Foundation Stage Profile (EYFSP) – achieving a good level of development at age 5. Head teachers in Norfolk regularly acknowledge the difference good quality early years care and education has on those children entering the reception year. Children's centres also play an important role in having contact with families who have not accessed pre-school provision prior to their child starting school, assisting

with school readiness and transition arrangements. As children’s centre contact increases with more children and families at pre-school, the level of influence on a child’s development will also increase including the co-ordination and transition support alongside early years settings for the most vulnerable learners.

Graph G.

## 8. Social Work Service – links

8.3



The table below shows the reported data regarding progress made to date of children’s centres providing targeted family support for children and their families who are either subject to statutory social work intervention or are subject to a family support plan where co-ordinated multi-agency support is required.

Plans by type supported by CCs	2014-2015 (April - March) No. of children	2015-16 (April - March) No. of children	2016 (April – Sept) No. of children
Children in Need (S.17)	209	230	187
Child Protection (S.47)	266	269	115
Children with Disabilities	31	54	60
Looked After Child	28	44	63
Family Support Process (FSP)	169 (families)	188 (families)	182 (families)
<b>TOTAL</b>	<b>703</b>	<b>785</b>	<b>789</b>

8.4 Below is a case study example from a children’s centre regarding their contribution to the plan in place for a child and family subject to statutory social work intervention.

A young mother was referred into our children's centre via the health visiting team and baby's allocated social worker requesting children's centre family support to access sessions with her 7 month old baby.

The children centre outreach staff and the baby's allocated social worker have undertaken joint visits to support mum and together they have reduced the need for legal proceedings being initiated and ensured baby remains in mother's care.

Mum now provides a safe environment for her child and has accepted children's centre support with one to one infant massage and she comes along to the end of Little Treasures (a stay and play session) and self weighs her baby.

The mother is asking about her baby's next steps and ways she can help her learning and development. She has also had a stair gate provided and fitted through the children's centre's hardship fund.

The children's centre outreach worker works with the baby's social worker and is part of the team around the family providing support to mother and baby.

The child remains subject to a child protection plan but the Social Worker is now planning with the family for baby to remain in mother's care, where previously being brought into care via legal proceedings was being considered.

## Recommendations of the Policy and Resources Committee meetings held on 30 October 2017 and 27 November 2017

### Items from the meeting of 30 October 2017

#### 1 Consents for the Appointment of Company Directors – Norse Environmental Waste Services Ltd

1.1 The consent of the County Council is required before the appointment of directors to its companies can be made. The Executive Director of Finance & Commercial Services has reviewed the proposed appointment set out below and advises that it is suitable.

#### 1.2 **RESOLVED to RECOMMEND to the County Council:**

**The appointment of the nominated director to Norse Environmental Waste Services Ltd. set out below.**

1.3

Company	Nomination	Info
Norse Environmental Waste Services Ltd	Tracy Jessop	Replacement of previous Director

### Items from the meeting of 27 November 2017

#### 2 Norwich Northern Distributor Road- Capital Update

2.1 Appendix 1 to this report is an update that the Committee received on the anticipated cost of the NDR as a basis for asking Full Council to allocate the necessary funding to meet the Council's financial commitments.

#### 2.2 **RESOLVED to RECOMMEND to the County Council:**

**To increase the NDR Budget by £19.25m to £205m as explained at Appendix 1.**

#### 3 Mid-Year Treasury Management Monitoring Report 2017-18

3.1 The Committee received a report from the Executive Director of Finance and Commercial Services that provided details on the Treasury Management activities of the County Council for the period 1 April 2017 to 30 September 2017. At 30 September 2017, the Council's external debt was £519m and its investments totalled £145m.

**3.2 RESOLVED to RECOMMEND to the County Council:**

**The Mid Year Treasury Management Monitoring Report 2017-18 that can be found at Appendix 2.**

**4 Recommendations from the Constitution Advisory Group meeting held on 8<sup>th</sup> November 2017**

**4.1 RESOLVED to RECOMMEND to the County Council:**

**The recommendations from the Constitution Advisory Group meeting that can be found at Appendix 3.**

**5 Norse Consents report**

**5.1** The consent of the County Council is required before the appointment of directors to its companies can be made. The Executive Director of Finance & Commercial Services has reviewed the proposed appointments set out below and advises that they are suitable.

**5.2 RESOLVED to RECOMMEND to the County Council:**

**The appointment of directors to companies in the Norse Group as detailed below:**

- 1. A change to the Directors of Enfield Norse Ltd whereby Justin Galliford is replaced as a Director by Robert Trewick, who is the Operations Director for Commercial Services at Norse Commercial Services Ltd; and Ruth Metcalf, who has recently left the business, is replaced by Nick Maddox, Group Director, Building & FM at Norse Commercial Services Ltd.**
- 2. A change to the Directors of NEWS Ltd whereby Ruth Metcalf is replaced by Mark Emms, Group Director, Environmental and Transport at Norse Commercial Services Ltd.**
- 3. The appointment of Mike Britch, Managing Director of the Norse Group Ltd, and David Shaw, Operations Director of NPS Norwich Ltd as Directors of the new joint venture company, Build Insight Ventures Ltd.**

**Cliff Jordan,  
Chairman, Policy and Resources Committee**

Norfolk County Council

Norwich Northern Distributor Road update

**1. Introduction**

- 1.1. A report on the NDR was provided to EDT Committee in June 2017. A further update on the progress of the NDR project and the potential to open sections of the road in stages was presented to EDT Committee in September 2017. Since then, on 11 November 2017, the first section of the NDR was opened to traffic. This section was from the A1067 Fakenham Road to the A140 Cromer Road. The next opening is anticipated just before or just after the forthcoming Christmas period. This would see the road opened from the A140 Cromer Road to the A1151 Wroxham Road. Finally, by the end of March 2018, it is expected that the full scheme will be completed and opened up to the Postwick Hub A47 junction.
- 1.2. The construction of the NDR is administered under an amended 3rd edition of the New Engineering Contract (NEC3), Engineering Construction Contract (ECC). It uses Option C, which is a 'target cost' contract, where financial risks are shared between the County Council and the Contractor. As such, it is not a fixed price contract but is subject to a range of price variations depending upon issues faced during construction.
- 1.3. It is important to note that the 'target cost' and 'completion date' may be varied during the construction phase via agreed 'compensation events'. These compensation events are events which are not the fault of the contractor and they define the change in the cost of the work, or the time allowed for in the programme to complete it. They are intended to be agreed between the Contractor and the County Council as the works progress and there is significant contract administration to manage this.
- 1.4. In addition to the risk sharing arrangement set out above, the contract also includes further mechanisms to incentivise the Contractor. The contract included a bonus for early completion of the works and a bonus should the out-turn cost for the entire project be less than the NDR agreed total budget of £178.95m. The total bonus available to the Contractor was capped at £7.914m. However, as part of the negotiation with the contractor (see section 3 below), it has been agreed that no early completion bonus will be paid.
- 1.5. This Annex updates committee on the anticipated cost of the NDR as a basis for asking this committee to allocate the necessary funding to meet the Council's financial commitments.

## 2. Commercial Position

- 2.1. EDT Committee received a confidential report in June that set out the budget position for the project and the significant financial pressure that was projected at that time. This latest update report now provides further details following negotiations with the contractor, Balfour Beatty. The summary position is that the project will be over the original budget – which was agreed by Full Council as £178.95m. The current forecast is that the overall project cost as per the contract price (in paragraph 1.2) will be approximately £204.542m, an increase of £25.592m. This is an increase in overall budget of 14.3%. However, as the project is still to be completed, there remain some risks that may still impact on the final cost.
- 2.2. The projected financial position can be summarised below. The forecast figures are reliant on the Contractor’s forecast cost, which has been scrutinised and agreed as a robust cost forecast, based also on an evaluation of cost records to date.
- 2.3. Table 1 – Cost Changes

<b>Cost element</b>	<b>Value (November 2017 - £m)</b>	<b>Comment</b>
Rackheath Rail Bridge	£2.764	Delays in getting approval from Network Rail and then change in construction approach.
Land Costs	£1.506	Final position will depend on outcome of negotiations with various land agents.
Earthworks balance	£2.018	Redesign of the earthworks delivery logistics, maximising site won materials.
Unseasonal rainfall	£1.195	NCC share of weather impacts
Utility diversions	£6.151	Scope of forecast outturn cost and impact to main works being assessed.
Managing project change	£1.639	Direct cost to NCC of detailed design and construction changes
Ground stability	£3.859	The need to change design to stabilise embankments for structures.
General construction	£5.274	A range of environmental, drainage, fencing, traffic management and safety issues.
Changes to bridges	£1.821	Detail design changes, construction sequencing and changes to reinforcement across all the bridges.
Landscaping	-£0.635	Balance of saving through direct appointment of GYB Services.
<b>Total</b>	<b>£25.592</b>	

### **3. Contract Negotiations**

3.1. The size and complexity of the project, in conjunction with delays encountered in the completion of utility diversion, created a detailed and contentious commercial environment. It was highly probable that the commercial issues encountered on the project would escalate, resulting in protracted resolution, adjudications and legal/specialist input which would only serve to prolong agreement of the final account and introduce uncertainty as to the final outturn cost. As a consequence, we have sought to close out numerous compensation events, contractual disputes and to realise phased openings, thus realising the benefit of opening much of the project to the public early.

#### **3.2. Compensation Events**

938 compensation events have been agreed as part of the over-arching agreement, which is inclusive of all changes and delays encountered up to and including 30 September 2017. Compensation event provisions within the Contract have been simplified such that the revised 'target price' can only be changed for a reduced set of events.

Making these changes to the Contract effectively transfers risk to the Contractor and will also reduce the number of compensation events to be dealt with during the remaining duration, thus reducing the potential for disputes. However, risks remain on the project that could trigger compensation events. The key risks that could impact on the project are:

- Weather conditions (primarily the risk of extreme/prolonged winter weather),
- Land costs that are still to be resolved through negotiation, and
- Assessing and concluding compensation events to deal with project changes from October 2017 to the end of construction.

#### **3.3. Fees, Working Area Overheads and Levies**

The Fee and Working Areas Overhead percentage required to recover specific costs have been omitted in favour of the Contractor charging actual cost to the project. Making these changes closes out disputes relating to the inclusion and what the percentages should be applied to.

#### **3.4. Contractor Incentives**

As part of the agreement, with the exception of the share arrangements, all bonus mechanisms have been omitted from the Contract, including omission of the Early Completion Bonus. To incentivise the Contractor to complete the works by the agreed dates, Delay Damages have been incorporated into the Contract.

The share arrangements have been amended such that the Contractor's maximum share is capped to £2m, a reduction of £5.914m. Conversely, the Contractor's exposure to pain has been limited to £0.750m. The amendments to the contract do not fundamentally change the basis of the contract.

### 3.5. Benefits

There are a range of benefits that an agreement with the Contractor provides. These are:

- The project outturn cost is reduced whilst still delivering the works in accordance with the Works Information and without compromising quality.
- Early Section Completions are realised without the project incurring additional costs.
- Residual risks are jointly managed and mitigated to ensure the effects are minimised if a risk event occurs.
- Minimises commercial, contractual and legal input in the best interests of the project and parties, avoiding potentially significant additional costs.

## 4. **Financial Update**

- 4.1. Full Council in November 2015 agreed a budget for the NDR of £178.95m. An additional £6.8m was approved by Full Council in February 2017 which gives an overall NDR budget of £185.75m.
- 4.2. Following negotiations and the agreement reached with Balfour Beatty, the current forecast for the overall project cost is £204.542m. To allow for any potential remaining client risks and contingencies it is recommended that provision is made for £205m, leaving a funding gap of £19.25m.
- 4.3. The Council has previously allocated £8.3m in the Capital Programme for investment by Norfolk Energy Futures Ltd. Following the decision by the Policy and Resources Committee on 3 July 2017 to liquidate the company, there remains £7.250m in the 2017-18 Capital Programme that has not been utilised and can be used for other purposes. It is recommended that the funding of £7.250m is transferred to the NDR budget to meet part of the funding shortfall.
- 4.4. On the assumption that the Policy and Resources Committee approves this virement, there remains a funding gap of £12m. In the short term it is recommended that this is met from internal borrowing by using cash balances and that officers develop and propose a permanent funding solution for consideration at the 29 January 2018 Policy and Resources Committee meeting when it can be considered in the context of the 2018/19 Capital Programme and the Council's Medium Term Financial Strategy.

- 4.5. The following would then represent the full range of funding sources. The NCC element is a mixture of capital receipts, reserves, DfT block grant and borrowing.

<b>Funding Sources for the NDR</b>	<b>£m</b>
DfT specific grant for the NDR and Postwick Hub	96.49
Government Growth Point	1.71
New Anglia Local Enterprise Partnership	10.00
Greater Norwich Growth Board Community Infrastructure Levy	40.00
Norfolk County Council	56.80
<b>Total</b>	<b>205.00</b>

<b>Report title:</b>	<b>Mid-Year Treasury Management Monitoring Report 2017-18</b>
<b>Responsible Chief Officer:</b>	<b>Executive Director of Finance and Commercial Services</b>
<b>Strategic impact</b>	
<p>This Mid-Year Treasury Management Monitoring Report forms an important part of the overall management of the Council's financial affairs. The regulatory environment places responsibility on Members for the review and scrutiny of treasury management policy and activity. This report provides details on the Treasury Management activities of the County Council for the period 1 April 2017 to 30 September 2017.</p>	

<b>Executive summary</b>
<p>The regulatory framework for treasury management requires full Council to receive a mid-year monitoring report on treasury activities.</p> <p>This report provides information on the treasury management activities of the County Council for the period 1 April 2017 to 30 September 2017.</p> <p>The Bank of England base rate remained at 0.25% throughout this period, prior to the recent rise in November 2017.</p> <p>At 30 September 2017, the Council's external debt was £519m and its investments totalled £145m.</p> <p><b>Members are asked to:</b></p> <ul style="list-style-type: none"> <li>• <b>endorse and recommend to County Council, the Mid Year Treasury Management Monitoring Report 2017-18.</b></li> </ul>

## **1. Introduction**

- 1.1 The County Council is required by regulation issued under the Local Government Act 2003 to produce a mid-year report on its treasury management activities.
- 1.2 The annex to this report sets out the treasury management activities of the County Council for the six month period from 1 April 2017 to 30 September 2017.

## **2. Evidence**

- 2.1 All treasury management operations detailed in the attached annex have been carried out in accordance with recognised best practice and in compliance with legislative and regulatory requirements.
- 2.2 The annex summarises:
  - Cash Balances and Cash Flow Management
  - Investment Performance
  - Counterparty Maintenance
  - Long Term Borrowing and Debt Management Activity
  - Treasury Management Prudential Indicators.

## **3. Financial Implications**

This report brings together information on the treasury management activities of the County Council for the six month period 1 April 2017 to 30 September 2017. Regular treasury management monitoring reports have been produced during this period and any financial implications have been incorporated within the financial monitoring reports to Policy and Resources Committee. Therefore there are no additional financial implications to consider in this report.

## **4. Issues, risks and innovation**

### **Risk implications**

- 4.1 The County Council's treasury management activities provide for 'the effective management of risk while pursuing optimum performance consistent with those risks.' The Mid Year Treasury Management Report provides information on the County Council's treasury management activities operating within the approved risk management framework. Operationally, a risk register is maintained to monitor risks and control measures.

## **5. Background**

- 5.1 The Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice for Treasury Management in the Public Sector (the Code) defines treasury management as:

"the management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of

the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”

- 5.2 The County Council recognises the importance of monitoring treasury management activities, with regular reports being presented to the Treasury Management Panel and Policy and Resources Committee throughout the year.

## Officer Contact

If you have any questions about the matters contained in 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 18001 0344 800 8020 (textphone) and we will do our best to help.

## Mid Year Treasury Management Monitoring Report 2017-18

### 1. Introduction

- 1.1 The Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice for Treasury Management in the Public Sector (the Code), requires that the County Council receives a mid-year review of treasury activities in addition to the forward looking annual investment and treasury strategy and backward looking annual treasury report. The Annual Investment and Treasury Strategy for the current year (2017-18) was approved by County Council on 20 February 2017.
- 1.3 The County Council operates a balanced budget, which broadly means cash raised during the year will meet its cash expenditure. Part of the treasury management operations ensure this cash flow is adequately planned, with surplus monies being invested in low risk counterparties, providing adequate liquidity initially before considering maximising investment return.
- 1.4 The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer term cash flow planning to ensure the Council can meet its capital spending operations. This management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses and on occasion any debt previously drawn may be restructured to meet Council risk or cost objectives.
- 1.4 As a consequence treasury management is defined as:  
"The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."
- 1.5 The County Council recognises the importance of monitoring treasury management activities, with regular reports being presented to the Treasury Management Panel and Policy and Resources Committee throughout the year.
- 1.6 This mid-year review provides commentary on economic conditions produced by Capita Asset Services (the Council's external treasury advisors) and details treasury activities for the period 1 April 2017 to 30 September 2017 including; cash balances and cash flow management, investment performance, counterparty management, long term borrowing/debt management and prudential indicators.

## **2. Link Asset Services (formally Capita) Economic Overview - October 2017 (summarised, with minor update for November MPC rate rise)**

### **2.1 Economic update - UK UK**

- 2.1.1 After the UK economy surprised on the upside with strong growth in 2016, growth in 2017 has been disappointingly weak; quarter 1 came in at only +0.3% (+1.7% y/y) and quarter 2 was +0.3% (+1.5% y/y) which meant that growth in the first half of 2017 was the slowest for the first half of any year since 2012. . The main reason for this has been the sharp increase in inflation, caused by the devaluation of sterling after the referendum, feeding increases in the cost of imports into the economy. This has caused, in turn, a reduction in consumer disposable income and spending power and so the services sector of the economy, accounting for around 75% of GDP, has seen weak growth as consumers cut back on their expenditure. However, more recently there have been encouraging statistics from the manufacturing sector which is seeing strong growth, particularly as a result of increased demand for exports. It has helped that growth in the EU, our main trading partner, has improved significantly over the last year. However, this sector only accounts for around 11% of GDP so expansion in this sector will have a much more muted effect on the average total GDP growth figure for the UK economy as a whole.
- 2.1.2 The Monetary Policy Committee (MPC) meeting of 14 September 2017 surprised markets and forecasters by suddenly switching to a much more aggressive tone in terms of its words around warning that Bank Rate would need to rise. The Bank of England Inflation Reports during 2017 have clearly flagged up that they expected CPI inflation to peak at just under 3% in 2017, before falling back to near to its target rate of 2% in two years' time. Inflation actually came in at 2.9% in August, (this data was released on 12 September), and so the Bank revised its forecast for the peak to over 3% at the 14 September meeting MPC. This marginal revision can hardly justify why the MPC became so aggressive with its wording; rather, the focus was on an emerging view that with unemployment falling to only 4.3%, the lowest level since 1975, and improvements in productivity being so weak, that the amount of spare capacity in the economy was significantly diminishing towards a point at which they now needed to take action. In addition, the MPC took a more tolerant view of low wage inflation as this now looks like a common factor in nearly all western economies as a result of increasing globalisation. This effectively means that the UK labour faces competition from overseas labour e.g. in outsourcing work to third world countries, and this therefore depresses the negotiating power of UK labour. However, the Bank was also concerned that the withdrawal of the UK from the EU would effectively lead to a decrease in such globalisation pressures in the UK, and so would be inflationary over the next few years.
- 2.1.3 Following the MPC Bank Rate increase to 0.5% in November the big question will be whether this will be a one off increase or the start of a slow, but regular, increase in Bank Rate. As at the start of October, short sterling rates are indicating that financial markets do not expect a second increase until May 2018 with a third increase in November 2019. However, some forecasters are flagging up that they expect growth to improve significantly in 2017 and into 2018, as the fall in inflation will bring to an end the negative impact on consumer spending power while a strong export performance will compensate for weak services sector growth. If this scenario were to materialise, then the MPC would have added reason to embark on a series of slow but gradual increases in Bank Rate during 2018. While there is so much uncertainty around the Brexit negotiations, consumer confidence, and business confidence to spend on investing, it is far too early to be confident about how the next two years will pan out.

## USA

2.1.4 Growth in the American economy has been volatile in 2015 and 2016. 2017 is following that path again with quarter 1 coming in at only 1.2% but quarter 2 rebounding to 3.1%, resulting in an overall annualised figure of 2.1% for the first half year. Unemployment in the US has also fallen to the lowest level for many years, reaching 4.4%, while wage inflation pressures, and inflationary pressures in general, have been building. The Fed has started on a gradual upswing in rates with three increases since December 2016; and there could be one more rate rise in 2017 which would then lift the central rate to 1.25 – 1.50%. There could then be another four more increases in 2018. At its June meeting, the Fed strongly hinted that it would soon begin to unwind its \$4.5 trillion balance sheet holdings of bonds and mortgage backed securities by reducing its reinvestment of maturing holdings.

## Eurozone

2.1.5 Economic growth in the EU, (the UK's biggest trading partner), has been lack lustre for several years after the financial crisis despite the ECB eventually cutting its main rate to -0.4% and embarking on a massive programme of QE. However, growth picked up in 2016 and now looks to have gathered ongoing substantial strength and momentum thanks to this stimulus. GDP growth was 0.5% in quarter 1 (2.0% y/y) and 0.6% in quarter 2 (2.3% y/y). However, despite providing massive monetary stimulus, the European Central Bank is still struggling to get inflation up to its 2% target and in August inflation was 1.5%. It is therefore unlikely to start on an upswing in rates until possibly 2019.

## Other

2.1.6 Chinese economic growth has been weakening over successive years, despite repeated rounds of central bank stimulus; medium term risks are increasing. Major progress still needs to be made to eliminate excess industrial capacity and the stock of unsold property, and to address the level of non-performing loans in the banking and credit systems.

2.1.7 Japan is struggling to stimulate consistent significant growth and to get inflation up to its target of 2%, despite huge monetary and fiscal stimulus. It is also making little progress on fundamental reform of the economy.

## 2.2 Capita Interest Rate Forecast

2.2.1 As stated above, following the MPC Bank Rate increase to 0.5% in November the big question will be whether this will be a one off increase or the start of a slow, but regular, increase in Bank Rate.

2.2.2 The overall balance of risks to economic recovery in the UK is currently to the downside but huge variables over the coming few years include just what final form Brexit will take, when finally agreed with the EU, and when.

2.2.3 Downside risks to current forecasts for UK gilt yields and PWLB rates currently include:

- UK economic growth and increases in inflation are weaker than we currently anticipate.
- Weak growth or recession in the UK's main trading partners - the EU and US.

- Geopolitical risks in Europe, the Middle East and Asia, which could lead to increasing safe haven flows.
- A resurgence of the Eurozone sovereign debt crisis.
- Weak capitalisation of some European banks.
- Monetary policy action failing to stimulate sustainable growth and to get inflation up consistently to around monetary policy target levels.

2.2.4 The potential for upside risks to current forecasts for UK gilt yields and PWLB rates, especially for longer term PWLB rates include: -

- The pace and timing of increases in the Fed. Funds Rate causing a fundamental reassessment by investors of the relative risks of holding bonds as opposed to equities and leading to a major flight from bonds to equities.
- UK inflation returning to significantly higher levels causing an increase in the inflation premium inherent to gilt yields.

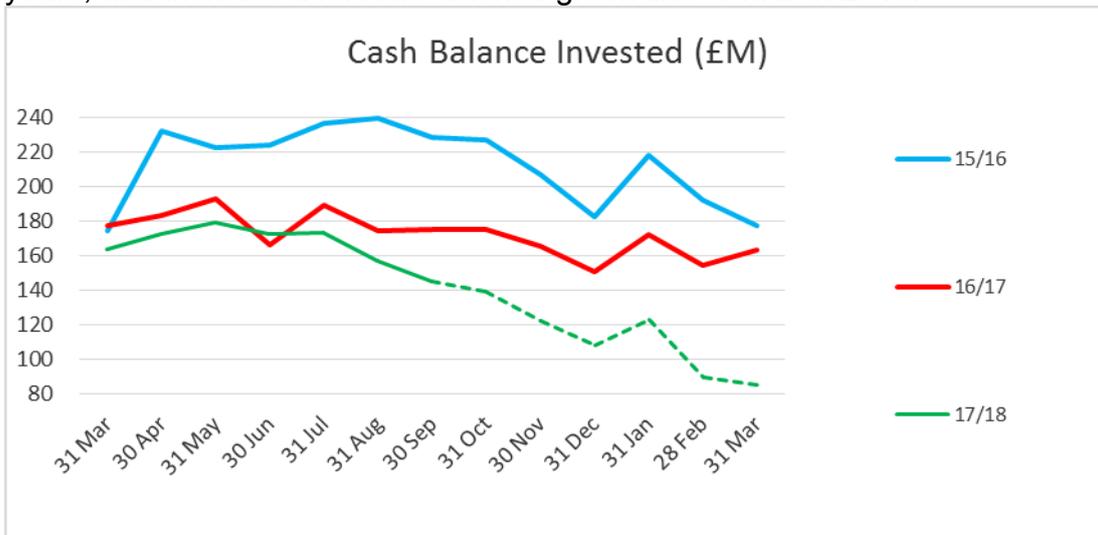
2.2.5 Link (formerly Capita) Asset Services, has provided the following forecast as at 7 November 2017 (following the November MPC rate rise).

	NOW	Dec-17	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21
<b>BANK RATE</b>	0.50	0.50	0.50	0.50	0.50	0.75	0.75	0.75	0.75	1.00	1.00	1.00	1.25	1.25	1.25
<b>3 month LIBID</b>	0.40	0.40	0.40	0.40	0.40	0.60	0.60	0.60	0.70	0.90	0.90	1.00	1.20	1.20	1.20
<b>6 month LIBID</b>	0.45	0.50	0.50	0.50	0.60	0.80	0.80	0.80	0.90	1.00	1.00	1.10	1.30	1.30	1.40
<b>12 month LIBID</b>	0.65	0.70	0.80	0.80	0.90	1.00	1.00	1.10	1.10	1.30	1.30	1.40	1.50	1.50	1.60
<b>5 yr PWLB</b>	1.50	1.50	1.60	1.60	1.70	1.80	1.80	1.90	1.90	2.00	2.10	2.10	2.20	2.30	2.30
<b>10 yr PWLB</b>	2.10	2.10	2.20	2.30	2.40	2.40	2.50	2.60	2.60	2.70	2.70	2.80	2.90	2.90	3.00
<b>25 yr PWLB</b>	2.70	2.80	2.90	3.00	3.00	3.10	3.10	3.20	3.20	3.30	3.40	3.50	3.50	3.60	3.60
<b>50 yr PWLB</b>	2.40	2.50	2.60	2.70	2.80	2.90	2.90	3.00	3.00	3.10	3.20	3.30	3.30	3.40	3.40

### 3. Cash Balances and Cash Flow Management

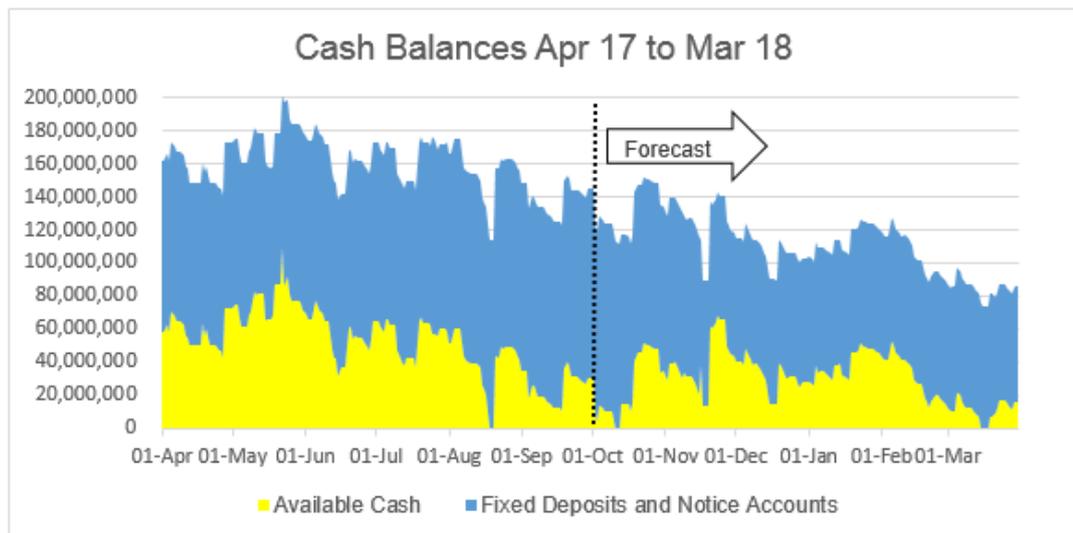
- 3.1 The Council's cash balances comprise of revenue and capital resources, such as general balances, provisions and earmarked reserves and the timing differences between the receipt and payment of monies required to meet the cost of County Council services and its capital programme. The average level of cash balances year to date has been £159m, reducing from £163m at 1 April 2017 to £145m at the 30 September 2017.
- 3.2 Cash balances are managed internally and have been invested in accordance with the Council's approved Authorised Lending List.
- 3.3 A key objective of cash flow management is to minimise balances held in the Council's bank accounts at zero or very low interest rates.
- 3.4 Of the 400 bank accounts administered by the County Council, only 3 are principal accounts (one for each of income collection, general expenditure and salary payments). The remaining bank accounts are service specific, for example schools locally managing their devolved budgets. The corporate treasury management function ensures the efficient management of cash balances across all bank accounts by aggregating and investing surplus cash balances on a daily basis.
- 3.5 Year to date, income turnover amounts to £763m, while payments (including debt repayment) total £781m, resulting in a net decrease in cash balances of £18m.

The table below shows the level of cash balances over the last two and a half years, and includes a forecast dashed green line to March 2018.



3.6 Long term cash planning means that a large proportion of the Council’s cash balances are invested in medium and longer term deposits. As a result, short term (overnight) borrowing may be necessary from time to time. The costs of temporary borrowing are currently absorbed because interest rates are currently significantly lower than medium/longer term deposit rates. During the year to September the County Council did not borrow short term although a small amount has been borrowed in October.

3.7 Details of daily liquidity are provided in the graph below. The bottom yellow segment of the graph shows the actual daily liquidity (the amount of cash on instant access deposit) compared with cash invested for longer fixed periods (top blue segment of the graph). The forecast average daily liquidity level, assuming no new long term fixed deposits, is around £41m.



#### 4. Investment Performance

4.1 The key objective of the Council's investment strategy is to ensure security and liquidity and obtain an appropriate level of return consistent with the Council's approved Annual Investment and Treasury Strategy. With bank base rates at historic lows it is a very difficult investment environment in terms of generating significant investment returns.

4.2 At 30 September 2017, the Council held £145m of investments. The profile of these investments is shown in the table below.

Institutional Sector	Liquid £M	Upto 3 Months £M	Upto 6 Months £M	Upto 9 Months £M	Upto 12 Months £M	Over 12 Months £M
Part Nationalised Banks	0	0	0	0	0	0
UK Banks	0	35	5	20	20	30
Non-UK Banks	0	0	0	0	0	0
Building Societies	0	0	0	0	0	0
Other	30.4	4.5	0	0	0	0
<b>Total</b>	<b>30.4</b>	<b>39.5</b>	<b>5</b>	<b>20</b>	<b>20</b>	<b>30</b>

4.3 A more detailed investment profile at 30 September 2017 is shown at Appendix 1.

4.4 The average interest rate earned year to date is 0.95% (comparative period in 2016 1.03%). This compares favourably with the average London Interbank Bid Rate (LIBID) – outperforming the current 12 month LIBID deposit rate. The rate earned is less than last year's comparative figure due to the low interest rates which have been further suppressed following legislative changes to banking capital requirements. The table below gives a monthly cumulative year-to-date comparison against the LIBID benchmarks for 7 day, 3 month, 6 month and 12 month.

2017/18	Interest Earned Year to Date (%)	7 day LIBID Year to Date (%)	3 Month LIBID Year to Date (%)	6 Month LIBID Year to Date (%)	12 Month LIBID Year to Date (%)
Apr 17	<b>0.95</b>	0.11	0.21	0.36	0.57
May 17	<b>0.91</b>	0.11	0.20	0.34	0.55
Jun 17	<b>0.91</b>	0.11	0.19	0.33	0.54
Jul 17	<b>0.92</b>	0.11	0.18	0.33	0.54
Aug 17	<b>0.93</b>	0.11	0.18	0.32	0.52
Sep 17	<b>0.95</b>	0.11	0.18	0.32	0.53

4.5 Gross interest earned for the period 1 April 2017 to 30 September 2017 is £0.756m (comparative period in 2016: £0.926m).

4.6 In addition, the County Council has undertaken daily treasury management activities on behalf of the Norfolk Pension Fund, Norse Commercial Services Ltd,

Norse Care Ltd, NPS Property Consultants Ltd and Independence Matters. Average cash balances managed on behalf of these other bodies totalled £21m, earning interest of £0.028m in the six months to 30 September 2017.

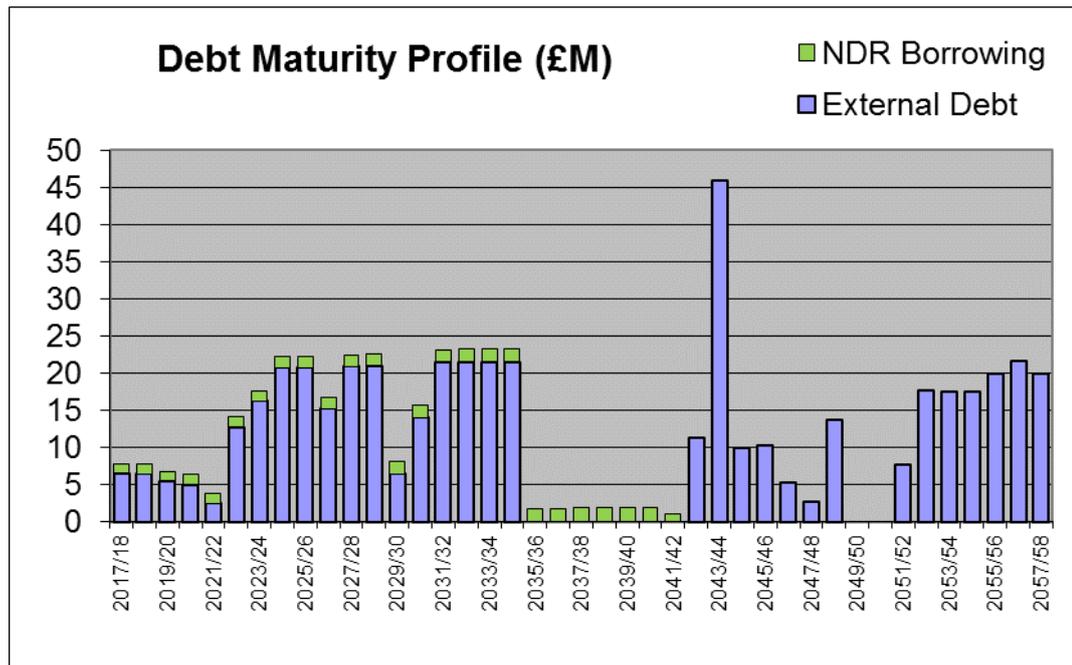
## **5. Counterparty Maintenance**

- 5.1 The Executive Director of Finance and Commercial Services is responsible for maintaining an Approved Counterparty List in accordance with the criteria as set out in the approved Annual Investment and Treasury Strategy 2017-18. Credit rating information is supplied by our treasury advisors on all active counterparties. Any rating changes, rating watches (notification of a likely change) and rating outlooks (notification of a possible longer term change) are provided by our treasury advisors immediately they occur. A wide range of market information such as Credit Default Swap prices and share price is also taken into account. The Approved Counterparty List is therefore actively managed on a day-to-day basis and when an institution no longer meets the Council approved counterparty criteria, it is immediately removed.
- 5.2 There have been no credit rating downgrades during the period 1 April 2017 to 30 September 2017 that have resulted in counterparties being removed from the approved counterparty list.

## **6. Long Term Borrowing/Debt Management**

- 6.1 The County Council undertakes capital expenditure on long-term assets. This activity gives rise to the need to borrow. Part of the Council's treasury management activity is to address this borrowing need, either through long term borrowing from external bodies (PWLB or commercial banks) or utilising temporary cash resources within the County Council pending long term borrowing.
- 6.2 In accordance with the approved 2017-18 Investment and Treasury Strategy, the County Council continues to delay new borrowing for capital purposes, using cash balances on a temporary basis to avoid the cost of 'carrying' debt in the short term. Delaying borrowing and running down the level of investment balances also reduces the County Council's exposure to investment counterparty risk.
- 6.3 On behalf of the Greater Norwich Growth Board, the County Council borrowed £40m for the Northern Distributor Road (NDR) project during 2016-17. No further borrowing has been undertaken in the six months to 30 September 2017.

- 6.4 At 30 September 2017, the Council's external borrowing (debt outstanding) totalled £519m. The re-payment profile for debt is shown below.



- 6.5 Appendix 2 shows debt maturities for maturity loans during the last 2 years, including the amount of debt repaid, the rate of interest and interest savings.
- 6.6 The Council's overall borrowing requirement in 2017-18 is approx. £180m. This represents past capital expenditure for which the approved borrowing has not yet been drawn down. The Executive Director of Finance and Commercial Services, under delegated powers, will take the most appropriate form of borrowing depending on the prevailing interest rates at the time, taking into account the risks identified in the economic forecast (Section 2). Prior to any borrowing, the additional pressure on current and future revenue interest payables budgets will be fully taken into account.
- 6.7 The PWLB provides a facility to restructure debt, including early repayment of loans and encourages local authorities to do so when circumstances permit. This can result in net savings in overall interest charges. Prevailing PWLB interest rates continue to be monitored on a regular basis in order to identify possible repayment opportunities.
- 6.8 The Council continues to maintain its total gross borrowing level within its Authorised Limit of £861m for 2017-18. The Authorised Limit being the 'affordable borrowing limit' required by section 3 of the Local Government Act 2003.

## 7. Treasury Management Prudential Indicators

- 7.1 There are four treasury related indicators intended to restrict the activity of the treasury function to certain limits, thereby managing risk and reducing the impact of an adverse movement in interest rates. The indicators are; variable interest rate exposure, fixed interest rate exposure, maturity profile of debt and investments greater than 364 days. Council approved the indicators as part of the Annual Investment and Treasury Strategy Report in February 2017.

- 7.2 The Prudential Code requires regular monitoring to be undertaken in-year against all key indicators. Monitoring is reported to Policy and Resources Committee on an 'exception basis'. The £40m borrowed from the PWLB on behalf of the Greater Norwich Growth Board to support the construction of the NDR resulted in an effective increase of £40m to the operational limit. Other than this change, monitoring of the 2017-18 treasury management approved indicators has highlighted no significant deviation from expectations as at 30 September 2017.

Outstanding Deposit Profile @ 30th September 2017

Appendix 1

Counterparty Name	Deal Date	Maturity Date	Interest Rate %	Principal £M
<b>Close Brothers Limited</b>				
Close Brothers Limited	19-Apr-16	19-Apr-18	1.55	10
Close Brothers Limited	24-Aug-16	24-Aug-18	1.25	10
				<b>20</b>
<b>Goldman Sachs Intl Bank</b>				
Goldman Sachs 370 Day Notice	Not yet called		1.11	10
Goldman Sachs 370 Day Notice	Not yet called		0.99	20
				<b>30</b>
<b>Lloyds Banking Group</b>				
Lloyds TSB	13-Apr-16	13-Oct-17	1.30	10
Lloyds TSB	13-Apr-16	13-Apr-18	1.40	10
Lloyds TSB	09-May-16	09-Nov-17	1.30	5
Lloyds TSB	16-May-16	16-Nov-17	1.28	20
				<b>45</b>
<b>Norse Group</b>				
NPS Property Consultants Ltd	19-Sep-17	03-Oct-17	2.85	1
NPS Property Consultants Ltd	19-Sep-17	05-Oct-17	2.85	1
NPS Property Consultants Ltd	29-Sep-17	13-Oct-17	2.85	1
NPS Property Consultants Ltd	29-Sep-17	16-Oct-17	2.85	1
NPS Property Consultants Ltd	29-Sep-17	17-Oct-17	2.85	0.5
				<b>4.5</b>
<b>Santander UK</b>				
Santander UK 365 Day Notice	Called	21-Mar-18	0.70	5
Santander UK	25-Jul-17	25-Jul-18	0.85	10
				<b>15</b>
<b>Standard Life</b>				
Standard Life Money Market Fund	Instant Liquidity		0.21	30.4
				<b>30.4</b>
<b>Total Deposits</b>				<b>144.9</b>

\* Latest rates as at 30th September 2017

In addition deposits of £18.496m were held on behalf of other bodies:

Norfolk Pension Fund, Norse Commercial Services Ltd, Norse Care Ltd, NPS Property Consultants Ltd and Independence Matters.

Appendix 2

<b>Debt Maturities 2016/17 to 2017/18</b>			
Maturity Date	Amount Repaid	Rate	Full Year Interest Saving
11/04/2016	£1,000,000	4.625%	£46,250
15/06/2016	£500,000	9.250%	£46,250
30/09/2016	£2,000,000	5.125%	£102,500
11/10/2016	£500,000	4.625%	£23,125
15/12/2016	£500,000	9.500%	£47,500
31/03/2017	£1,000,000	5.000%	£50,000
31/03/2017	£500,000	9.375%	£46,875
<b>2016/17</b>	<b>£6,000,000</b>		<b>£362,500</b>
11/04/2017	£1,000,000	4.625%	£46,250
15/06/2017	£500,000	9.375%	£46,875
30/09/2017	£1,500,000	5.125%	£76,875
11/10/2017	£500,000	4.625%	£23,125
11/10/2017	£500,000	9.750%	£48,750
15/12/2017	£1,525,000	6.500%	£99,125
31/03/2018	£1,000,000	5.000%	£50,000
<b>2017/18</b>	<b>£6,525,000</b>		<b>£391,000</b>
<b>Apr 16 to Mar 18</b>	<b>£12,525,000</b>		<b>£753,500</b>

<b>Report title:</b>	<b>Recommendations from the Constitution Advisory Group meeting held on 8<sup>th</sup> November 2017</b>
<b>Responsible Chief Officer:</b>	<b>Managing Director</b>
<b>Strategic impact</b>	
<p>Article 13 of the Constitution provides that changes to the Constitution may only be made by full Council following consideration of the proposal by the Constitution Advisory Group (CAG) who will make recommendations to this Committee. The Group met on 8<sup>th</sup> November 2017 and made recommendations to the Policy and Resources Committee which are set out in this report.</p>	

### **Executive summary**

This report sets out recommendations made by the Constitution Advisory Group at its meeting held on 8<sup>th</sup> November 2017.

The **recommendations** from CAG are as follows:

**(a) Media Protocol (report to CAG attached at Appendix A)**

**To endorse and recommend to Policy and Resources Committee the Media Protocol subject to adding at the end of 3a “The Communications Team will use its best endeavours to supply press releases as early as possible to opposition spokespersons”.**

**(b) Review of Financial Standing Orders (FSOs) and Consequential Amendments to the Constitution (report to CAG attached at Appendix B)**

- 1. To endorse and recommend to Policy and Resources Committee the Financial Regulations as set out in Appendix 1 of the report to CAG**
- 2. To agree the proposed anti-money laundering policy and supporting guidance referred to in section 4.6 of the Financial Regulations for recommendation to Policy and Resources Committee (Appendices 3 and 4 to the report to CAG);**
- 3. To agree and recommend to Policy and Resources Committee the consequential changes to the Constitution arising from past changes to the Financial Regulations and the establishment of the Corporate Property Team as set out in Appendix 5 to the report to CAG.**

- (c) **Proposed changes to the Scheme of Delegation to better reflect the statutory functions of the County Council as Lead Local Flood Authority (report to CAG attached at Appendix C)**

To endorse and recommend to Policy and Resources Committee that an amendment is made (as set out in 1.2 of the report to CAG) to Section B, Part 6.2 of the Norfolk County Council Constitution to better reflect the carrying out of statutory functions under the Flood and Water Management Act 2010 and The Town and Country Planning (Development Management Procedure) (England) Order 2010.

- (d) **Changes to Scheme of Planning Delegations (report to CAG attached at Appendix D)**

To endorse and recommend to Policy and Resources Committee that the changes to the constitution are adopted.

- (e) **Access Joint Committee – Changes to the Constitution (report to CAG attached at Appendix E)**

To note the changes which will be reported to Full Council.

- (f) **Norfolk Health & Wellbeing Board - Review of Governance Arrangements (report to CAG attached at Appendix F)**

To endorse and recommend to Policy and Resources Committee that the Council's Constitution be amended to reflect the Health & Wellbeing Board's updated terms of reference (Appendix A of the report to CAG)

- (g) **Public Questions**

To endorse and recommend to Policy and Resources Committee that the following be inserted at the end of 5.1 "Eligibility to ask questions does not extend to County Council employees asking questions relating to their employment."

## **2. Financial Implications**

These are dealt with in the reports to CAG which are attached.

## **3. Issues, risks and innovation**

3.1 There are no other relevant implications to be considered by members.

**Background Papers** – There are no background papers relevant to the preparation of this report.

## Officer Contact

If you have any questions about matters contained or want to see copies of any assessments, e.g. equality impact assessment, please get in touch with:

<b>Officer Name:</b>	<b>Tel No:</b>	<b>Email address:</b>
Chris Walton	01603 222620	chris.walton@norfolk.gov.uk



If you need this Agenda 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.

**MEDIA PROTOCOL****1. Introduction**

Norfolk County Council is committed to effective communications so that residents are well informed about its services. The communications team works to promote and protect the Council's reputation, providing accurate and balanced media coverage of its work and activities.

The team operates within the terms and spirit of a legal framework which states that:-

*"A local authority shall not publish any material which in whole, or in part, appears to be designed to affect public support for a political party".*

This covers *"any communication, in whatever form, addressed to the public at large or to a section of the public"*.

Publicity issued by local authorities must be lawful, cost effective, objective, even-handed, appropriate, have regard to equality and diversity and be issued with care during periods of heightened sensitivity e.g. during a pre-election "purdah" period.

**2. Principles**

Underpinning the work of the communications team is a number of fundamental principles.

**Members actively involved.** The content of all principal news releases should be shared and developed in draft stages with the lead Member for the relevant service (usually the Committee Chair). Members whose contact details are included in press releases should be alerted to releases before they are sent to the media so that they have time to digest the issue prior to any media enquiry. They should not hear first from the media.

**Staff informed.** Media releases will be agreed with the principal officers and distributed to them prior to release. They will also be posted on the Council website on the day of publication.

**Honest.** The media team never knowingly misleads the media on a story or issue. Staff are in a long-term relationship with the local media in particular and trust in our approach is critical.

**Accessible and timely.** Staff are polite but firm in dealings with the media, always ensuring contact numbers are accurate and returning calls efficiently to recognise competing pressures on deadlines. The timeliness of the response rate to media enquiries is recorded and a media officer is available to the media on a 24-hour basis, seven days a week.

**Fair.** The media team does not routinely favour one media source over another. Where appropriate, staff will identify the relative importance of media sources and be able to clearly justify any strategy that promotes one over another.

### **3. Protocol**

#### **a) Clearance of media releases, statements and interviews:**

Media activity on behalf of the Council – statements, press releases and interviews – should be cleared by the following: i) the communications team; ii) relevant Committee Chairs or, in their absence, Vice-chairs; iii) relevant officers. This is to ensure “no surprises”, factual accuracy and consistency of Council messaging. (The only exceptions are the Museums and Libraries Services where releases that do not relate to policy or controversial matters may be released by the Services provided that they are simultaneously sent to the communications team).

#### **b) Interviews by politicians:**

The communications team is available to broker interviews with and offer advice to Committee Chairs and the Leader (unless pre-election purdah restrictions are in place). This enables the team to brief interviewees, to improve their chances of success and also to ensure that we can log the resultant coverage. To assist this process, we would encourage politicians to let us know if they are approached by the media. However, the team recognises that politicians are free to make their own arrangements with the media, especially on party political matters.

#### **c) Interviews by officers:**

No officer should speak to the media about Council issues without the prior approval of the communications team. This is to ensure “no surprises”, factual accuracy and consistency of Council messaging. It also ensures that the officer can be briefed and prepped by the communications team, which reduces the risk of an unsuccessful interview. Ideally, officers who take part in interviews should have had media training.

#### **d) Political releases and statements:**

Political groups are responsible for producing releases and statements relating to their group and party political issues. Political Assistants will pass these to the communications team shortly after issue and the communications team will share them with the relevant Committee Chairs, Group Leaders and Chief Officers. The communications team cannot be involved in this work, under the Government’s code of practice.

#### **e) Members quoted in Council press releases:**

Committee Chairs and/or the Leader should be quoted in Council releases relating to their service area, unless the Council is in a pre-election purdah period, in which case, officers should be quoted.

**f) Circulation to local Members:**

Press releases and statements relating to specific parts of the county should be shared with the relevant local Members before they are issued to the media, for their information. The local Member's contact details will be included on the release and local Members will be invited to quote in press releases where a quote is appropriate. The local Member will sign off the quote and is responsible for responding in a timely way.

**g) Circulation to Group Leaders:**

Group Leaders and Members whose contact details are included on press releases should be alerted to press releases before they are issued to the media, for information.

**h) Publication of press releases on the Council's website:**

The communications team will publish general press releases and statements – in other words, those issued to all media – on its website and may share them on social media. It will not publish statements provided to specific media outlets or resulting from specific media enquiries but will keep a record of them on its internal system.

**i) Publication of Committee and full Council agenda papers:**

Papers are published, where possible, five clear days before a Council or Committee meeting takes place. The Council generally issues a press release about certain items on the agenda at the same time the agenda is published. Group Leaders will be given copies of such releases and the reports to which they relate in advance of publication so they have time to digest the issue prior to any media enquiry.

**j) Motions and questions:**

Motions and questions from individual members shown on an agenda will not be publicised by the Council as a matter of fairness.

**k) Pre-election purdah period:**

Pre-election restrictions stop the Council from launching and publicising any new initiatives. Publicity must be restricted during this period to "business as usual" activity that pre-dates the calling of the election. It must not involve Members.

**l) Press releases:**

The communications team will email press releases to all Members as a matter of course and to all relevant local, regional and national media contacts and will update our distribution list, when we become aware of new outlets or journalists. We will also post releases online and, where appropriate Tweet links to them and post them on Facebook, if that is judged to be the best way to reach a particular audience.

**m) Council meetings:**

Council meetings are recorded as a matter of course and the media and public are free to film, record or photograph Council meetings provided they notify the Chairman of the Council and do not disrupt proceedings. We encourage broadcasters, as a courtesy, to inform the communications team in advance of any meetings they intend to record or film, due to the size of their equipment, so that we can suggest which part of the room they can film from.

**n) Public Information Notices**

Public Information Notices will give factual information and always provide the relevant departmental contact number. They will be distributed to all appropriate local media. Local Members will receive the notice by email where it relates to a particular divisional issue that may prompt constituent concern or query.

A copy will be emailed to the named officer contacts and appropriate Chief Officer for information.

**o) News Statements**

News statements will be issued by the communications team where necessary and appropriate in response to a particular request for comment. They will be printed on news release paper, clearly headed 'statement' and issued on request.

**p) Attributing comments and quotes**

Quotes and comments will normally be attributed to a named person, Member or Officer as appropriate, so that people know who to get in touch with in the event of further interest. This means that the communications team actively request the media to attribute quotes as opposed to the 'a council spokesman said' approach.

**q) Use of Embargoes**

Embargoes should only be used sparingly. This would most typically be when a news release is linked to a launch event, when an issue of confidentiality requires it, or when a third party requires it (e.g. announcement of award or additional funding). Embargoes are not legally enforceable and are adhered to by general local agreement.

**r) News Releases on Partnership issues or Projects**

Where we are either issuing or participating in the release of news on a partnership matter, the communications team will ensure that the Council's role or contribution is identified appropriately and the release includes quotes from named Members or Officers and that the Council logo is included with others on the release paper.

### **s) Norwich Highways Agency Committee**

Where the Joint Highways Agency Committee (NHAC) is concerned, agreed communication protocols are already in place between NCC and Norwich City Council governing the production and publication of all media and PR materials.

Both communication units will ensure a timely response to requests for comment and approval to ensure that essential deadlines are met.

### **t) Communications Support for Schools**

Practical support for schools is offered in times of particular difficulties or success. This is a paid for service and can be in the form of general advice and guidance, media releases, fielding media calls, media briefings/news conferences.

In general terms:-

The content of all media releases will be cleared in advance with the Head teacher and, if possible, the Chair of Governors.

Any media release will make it clear it is being issued on behalf of the school concerned and headed with the name of the school governing body as appropriate.

Relevant school contact names and numbers will be included on any release except where prior agreement has been reached that communications team staff should field all calls in the first instance.

The Councillor with responsibility for schools will be kept fully informed on media issues affecting schools in line with the 'no surprises' principle.

### **u) Letters for Publication**

The communications team will, in consultation with appropriate Committee Chairs consider the need to reply to letters and articles about the Council or its services that appear in the press and help draw up letters for publication, if appropriate. In such cases, the Committee Chair concerned will sign the letter or agree who else is best to respond having seen and approved the text prior to it being submitted. A copy of the letter will be sent to the Leader and Deputy Leader at the time it is submitted for publication. If the issue requiring a response is general in nature, the response may come from the Leader of the Council.

Where letters raise issues of a party political nature, Group Leaders, aided by their Political Assistants, will consider and deal with any required response as considered necessary and appropriate.

### **v) Dealing with Confidential Items**

The Council has some discretion over enquiries from journalists about the result of items discussed as an exempt item ("below the line").

The communications team will always seek to give the outcome of an issue taken 'below the line' – unless there are over-riding reasons not to do so, such as the handling of personal and sensitive issues affecting staff or clients, or financial and commercial issues.

Members of the communications team should consider each case individually, striking a balance between what is reasonable for an Authority to release, while taking into account any effects on individual service users that publicity may bring.

In these circumstances, officers should liaise with the department concerned before deciding the best course of action to follow.

#### **w) Social Media**

The Council will use social media, including Twitter and Facebook, to promote its news, in addition to conventional media. The communications unit is responsible for the Council's main channels and has the discretion to write and post material without clearance, provided it is in line with the social media protocol and the Council's key messages.

Members and staff who use social media are reminded that reporters and the public can view their posts and use them in stories. Social media activity should not be used to damage the reputation of the Council.

# Constitution Advisory Group Appendix B

<b>Report title:</b>	<b>Review of Financial Standing Orders (FSOs) and consequential changes to constitution</b>
<b>Date of meeting:</b>	<b>8 November 2017</b>
<b>Strategic impact</b>	
<p>It is best practice to undertake an annual review of Financial Regulations. This review is required to ensure that Regulations continue to comply with legislation, meet the Council's needs, and accurately reflect the environment in which the Council operates. Without a regular review of Financial Regulations, there is a risk that the regulations will become out of date, leading to weaker financial control.</p>	

## Executive summary

Updates to Financial Regulations have already been made during 2017 as a result of the establishment of the Business and Property Committee. This report represents the outcome of the regular annual review and recommends further updates to the Financial Regulations of the County Council. These updated Regulations include the consequential changes made to reflect the establishment of a new Digital Innovation and Efficiency Committee following the decisions made by County Council 24 July 2017 and other minor changes to the constitution.

### Recommendations:

#### Constitution Advisory Group is asked to:

1. **consider the changes to the Financial Regulations as set out in Appendix 1 of this report and propose any further amendments required prior to consideration by Policy and Resources Committee;**
2. **agree the proposed anti-money laundering policy and supporting guidance referred to in section 4.6 of the Financial Regulations for recommendation to Policy and Resources Committee (Appendices 3 and 4 to this report);**
3. **consider the consequential changes to the Constitution arising from past changes to the Financial Regulations and the establishment of the Corporate Property Team as set out in Appendix 5 to this report;**
4. **note the timetable set out in paragraph 1.3 for Financial Regulations and supporting documents to be considered by the Constitution Advisory Group, Policy and Resources Committee, and County Council.**

## 1. Changes to Financial Regulations and Constitution

1.1 The draft Financial Regulations are set out as Appendix 2 to this report. Within the appendix, all changes (with the exception of minor formatting changes and other housekeeping updates such as numbering and links to other documents) are shown as tracked changes. Details of key changes in the Regulations are set out in paragraph 1.4 below, and a table of all changes is set out at Appendix 1. A second table in Appendix 1 then sets out a number of updates to the Financial

## Review of Financial Standing Orders

Regulations which are required to align them more closely with the Constitution as it currently stands.

1.2 A number of minor consequential changes to the Constitution arise from previous and proposed amendments to the financial regulations and also arising from the establishment of the Corporate Property Team. These are detailed in Appendix 5 to this report.

1.3 The anticipated timetable for consideration of Financial Regulations by members is as follows:

- Constitution Advisory Group (CAG) 08/11/2017;
- Policy and Resources Committee 27/11/2017, and
- County Council 11/12/2017.

1.4 Any changes to the draft Financial Regulations recommended by Constitution Advisory Group will be incorporated into the version presented to the Policy and Resources Committee.

1.5 The following key changes to the County Council's Financial Regulations are proposed:

- **Background** paragraph F has been amended to clarify the various ways that the Executive Director of Finance and Commercial Services is referred to within the Financial Regulations – tracked change.
- **Service Committees** paragraph 2.3.7 has been added to reflect the consequential changes arising from the establishment of the Digital Innovation and Efficiency Committee – tracked change.
- **The Money Laundering Reporting Officer** paragraph 2.5, the Chief Legal Officer remains the Money Laundering Reporting Officer, the Deputy Money Laundering Reporting Officer is now the Practice Director, nplaw – tracked change.
- **Executive Director of Finance** paragraphs 2.6.5, 2.6.6 and 2.6.9 have been amended to clarify the role of Finance Business Partners and to set out that the Assistant Director Finance is the Deputy Section 151 Officer – tracked change. Paragraph 2.6.8 has been amended and **Annex B** added to set out the process to be followed in the event of a report being issued under section 114 of the Local Government Finance Act 1988 – tracked change.
- **Revenue Budget** paragraph 3.2.1 has been amended to include cross-reference to provisions relating to Budget Monitoring and Control – tracked change.
- **Medium Term Planning and Budget Preparation** paragraph 3.4.5 has been amended to clarify that proposed budget amendments will be published (to formalise existing procedures) – tracked change.
- **Decisions** paragraph added at 3.6.2 to set out the arrangements for key decisions to be reserved to Policy and Resources Committee (in line with changes made elsewhere in the Constitution) – tracked change.
- **Maintenance of Reserves** paragraphs added at 3.10.2 and 3.10.3 to clarify the extent of approval given by Full Council for the use of reserves in setting the annual budget, and to set out the process by which approval is to be obtained for the use of reserves for purposes other than that for which they have been originally earmarked – tracked change.

## Review of Financial Standing Orders

- **Norfolk Pension Fund** paragraphs 4.8.6 and 4.8.9 have been amended to reflect changes arising from the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016 – tracked change.
- **Schemes of Authorisation and Financial Responsibility** paragraph 5.4.1 has been amended to set out how the scheme of authorisation and financial responsibility is implemented using the Budget Manager system, and paragraph 5.4.2 has been amended to clarify the status of the Council's *Debt Recovery Policy and Framework* as part of the Financial Procedures – tracked change.
- **Companies, Trusts and Charities** section 5.10 has been amended to clarify that the provisions in the Financial Regulations also apply to charities – tracked change.
- **Early payments and loans to suppliers and service providers** section 5.11 has been added to set out the Council's processes for making early payments or loans to suppliers and service providers. The Regulations set out that these will be made entirely at the discretion of the County Council and on a case by case basis following appropriate due diligence work – tracked change.
- **Assets** section 5.13 includes a number of minor amendments to provide greater clarity in the Financial Regulations, these are shown as tracked changes. In particular:
  - The disposal table at 5.13.6 has been amended to clarify that property disposals between £0.025m and £0.500m are the responsibility of Corporate Property Officer in consultation with the Executive Director of Finance and Commercial Services, and Chair of Business and Property Committee – tracked change.
  - The disposal table at 5.13.6 has been amended to provide additional clarity regarding Farm Business Tenancies (consistent with thresholds relating to other leases) and Other Property Transactions – tracked change.
  - The acquisition table at 5.13.7 has been amended to clarify that property acquisitions between £0.025m and £0.250m are the responsibility of Corporate Property Officer in consultation with the Executive Director of Finance and Commercial Services, and Chair of Business and Property Committee – tracked change.
  - The acquisition table at 5.13.7 has been amended to provide additional clarity regarding lease acquisitions relating to statutory obligations and Other Property Transactions – tracked change.
- **Annex B** has been added to set out the process that would be applied in the event of a report being issued under section 114 of the Local Government Finance Act 1988 – tracked change.

1.6 Throughout the Financial Regulations references to the “Executive Director of Finance” and the “Head of Law” have been replaced with “Executive Director of Finance and Commercial Services” and “Chief Legal Officer” respectively. References to “Chief Officer(s)” have been replaced with “Executive Director(s)”.

## 2. Other documents supporting the Financial Regulations

### Anti-Money Laundering Policy

1.7 The Financial Regulations make reference to the Council's Anti-Money Laundering Policy (paragraph 4.6). This policy and the associated guidance notes have been

Review of Financial Standing Orders

reviewed and updated for 2017 and are included as Appendices 3 and 4 for review. These are recommended to members for approval alongside the Financial Regulations.

### **3. Rationale**

3.1. The adoption of updated Financial Regulations is essential to ensure that the Council continues to operate in line with statutory requirements. In practice, the County Council has already been meeting the requirements of these new regulations; adoption of the draft regulations will consolidate existing best practice.

### **4. Financial Implications**

4.1. There are no direct financial implications of the proposed amendments to Financial Regulations for the Annual Budget. There are however potential financial implications of not updating the Financial Regulations, in that a failure to reflect best practice and the current operating environment may lead to a weakening of financial control in some areas.

4.2. Similarly, there are no direct resource implications from this report. However, updating the Financial Regulations helps ensure that standards for financial management reflect best practice and supports our service objective to safeguard and make the most economical use of resources and assets.

### **5. Issues, risks and innovation**

#### **Legal Implications**

5.1. Adoption of these updated Financial Regulations will help the Council to achieve good corporate governance. This, in turn, will help the Council to prevent crime under Section 17 of the Crime and Disorder Act.

#### **Risks**

5.2. Financial Regulations are part of the arrangements for ensuring good corporate governance and financial control.

5.3. Without a regular review of Financial Regulations, there is a risk that the regulations will become out of date, leading to weaker financial control in some areas.

5.4. The risk of a weakening of financial control due to the regulations becoming out of date is currently considered to be low as the Council is already meeting the requirements of the draft regulations. However, this risk would increase if Financial Regulations were not reviewed regularly.

### **6. Background**

6.1. As part of the constitutional review in 2014, the Council's Financial Regulations were updated, and were adopted by Full Council on 28 April 2014.

6.2. Financial Regulations were last updated in 2016. Changes were recommended to Policy and Resources Committee on 21 March, and they were agreed by County Council on 11 April 2016.

### **Background Papers**

Norfolk County Council Financial Regulations

<https://www.norfolk.gov.uk/-/media/norfolk/downloads/what-we-do-and-how-we-work/policy-performance-and-partnerships/policies-and-strategies/corporate/constitution/part-7-7-financial-regulations.pdf>

### **Officer Contact**

If you have any questions about matters contained or want to see copies of any assessments, eg equality impact assessment, please get in touch with:

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

<b>Officer Name:</b>	<b>Tel No:</b>	<b>Email address:</b>
Titus Adam	01603 222806	titus.adam@norfolk.gov.uk



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.

**APPENDIX 1**

The key changes proposed to the Financial Regulations are set out in the table below. Please note the table does not reflect formatting changes, updates to job titles, and other similar minor amendments.

<b>Proposed Financial Regulations Changes</b>		
<b>Change</b>	<b>Original (Issue 6)</b>	<b>Proposed</b>
<p><b>Background</b> paragraph F has been amended to clarify the various ways that the Executive Director of Finance and Commercial Services is referred to within the Financial Regulations – tracked change.</p>	<p>The Executive Director of Finance and Commercial Services 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 Executive Director of Finance and Commercial Services 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.</p>	<p>The Executive Director of Finance and Commercial Services 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 Executive Director of Finance and Commercial Services 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. <u>Within these Financial Regulations, the terms Statutory Finance Officer, Chief Finance Officer, and Section 151 Officer all refer to the Executive Director of Finance and Commercial Services.</u></p>
<p><b>Service Committees</b> paragraph 2.3.1 reference to ICT has been deleted within the Policy and Resources Committee responsibilities due to the transfer to the Digital Innovation and Efficiency Committee.</p>	<p>2.3.1 Policy and Resources Committee</p> <p>The Policy and Resources Committee has two main areas of responsibility: leading the process for developing the County Council Plan and the Medium Term Financial Plan, and coordinating all other service committees. It monitors performance, budget monitoring and risk. In addition the Committee has responsibility for developing</p>	<p>2.3.1 Policy and Resources Committee</p> <p>The Policy and Resources Committee has two main areas of responsibility: leading the process for developing the County Council Plan and the Medium Term Financial Plan, and coordinating all other service committees. It monitors performance, budget monitoring and risk. In addition the Committee has responsibility for developing and monitoring</p>

<b>Proposed Financial Regulations Changes</b>		
<b>Change</b>	<b>Original (Issue 6)</b>	<b>Proposed</b>
	and monitoring corporate services including: ICT, finance and risk management, human resources and organisational development, legal, governance, communications and public affairs, and business continuity.	corporate services including: <del>ICT</del> , finance and risk management, human resources and organisational development, legal, governance, communications and public affairs, and business continuity.
<b>Service Committees</b> paragraph 2.3.6 has been amended to include reference to preparing the asset management plan as one of the functions of the Business and Property Committee.	<p>Its specific functions are:</p> <ul style="list-style-type: none"> <li>Promoting economic growth and enterprise</li> <li>Removing barriers to growth</li> <li>Inward investment</li> <li>Supporting the Council’s role on the Local Enterprise Partnership (NALEP)</li> <li>Unemployment issues</li> <li>Oversight of Norfolk Infrastructure Fund and Norfolk Development Company</li> <li>Promoting the rural economy</li> <li>Oversight and development of County Farms</li> <li>Property and asset management</li> </ul>	<p>Its specific functions are:</p> <ul style="list-style-type: none"> <li>Promoting economic growth and enterprise</li> <li>Removing barriers to growth</li> <li>Inward investment</li> <li>Supporting the Council’s role on the Local Enterprise Partnership (NALEP)</li> <li>Unemployment issues</li> <li>Oversight of Norfolk Infrastructure Fund and Norfolk Development Company</li> <li>Promoting the rural economy</li> <li>Oversight and development of County Farms</li> <li>Property and asset management</li> <li><u>Preparing the asset management plan</u></li> </ul>
<b>Service Committees</b> paragraph 2.3.7 has been added to reflect the consequential changes arising from the establishment of the Digital Innovation and Efficiency Committee – tracked change.	n/a	<p><u>2.3.7 Digital Innovation and Efficiency Committee</u></p> <p><u>The Digital Innovation and Efficiency Committee is responsible for ICT management and for delivering the Council’s commitment to exploit digital technologies for the benefit of the County of Norfolk and all its residents.</u></p> <p><u>Its specific functions are:</u></p> <p><u>Political ownership of the Better Broadband for</u></p>

Proposed Financial Regulations Changes		
Change	Original (Issue 6)	Proposed
		<p><u>Norfolk project</u>  <u>Progression of a technologically driven customer services strategy across the Council's services, enabling personalisation, better access, channel shift and digital delivery models</u>  <u>Driving Norfolk's ambition to accelerate digital and mobile connectivity and lobby Government and commercial providers for 100% access to high speed broadband and 5G mobile phone coverage in Norfolk</u>  <u>Providing the political leadership for the reliable delivery of technology-driven efficiencies in the Council's operations and activities, i.e. mobile working</u></p>
<p><b>The Money Laundering Reporting Officer</b> paragraph 2.5, the Chief Legal Officer remains the Money Laundering Reporting Officer, the Deputy Money Laundering Reporting Officer is now the Practice Director, nplaw – tracked change.</p>	<p>The Chief Legal Officer is appointed as the Money Laundering Reporting Officer and the Team Leader, Public Law and Standards, nplaw as the Deputy Money Laundering Reporting 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.</p>	<p>The Chief Legal Officer is appointed as the Money Laundering Reporting Officer and the <u>Practice Director</u>, nplaw as the Deputy Money Laundering Reporting 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.</p>
<p><b>Executive Director of Finance</b> paragraphs 2.6.5, 2.6.6 and 2.6.9 have been amended to clarify the role of Finance Business Partners and to set out that the Assistant Director Finance is the Deputy Section 151 Officer – tracked change.                  Paragraph 2.6.8 has been amended and</p>	<p>2.6.5 The Executive Director of Finance and Commercial Services 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</p>	<p>2.6.5 The Executive Director of Finance and Commercial Services 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 <u>Finance</u></p>

Proposed Financial Regulations Changes		
Change	Original (Issue 6)	Proposed
<p><b>Annex B</b> added to set out the process to be followed in the event of a report being issued under section 114 of the Local Government Finance Act 1988 – tracked change.</p>	<p>enable lead finance managers for each service to report concurrently to the Executive Director of Finance and Commercial Services and their Service Executive Director on key financial matters.</p>	<p><u>Business Partners</u> for each service to <u>concurrently support</u> the Executive Director of Finance and Commercial Services and their Service Executive Director on key financial matters. <u>Finance Business Partners report to the Assistant Director Finance.</u></p>
	<p>2.6.6 The Head of Profession role of the Executive Director of Finance and Commercial Services carries the statutory responsibility laid down by <b>Section 151 of the Local Government Act 1972</b> to “make arrangements for the proper administration of the County Council’s financial affairs.”</p>	<p>2.6.6 The Head of Profession role of the Executive Director of Finance and Commercial Services carries the statutory responsibility laid down by <b>Section 151 of the Local Government Act 1972</b> to “make arrangements for the proper administration of the County Council’s financial affairs.” <u>The Assistant Director Finance performs the role of the Deputy Section 151 Officer.</u></p>
	<p>2.6.8 Section 114 of the 1988 Act also requires:</p> <ul style="list-style-type: none"> <li>the Executive Director of Finance and Commercial Services to nominate a properly qualified member of staff to deputise if he or she is unable to perform personally, the duties under section 114.</li> </ul>	<p>2.6.8 <u>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.</u> Section 114 of the 1988 Act also requires:</p> <ul style="list-style-type: none"> <li>the Executive Director of Finance and Commercial Services to nominate a properly qualified member of staff to deputise if he or she is unable to perform personally, the duties under section 114. <u>The Assistant Director Finance is nominated to deputise for the Executive Director of Finance and Commercial Services.</u></li> </ul>
	<p>2.6.9 The Executive Director of Finance and</p>	<p>2.6.9 The Executive Director of Finance and</p>

<b>Proposed Financial Regulations Changes</b>		
<b>Change</b>	<b>Original (Issue 6)</b>	<b>Proposed</b>
	Commercial Services is responsible for ensuring that all services are appropriately supported by skilled finance professionals.	Commercial Services is responsible for ensuring that all services are appropriately supported by skilled finance professionals. <u>The Executive Director of Finance and Commercial Services is assisted in providing strategic financial support to services by Finance Business Partners.</u>
<b>Revenue Budget</b> paragraph 3.2.1 has been amended to include cross-reference to provisions relating to Budget Monitoring and Control – tracked change.	3.2.1 The revenue budget is proposed by the Policy and Resources Committee, taking into account Service Committees’ recommendations to Policy and Resources, and 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 a committee.	3.2.1 The <u>consolidated</u> revenue budget is proposed by the Policy and Resources Committee, taking into account Service Committees’ recommendations to Policy and Resources, and 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 a committee, <u>subject to the arrangements set out in paragraph 3.7.5 below.</u>
<b>Capital</b> paragraph 3.3.1 has been amended to include reference to Policy and Resources Committee having reference to Service Committee recommendations – tracked change.	3.3.1 The capital budget is proposed by the Policy and Resources Committee and 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 how the programme is to be funded and any impact on the revenue budget.	3.3.1 The capital budget is proposed by the Policy and Resources Committee and approved by the County Council <u>taking into account Service Committees’ recommendations.</u> The budget should have regard to proper accounting standards and include a statement of the allocation of resources to different services and projects and how the programme is to be funded and any impact on the revenue budget.
<b>Medium Term Planning and Budget</b>	3.4.1 The County Council is responsible for	3.4.1 The County Council is responsible for

Proposed Financial Regulations Changes		
Change	Original (Issue 6)	Proposed
<p><b>Preparation</b> paragraph 3.4.1 has been amended to clarify terminology (remove references to “Medium Term Financial Plan”) – tracked change.</p>	<p>agreeing the Council’s priorities. This sets the overall strategic framework for the County Council’s services. The Medium Term Financial Strategy and Medium Term Financial Plan set out the approach and financial context for the County Council. The Financial Plan gives further detail as to how the County Council will deliver plans and resource services over three years. The County Council is responsible for agreeing a rolling three year balanced budget and agreeing the council tax precept [...]</p>	<p>agreeing the Council’s priorities. 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 <u>Medium Term Financial Strategy</u> also gives further detail as to how the County Council will deliver plans and resource services over three years. The County Council is responsible for agreeing a rolling three year balanced budget and agreeing the <u>council tax</u> precept [...]</p>
<p><b>Medium Term Planning and Budget Preparation</b> paragraph 3.4.5 has been amended to clarify that proposed budget amendments will be published (to formalise existing procedures) – tracked change.</p>	<p>3.4.5 The Executive Director of Finance and Commercial Services 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 Executive Director of Finance and Commercial Services at least five working days before the County Council budget meeting. Members’ proposed budget amendments must be finalised two working days before the County Council budget meeting in order that the Executive Director of Finance and Commercial Services can report on the robustness of any proposed budget amendments.</p>	<p>3.4.5 The Executive Director of Finance and Commercial Services 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 Executive Director of Finance and Commercial Services at least five working days before the County Council budget meeting. Members’ proposed budget amendments must be finalised two working days before the County Council budget meeting in order that the Executive Director of Finance and Commercial Services can report on the robustness of any proposed budget amendments. <u>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</u></p>

<b>Proposed Financial Regulations Changes</b>		
<b>Change</b>	<b>Original (Issue 6)</b>	<b>Proposed</b>
		<u>which they are to be discussed.</u>
<b>Asset Management Plan</b> paragraph 3.5.1 has been amended to reflect that responsibility lies with the Head of Property – tracked change.	3.5.1 The Executive Director of Finance and Commercial Services is responsible for ensuring an Asset Management Plan is prepared on an annual basis for consideration by the Business and Property Committee before submission to County Council.	3.5.1 The <u>Head of Property</u> is responsible for ensuring an Asset Management Plan is prepared / <u>updated / reviewed</u> on an annual basis for consideration by the Business and Property Committee before submission to County Council.
<b>Decisions</b> paragraph added at 3.6.2 to set out the arrangements for key decisions to be reserved to Policy and Resources Committee (in line with changes made elsewhere in the Constitution) – tracked change.	n/a	<u>3.6.2 The Terms of Reference of Committees set out within the Constitution (Part 4.1) confirm that Policy and Resources Committee 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 Managing Director in consultation with the Chairman of the Policy and Resources Committee shall determine, in relation to any decision to be taken by another service committee under delegated authority, if that is a decision which may incur significant expenditure or 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 Policy and Resources Committee in place of any other service committee.</u>
<b>Budget Monitoring and Control</b> paragraph 3.7.6 has been amended to include reference to Executive Director of Finance and Commercial Services – tracked change.	3.7.6 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	3.7.6 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

<b>Proposed Financial Regulations Changes</b>		
<b>Change</b>	<b>Original (Issue 6)</b>	<b>Proposed</b>
	subject to the prior approval of the Chief Legal Officer and the Head of Procurement.	subject to the prior approval of the Chief Legal Officer and the Head of Procurement <u>in consultation with the Executive Director of Finance and Commercial Services.</u>
<b>Treatment of Year-End Balances</b> paragraph 3.9.1 has been amended to reflect that Policy and Resources takes into account the recommendations of Service Committees when reporting to County Council on year-end balances – tracked change.	3.9.1 Service Committees are required to report any under and overspendings to Policy and Resources Committee as part of year-end reporting. Policy and Resources Committee is responsible for reporting the overall under and overspendings to County Council and making recommendations as to how they are utilised or managed.	3.9.1 Service Committees are required to report any under and overspendings to Policy and Resources Committee as part of year-end reporting. Policy and Resources Committee is responsible for reporting the overall under and overspendings to County Council and making recommendations as to how they are utilised or managed <u>taking into account the recommendations from Service Committees.</u>
<b>Maintenance of Reserves</b> paragraphs added at 3.10.2 and 3.10.3 to clarify the extent of approval given by Full Council for the use of reserves in setting the annual budget, and to set out the process by which approval is to be obtained for the use of reserves for purposes other than that for which they have been originally earmarked – tracked change.	n/a	<p><u>3.10.2 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 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.</u></p> <p><u>3.10.3 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 Policy and Resources</u></p>

Proposed Financial Regulations Changes		
Change	Original (Issue 6)	Proposed
		<u>Committee in-year, based on the advice of the Executive Director of Finance and Commercial Services, with reference to a recommendation from the relevant Service Committee as appropriate in respect of service reserves. There is a general presumption that Policy and Resources Committee will normally approve recommendations for the use of earmarked reserves which are made by Service Committees, except where there are wider implications for financial control across the County Council, or delivery of the Council's budget plans. In the event that the Executive Director of Finance and Commercial Services advises that a decision about the use of reserves may have such broader implications, Policy and Resources Committee will recommend a course of action but refer the matter to be decided by the County Council.</u>
<b>Governance</b> paragraph 4.1.2 has been amended to include reference to the Constitution Advisory Group – tracked change.	4.1.2 Other member-led bodies that also have a role in governance and internal control include the County Council, and, with respect to members, the Standards Committee.	4.1.2 Other member-led bodies that also have a role in governance and internal control include the County Council, <u>the Constitution Advisory Group</u> , and, with respect to members, the Standards Committee.
<b>Risk Management</b> paragraph 4.3.3 has been amended to clarify how Service Committees manage risks – tracked change.	4.3.3 The Executive Director of Finance and Commercial Services is responsible for informing the preparation of the County Council's risk management Policy and Framework, for promoting it throughout the County Council and for advising the Policy and Resources Committee on proper	4.3.3 The Executive Director of Finance and Commercial Services is responsible for informing the preparation of the County Council's risk management Policy and Framework, for promoting it throughout the County Council and for advising the Policy and Resources Committee on proper insurance

<b>Proposed Financial Regulations Changes</b>		
<b>Change</b>	<b>Original (Issue 6)</b>	<b>Proposed</b>
	insurance cover where appropriate. The Executive Director of Finance and Commercial Services will also report on the Corporate Risk Register to each meeting of the Audit Committee, and ensure that Departments report their departmental risk register at least twice per annum to their respective Service Committee.	cover where appropriate. The Executive Director of Finance and Commercial Services will also report on the Corporate Risk Register to each meeting of the Audit Committee, and ensure that Departments report their departmental risk register at least twice per annum to their respective Service Committee. <u>In this way, Service Committees own and manage their service-specific risks.</u>
<b>External Audit</b> paragraph 4.4.1 has been amended to reflect statutory changes – tracked change.	4.4.1 Public Sector Audit Appointments Limited (replacing 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 section 5 of the Audit Commission Act 1998.	4.4.1 Public Sector Audit Appointments Limited ( <u>which replaced</u> 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 <u>the Local Audit and Accountability Act.</u>
<b>Norfolk Pension Fund</b> paragraphs 4.8.6 and 4.8.9 have been amended to reflect changes arising from the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016 – tracked change.	4.8.6 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 2009 (as Amended).	4.8.6 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 <u>Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016.</u> The 2016 <u>Regulations introduced the requirement for LGPS funds to pool investment assets from the 1st April 2018.</u>
	4.8.9 The Norfolk Pension Fund has adopted a Statement of Investment Principles in relation to the investment of the assets. This Statement includes details of compliance	4.8.9 The Norfolk Pension Fund has adopted <u>an Investment Strategy Statement (formerly the Statement of Investment Principles)</u> in relation to the investment of the assets. This Statement

<b>Proposed Financial Regulations Changes</b>		
<b>Change</b>	<b>Original (Issue 6)</b>	<b>Proposed</b>
	with recognised good investment practices. It is the Pensions Committee’s responsibility to monitor the Fund's position in relation to the Statement of Investment.	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 <u>Investment Strategy Statement</u> .
<p><b>Schemes of Authorisation and Financial Responsibility</b> paragraph 5.4.1 has been amended to set out how the scheme of authorisation and financial responsibility is implemented using the Budget Manager system, and paragraph 5.4.2 has been amended to clarify the status of the Council's <i>Debt Recovery Policy and Framework</i> as part of the Financial Procedures – tracked change.</p>	<p>5.4.1 It is the responsibility of Executive Directors to ensure that a proper scheme of authorisation has been established within their area and is operating effectively. The scheme of authorisation should identify staff authorised to act on the Executive Director’s behalf, or on behalf of the Council, in respect of payments, income collection and procurement (including ordering), together with the limits of their authority. 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</p>	<p>5.4.1 It is the responsibility of Executive Directors to ensure that the <u>scheme of authorisation and financial responsibility is implemented using Budget Manager</u> and is operating effectively. The scheme of authorisation <u>and financial responsibility identifies</u> staff authorised to act on the Executive Director’s behalf, or on behalf of the 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 <u>and financial responsibility</u>.</p>
	<p>5.4.2 Policy and Resources Committee is responsible for approving procedures for writing off debts as part of the overall control framework of accountability and control.</p>	<p>5.4.2 Policy and Resources Committee is responsible for approving procedures for writing off debts as part of the overall control framework of accountability and control. <u>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.</u></p>
<p><b>Monitoring Reporting</b> paragraph 5.9.2 has been amended to include reference to</p>	<p>5.9.2 Any variation, or variations, to a contract which in aggregate result in</p>	<p>5.9.2 Any variation, or variations, to a contract which in aggregate result in additional costs</p>

<b>Proposed Financial Regulations Changes</b>		
<b>Change</b>	<b>Original (Issue 6)</b>	<b>Proposed</b>
Executive Director of Finance and Commercial Services – tracked change.	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 Chief Legal Officer and the Head of Procurement.	exceeding 5% of the original contract value or £50,000 (whichever is the greater) shall be subject to the prior approval of the Chief Legal Officer and the Head of Procurement <u>in consultation with the Executive Director of Finance and Commercial Services.</u>
<b>Companies / Trusts and Charities</b> section 5.10 has been amended to clarify that the provisions in the Financial Regulations also apply to charities – tracked change.		See tracked changes in Appendix 2. Reference to “trusts <u>and charities</u> ” added throughout section 5.10.
<b>Early payments and loans to suppliers and service providers</b> section 5.11 has been added to set out the Council’s processes for making early payments or loans to suppliers and service providers. The Regulations set out that these will be made entirely at the discretion of the County Council and on a case by case basis following appropriate due diligence work – tracked change.	n/a	<p><b>5.11 Early payments and loans to suppliers and service providers</b></p> <p>5.11.1 In the normal course of business the County Council may on occasion make <b>early payments</b> (in advance of contractual payment terms) to support suppliers or service providers experiencing cash flow difficulties. Early payments will be made on a case by case basis, entirely at the discretion of the County Council, and taking into account the overall value of the contract and the implications of any failure of service provision. Payments in these circumstances will be agreed by the relevant Finance Business Partner for the service area, with notification provided to the Executive Director of Finance and Commercial Services and / or Assistant Director of Finance. In marginal cases, or where there is doubt about the ongoing viability of a supplier, it may be appropriate to undertake a Financial</p>

Proposed Financial Regulations Changes		
Change	Original (Issue 6)	Proposed
		<p>Assessment of the supplier before any early payment is agreed. Early payments will normally be recovered through an adjustment to subsequent contractual payments, and the arrangements for repayment terms must be agreed before any early payment is made.</p> <p>5.11.2 <b>Loans</b> 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.</p> <p>5.11.3 The Executive Director of Finance and Commercial Services has discretion to consider making a short term loan in the above</p>

Proposed Financial Regulations Changes		
Change	Original (Issue 6)	Proposed
		<p>circumstances, whilst also considering:</p> <ul style="list-style-type: none"> <li>• 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);</li> <li>• any potential state aid issues, particularly in respect of determining an appropriate interest rate for the loan, which should be set with reference to the published margin <a href="#">tables</a>; and</li> <li>• the duration and value of the loan sought.</li> </ul> <p>5.11.4 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 Executive Director of Finance and Commercial Services, or the Assistant Director of Finance, 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.</p> <p>5.11.5 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.</p>

Proposed Financial Regulations Changes		
Change	Original (Issue 6)	Proposed
		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 repayments as agreed. The Executive Director for the service should consider the need to make the relevant Committee Chair aware of this potential cost to the Committee budget.
<b>Assets</b> section 5.13 includes a number of minor amendments to provide greater clarity in the Financial Regulations, these are shown as tracked changes.	<p>5.13.2 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 virtue of the General Disposal Consent (England) 2003 (see DCLG Circular 06/2003). All decisions to dispose at less than best consideration will be referred to Policy and Resources Committee for determination.</p> <p>5.13.3 Disposal must be made by competitive tender or public auction unless the Executive Director of Finance and Commercial Services authorises otherwise. The appointment of agents to handle disposals is subject to the normal provisions of Council Standing Orders.</p> <p>5.13.4 All disposals, acquisitions and other property transactions are to be made only by the Council's Corporate Property Officer.</p>	<p>5.13.2 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 virtue of the General Disposal Consent (England) 2003 (see DCLG Circular 06/2003). All decisions to dispose at less than best consideration will be referred to <u>Business and Property Committee</u> for determination.</p> <p>5.13.3 Disposal must be made by competitive <u>process</u> unless the Executive Director of Finance and Commercial Services authorises otherwise. The appointment of agents to handle disposals is subject to the normal provisions of Council Standing Orders.</p> <p>5.13.4 All <u>property disposals (including lease surrenders)</u>, acquisitions and other property transactions (<u>such as granting / taking licences, granting of easements and wayleaves to statutory undertakers etc., granting tenancies at</u></p>

Proposed Financial Regulations Changes										
Change	Original (Issue 6)	Proposed								
		<u>will</u> ) are to be made only by the Council's Corporate Property Officer.								
<p><b>Assets</b> section 5.13 includes a number of minor amendments to provide greater clarity in the Financial Regulations, these are shown as tracked changes. In particular:</p> <ul style="list-style-type: none"> <li>The disposal table at 5.13.6 has been amended to clarify that property disposals between £0.025m and £0.500m are the responsibility of Corporate Property Officer in consultation with the Executive Director of Finance and Commercial Services, and Chair of Business and Property Committee – tracked change.</li> <li>The disposal table at 5.13.6 has been amended to provide additional clarity regarding Farm Business Tenancies (consistent with thresholds relating to other leases) and Other Property Transactions – tracked change.</li> </ul>	<table border="1"> <thead> <tr> <th>Disposal value* £m</th> <th>Responsibility and authorisation</th> </tr> </thead> <tbody> <tr> <td>Between £0.025m to £0.500m</td> <td>Corporate Property Officer in consultation with the Executive Director of Finance and Commercial Services, Managing Director and Chair of Business and Property Committee</td> </tr> </tbody> </table>	Disposal value* £m	Responsibility and authorisation	Between £0.025m to £0.500m	Corporate Property Officer in consultation with the Executive Director of Finance and Commercial Services, Managing Director and Chair of Business and Property Committee	<table border="1"> <thead> <tr> <th>Disposal value* £m</th> <th>Responsibility and authorisation</th> </tr> </thead> <tbody> <tr> <td>£0.025m <u>up to and including</u> £0.500m</td> <td>Corporate Property Officer in consultation with the Executive Director of Finance and Commercial Services, <del>Managing Director</del> and Chair of Business and Property Committee</td> </tr> </tbody> </table>	Disposal value* £m	Responsibility and authorisation	£0.025m <u>up to and including</u> £0.500m	Corporate Property Officer in consultation with the Executive Director of Finance and Commercial Services, <del>Managing Director</del> and Chair of Business and Property Committee
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n/a		<p align="center"><b><u>Farm Business Tenancies</u></b></p> <table border="1"> <tbody> <tr> <td><u>Farm business tenancies or renewals at a rent of £50,000 or more per annum, or the term is for 10 years or more</u></td> <td><u>Business and Property Committee</u></td> </tr> <tr> <td><u>Farm business tenancies or renewals at a rent below £50,000 per annum, and the term</u></td> <td><u>Corporate Property Officer in consultation with the Executive Director of Finance and</u></td> </tr> </tbody> </table>	<u>Farm business tenancies or renewals at a rent of £50,000 or more per annum, or the term is for 10 years or more</u>	<u>Business and Property Committee</u>	<u>Farm business tenancies or renewals at a rent below £50,000 per annum, and the term</u>	<u>Corporate Property Officer in consultation with the Executive Director of Finance and</u>				
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<p><b>Assets</b> section 5.13 includes a number of minor amendments to provide greater clarity in the Financial Regulations, these are shown as tracked changes. In particular:</p> <ul style="list-style-type: none"> <li>The acquisition table at 5.13.7 has been amended to clarify that property acquisitions between £0.025m and £0.250m are the responsibility of Corporate Property Officer in consultation with the Executive Director of Finance and Commercial Services, and Chair of Business and Property Committee – tracked change.</li> <li>The acquisition table at 5.13.7 has been amended to provide additional clarity regarding lease acquisitions relating to statutory obligations and Other Property Transactions – tracked change.</li> </ul>	<table border="1"> <thead> <tr> <th>Acquisition value £m</th> <th>Responsibility and authorisation</th> </tr> </thead> <tbody> <tr> <td>Between £0.025m to £0.250m</td> <td>Corporate Property Officer in consultation with the Executive Director of Finance and Commercial Services, Managing Director, and Chair of Business and Property Committee</td> </tr> </tbody> </table>	Acquisition value £m	Responsibility and authorisation	Between £0.025m to £0.250m	Corporate Property Officer in consultation with the Executive Director of Finance and Commercial Services, Managing Director, and Chair of Business and Property Committee	<table border="1"> <thead> <tr> <th>Acquisition value £m</th> <th>Responsibility and authorisation</th> </tr> </thead> <tbody> <tr> <td>£0.025m <u>up to and including</u> £0.250m</td> <td>Corporate Property Officer in consultation with the Executive Director of Finance and Commercial Services, <del>Managing Director</del>, and Chair of Business and Property Committee</td> </tr> </tbody> </table>	Acquisition value £m	Responsibility and authorisation	£0.025m <u>up to and including</u> £0.250m	Corporate Property Officer in consultation with the Executive Director of Finance and Commercial Services, <del>Managing Director</del> , and Chair of Business and Property Committee	<table border="1"> <tr> <td><u>Lease acquisitions,</u></td> <td><u>Corporate Property</u></td> </tr> </table>	<u>Lease acquisitions,</u>	<u>Corporate Property</u>
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<u>Lease acquisitions,</u>	<u>Corporate Property</u>												
	n/a												

Proposed Financial Regulations Changes			
Change	Original (Issue 6)	Proposed	
		<u>lease renewals and wayleaves where they apply to standard statutory obligations / undertakings for the installation of plant and equipment by statutory undertakers</u>	<u>Officer</u>
		<b><u>Other Property Transactions</u></b>	
		<u>Acquiring licenses not exceeding one year</u>	<u>Corporate Property Officer</u>
<b>Annex B</b> has been added to set out the process that would be applied in the event of a report being issued under section 114 of the Local Government Finance Act 1988 – tracked change.	n/a	See tracked changes in Appendix 2. New Annex B added.	

The following table sets out additional minor changes required to align the Financial Regulations more closely with existing provisions within the County Council's Constitution.

Change	Original	Proposed
<p>Article 11 of the Constitution sets out that decisions committing the Council to spending over £100m are reserved to Full Council. Currently this is not explicitly stated within the Financial Regulations.</p>	<p>3.6.1 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.</p>	<p>3.6.1 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. <u>Decisions which commit the County Council to spending over £100m must be referred to Full Council.</u></p>
<p>Article 12 of the Constitution sets out finance, contracts and legal matters and confirms requirements relating to contracts over £30,000 which are not currently explicitly referenced in the Financial Regulations.</p>	<p>n/a</p>	<p>5.12.3 <u>Any contract with a value exceeding £30,000 entered into on behalf of the Council must be made in writing. 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.</u></p>

## PART 7.7

### FINANCIAL REGULATIONS

#### Background

- A. The County Council's governance structure is laid down in its [Constitution](#), which sets how the County Council operates; how decisions are made; and how procedures are followed.
- B. The County Council has adopted a Committee 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 Head of Paid Service, the Managing Director at Norfolk County Council, is responsible for the corporate and strategic management of the County Council. The Managing Director must report to, and provide information for, the County Council and its committees. Furthermore, the Managing Director is responsible for establishing a framework for management direction, style and standards and for monitoring the performance of the organisation. The Managing Director is also responsible, together with the monitoring officer, for the system of record keeping in relation to all the County Council's decisions.
- E. The Statutory Finance Officer, the Executive Director of Finance and Commercial Services 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:
- Section 151 of the Local Government Act 1972
  - The Local Government Finance Act 1988
  - The Local Government and Housing Act 1989
  - The Accounts and Audit (England) Regulations ~~2011~~2015
  - The Local Government Acts 2000 and 2003
  - The Localism Act 2011
- F. The Executive Director of Finance and Commercial Services 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 Executive Director of Finance and Commercial Services 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, and Section 151 Officer all refer to the Executive Director of Finance and Commercial Services.

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# 1. Status of Financial Regulations

## 1.1 Purpose and Scope

1.1.1 These Financial Regulations provide the basis for managing the County Council's financial affairs. They provide a framework for decision-making, which sets 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.

1.1.2 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

1.2.1 The Regulations identify the financial responsibilities of the County Council, its Committees, the Audit Committee, the Executive Director of Finance and Commercial Services and other ~~Chief Officers~~Executive Directors.

1.2.2 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.

1.2.3 The Executive Director of Finance and Commercial Services 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.

1.2.4 The Executive Director of Finance and Commercial Services is responsible for reporting, where appropriate, breaches of the Financial Regulations to the County Council, its Committees and the Audit Committee.

1.2.5 The Executive Director of Finance and Commercial Services 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 Executive Director of Finance and Commercial Services and set out how the Regulations will be implemented. Financial Procedures are described in separate guidance and have the same status as the Financial Regulations.

1.2.6 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 published on the County Council's internet and intranet ([iNet:Net](#)) pages.

1.2.7 The Executive Director of Finance and Commercial Services is responsible for ensuring that both elected members and officers are sufficiently competent, trained and informed with regard to the financial affairs of the Council.

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## **2. Financial Management**

### **2.1 Introduction**

2.1.1 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 particular members' groups and individual post-holders are detailed in this section.

### **2.2 The Council**

2.2.1 The Council is responsible for adopting and changing the principles of governance and for approving or adopting the policy framework and budget within which the Committees operate.

2.2.2 The principles of decision making and the roles of the Leader and Committee Chairs are set out in Articles 5, 7 and 11 of the Norfolk County Council Constitution.

### **2.3 Service Committees**

#### **2.3.1 Policy and Resources Committee**

The Policy and Resources Committee has two main areas of responsibility: leading the process for developing the County Council Plan and the Medium Term Financial Plan, and coordinating all other service committees. It monitors performance, budget monitoring and risk. In addition the Committee has responsibility for developing and monitoring corporate services including: ~~ICT~~, finance and risk management, human resources and organisational development, legal, governance, communications and public affairs, and business continuity.

#### **2.3.2 Adult Social Care Committee**

The Adult Social Care Committee is responsible for the commissioning and quality standards of adult social care services for people in Norfolk. It incorporates all those services, from protection to residential care, that help people live fulfilling lives and stay as independent as possible. It oversees the protection of vulnerable adults. The specific functions are:

- Adult Social Care
- Support for Carers
- Protection for Vulnerable Adults
- Supporting People
- Drug and Alcohol Commissioning

#### **2.3.3 Children's Services Committee**

The Children's Services Committee is responsible for services which help keep

children and young people safe and fulfill their potential. It incorporates schools and social care for children and families. It has a particular focus on those children who are in care, and for whom the Council has corporate parenting responsibility. The specific functions are:

- Early Years and Child Care
- School Improvement
- Additional Educational Needs
- Child Protection
- Children and Young People in Care
- Fostering and Adoption
- Youth Offending

#### 2.3.4 Environment, Development and Transport Committee

The Environment, Development and Transport Committee is responsible for protecting and enhancing the environment. It also incorporates travel and transport services to help keep the county moving, and maintains and develops the highway network. The specific functions are:

- Climate Change Mitigation and Adaptation
- Flood and Water Management (including statutory scrutiny of flood risk management)
- Ecology and Arboriculture
- Countryside Access
- Archaeology, Heritage and Landscape
- Waste Management and Recycling
- Transport Strategy / Highways Network / Passenger Transport
- Planning and Development Strategy and Management

#### 2.3.5 Communities Committee

The Communities Committee is responsible for those services which help build resilience in our communities and keep people safe. It focuses on how we engage with the public and how we make our services as customer friendly as possible. The specific functions are:

- Cultural Services (including Libraries, Museums, Adult Education, Norfolk Records Service, Arts and Events)
- Archive Centre
- Norfolk Community Learning Service
- Trading Standards
- Public Health
- Fire and Rescue
- Emergency Planning and Community Resilience
- Customer Services
- Community Relations and Engagement
- Active Norfolk
- Registration Service

### 2.3.6 Business and Property Committee

The Business and Property Committee is responsible for promoting economic development and regeneration and associated activities. It incorporates focus on four broad areas: infrastructure, enterprise, skills and securing/managing external funds. It also has responsibility for the oversight and development of County Farms, a recognition of their importance in the rural economy. In addition, the Committee has responsibility for developing and monitoring property and asset management.

Its specific functions are:

- Promoting economic growth and enterprise
- Removing barriers to growth
- Inward investment
- Supporting the Council's role on the Local Enterprise Partnership (NALEP)
- Unemployment issues
- Oversight of Norfolk Infrastructure Fund and Norfolk Development Company
- Promoting the rural economy
- Oversight and development of County Farms
- Property and asset management
- [Preparing the asset management plan](#)

### [2.3.7 Digital Innovation and Efficiency Committee](#)

[The Digital Innovation and Efficiency Committee is responsible for ICT management and for delivering the Council's commitment to exploit digital technologies for the benefit of the County of Norfolk and all its residents.](#)

[Its specific functions are:](#)

- [Political ownership of the Better Broadband for Norfolk project](#)
- [Progression of a technologically driven customer services strategy across the Council's services, enabling personalisation, better access, channel shift and digital delivery models](#)
- [Driving Norfolk's ambition to accelerate digital and mobile connectivity and lobby Government and commercial providers for 100% access to high speed broadband and 5G mobile phone coverage in Norfolk](#)
- [Providing the political leadership for the reliable delivery of technology-driven efficiencies in the Council's operations and activities, i.e. mobile working](#)

## 2.4 Statutory Officers

### 2.4.1 The Head of Paid Service (Managing Director)

The Head of Paid Service is the Managing Director. The Managing Director is accountable to the Council and Service Committees for the manner in which the discharge of the Council's functions is coordinated.

#### 2.4.2 The Monitoring Officer (~~Head of Law~~Chief Legal Officer)

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 the Standards Committee. He/she is also responsible, in conjunction with the Managing Director and the Executive Director of Finance and Commercial Services, for reporting to the Council or Service Committee if he/she considers 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 ~~of 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.

#### 2.4.3 The Chief Finance Officer (Executive Director of Finance and Commercial Services)

The Council has designated the Executive Director of Finance and Commercial Services as the Chief Finance Officer. The Chief Finance 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 ~~2014~~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 Officers's 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.

#### 2.5 The Money Laundering Reporting Officer

The Chief Legal Officer is appointed as the Money Laundering Reporting Officer and the ~~Team Leader, Public Law and Standards~~Practice Director, nplaw as the Deputy Money Laundering Reporting 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.

#### 2.6 Executive Director of Finance and Commercial Services

2.6.1 The Executive Director of Finance and Commercial Services has statutory duties in

relation to the financial administration and stewardship of the County Council. This statutory responsibility cannot be overridden.

2.6.2 The Executive Director of Finance and Commercial Services is also subject to compliance with Statements of Professional Practice issued from time to time.

2.6.3 The role of Executive Director of Finance and Commercial Services 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 Executive Director of Finance and Commercial Services is not only a servant of the Council, but also has a fiduciary responsibility to local taxpayers as a trustee of public monies.

2.6.4 The Executive Director of Finance and Commercial Services 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 each Service Committee
- providing financial information on the corporate position of the County Council
- providing financial advice and information on all of the County Council’s services
- preparing the overall revenue budget and capital programme, including the three year rolling medium term financial strategy
- preparing the asset management plan
- 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

2.6.5 The Executive Director of Finance and Commercial Services 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 ~~lead finance managers~~Finance Business Partners for each service to ~~report~~ concurrently ~~to support~~ the Executive Director of Finance and Commercial Services and their Service Executive Director on key financial matters. Finance Business Partners report to the Assistant Director

## Finance.

- 2.6.6 The Head of Profession role of the Executive Director of Finance and Commercial Services 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 Finance performs the role of the Deputy Section 151 Officer.
- 2.6.7 **Section 114 of the Local Government Finance Act 1988** requires the Executive Director of Finance and Commercial Services to report to each member of the Council, and the External Auditor, if the County Council, a committee, or 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.
- 2.6.8 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 Executive Director of Finance and Commercial Services to nominate a properly qualified member of staff to deputise if he or she is unable to perform personally, the duties under section 114. The Assistant Director Finance is nominated to deputise for the Executive Director of Finance and Commercial Services.
  - the Authority to provide the Executive Director of Finance and Commercial Services with sufficient staff, accommodation and other resources – including legal advice where this is necessary – to carry out the duties under section 114.
- 2.6.9 The Executive Director of Finance and Commercial Services is responsible for ensuring that all services are appropriately supported by skilled finance professionals. The Executive Director of Finance and Commercial Services is assisted in providing strategic financial support to services by Finance Business Partners.

## 2.7 County Leadership Team

In addition to individual responsibilities the Managing Director and Executive Directors form the County Leadership Team, which, acting together and corporately is responsible for:

- Advising on draft financial policies for consideration by relevant Committees.
- Working closely with the relevant Committees in developing financial policies.
- Being the primary mechanism for collectively ensuring the delivery of the Council’s corporate financial policies.

## 2.8 Executive Directors

### 2.8.1 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 Executive Director of Finance and Commercial Services;
- for consulting with the Executive Director of Finance and Commercial Services and seeking approval on any matter liable to materially affect the County Council's finances before any commitments are entered into or incurred. This includes notification to the Executive Director of Finance and Commercial Services 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 on a monthly basis, 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.

2.8.2 ~~Chief Officer~~Executive Directors should maintain a written record where decision-making has been delegated to members of their staff, including seconded staff.

2.8.3 ~~Chief Officers~~Executive Directors' role includes working with outside bodies and accessing additional funds and resources in order to support the Council's programme of work.

## 2.9 Other Financial Accountabilities

### 2.9.1 Accounting Policies

The Executive Director of Finance and Commercial Services is responsible for ensuring appropriate accounting policies are in place and that they are applied consistently across the County Council.

### 2.9.2 Accounting Records and Returns

The Executive Director of Finance and Commercial Services 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 with all accounting policies and standards where applicable and that these standards are applied consistently across the County Council.

### 2.9.3 Annual Statement of Accounts

The Executive Director of Finance and Commercial Services 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 2014/2015. 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 Committee.

### 3. Financial Planning

#### 3.1 Introduction

3.1.1 The Executive Director of Finance and Commercial Services, 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

3.2.1 The consolidated revenue budget is proposed by the Policy and Resources Committee, taking into account Service Committees' recommendations to Policy and Resources, and 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 a committee, subject to the arrangements set out in paragraph 3.7.5 below.

#### 3.3 Capital Budget

3.3.1 The capital budget is proposed by the Policy and Resources Committee and approved by the County Council taking into account Service Committees' recommendations. The budget should have regard to proper accounting standards and include a statement of the allocation of resources to different services and projects and how the programme is to be funded and any impact on the revenue budget.

#### 3.4 Medium Term Planning and Budget Preparation

3.4.1 The County Council is responsible for agreeing the Council's priorities. This sets the overall strategic framework for the County Council's services. The Medium Term Financial Strategy ~~and Medium Term Financial Plan sets~~ out the approach and financial context for the County Council. The ~~Financial Plan~~ Medium Term Financial Strategy also gives further detail as to how the County Council will deliver plans and resource services over three years. The County Council is responsible for agreeing a rolling three year balanced budget 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.

3.4.2 Policy and Resources Committee is responsible for providing guidance to Service Committees on the preparation of the budget in consultation with the Executive Director of Finance and Commercial Services. 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
- ~~increases~~ fluctuations in demand, and inflation
- ~~reductions due to~~ changes in grant funding ~~and cuts~~
- best value
- ~~Government~~ government guidelines
- accounting standards
- the Prudential Code
- The County Council Plan
- Asset Management Plan
- Reserves, general and earmarked
- Arms' length bodies

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;
- ~~single equality and rural~~ impact assessment, ~~a Norfolk County Council tool~~ to ensure all of the necessary key cross cutting issues are considered, including equality and sustainability; and
- Budget proposals pro-forma template to ensure that budget proposals are developed on a consistent basis by service committees.

3.4.3 The Executive Director of Finance and Commercial Services is responsible for ensuring that rolling three-year revenue and capital budget proposals are prepared on an annual basis for consideration by the Policy and Resources Committee. The Policy and Resources Committee is responsible for ensuring that the three year revenue and capital budget proposals are robust and underpinned by an adequate level of reserves before submission to the County Council. The Policy and Resources Committee 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 Service Committees and of the need for statutory and other consultation on the budget proposals.

3.4.4 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.

3.4.5 The Executive Director of Finance and Commercial Services 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 Executive Director of Finance and Commercial Services at least five working days before the County Council budget meeting. Members' proposed budget amendments must be finalised two working days before the County Council budget meeting in order that the Executive Director of Finance and Commercial Services 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.

3.4.6 The County Council will consider the budget proposals and may adopt them, amend them or substitute its own proposals in their place prior to March 1<sup>st</sup>. The County Council will agree at least a three year balanced budget and agree the precept for the following year.

### 3.5 **Asset Management Plan**

3.5.1 The ~~Executive Director of Finance and Commercial Services~~Corporate Property Officer (the Head of Property) is responsible for ensuring an Asset Management Plan is prepared / updated / reviewed on an annual basis for consideration by the Business and Property Committee before submission to County Council.

### 3.6 **Decisions**

3.6.1 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. Decisions which commit the County Council to spending over £100m must be referred to Full Council.

~~3.6.13~~3.6.2 The Terms of Reference of Committees set out within the Constitution (Part 4.1) confirm that Policy and Resources Committee 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 Managing Director in consultation with the Chairman of the Policy and Resources Committee shall determine, in relation to any decision to be taken by another service committee under delegated authority, if that is a decision which may incur significant expenditure or 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 Policy and Resources Committee in place of any other service committee.

### 3.7 **Budget Monitoring and Control**

3.7.1 The Executive Director of Finance and Commercial Services is responsible for monitoring income and expenditure against approved revenue and capital budget allocations and for reporting to the Policy and Resources Committee on the overall position on a monthly basis and to the other Service Committees on their budgets on a monthly basis.

- 3.7.2 The Executive Director of Finance and Commercial Services is responsible for monitoring the prudential indicators and reporting to the Policy and Resources Committee on the overall position on a monthly basis.
- 3.7.3 The Executive Director of Finance and Commercial Services is responsible for monitoring the cash flow of the County Council and ensuring this is used to inform borrowing and investment decisions.
- 3.7.4 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 Executive Director of Finance and Commercial Services. Executive Directors are responsible for alerting the Executive Director of Finance and Commercial Services and the relevant Chair of the Service Committee or Chair of Policy and Resources Committee, 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 the Policy and Resources Committee.
- 3.7.5 Any policy proposal, which would have the effect of increasing a Service Committee's budget, must be supported by a funding proposal setting out how it can be accommodated within the Service Committee's existing budget. Such proposals must be made available to the Executive Director of Finance and Commercial Services at least five working days before the meeting at which they are to be proposed and must be finalised two working days before the meeting in order that the Executive Director of Finance and Commercial Services 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 3.1 of the Constitution, it must be referred to Full Council for consideration.
- 3.7.6 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 Chief Legal Officer and the Head of Procurement in consultation with the Executive Director of Finance and Commercial Services.

## 3.8 Virement

- 3.8.1 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 committees. Executive Directors are responsible for agreeing in-year virements within delegated limits, in consultation with the Executive Director of Finance and Commercial Services where required. (The current approved procedures are shown in Annex A).
- 3.8.2 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

- 3.9.1 Service Committees are required to report any under and overspendings to Policy and Resources Committee as part of year-end reporting. Policy and Resources Committee is responsible for reporting the overall under and overspendings to County Council and making recommendations as to how they are utilised or managed taking into account the recommendations from Service Committees.
- 3.9.2 The Executive Director of Finance and Commercial Services 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 Service Committees.
- 3.9.3 The Executive Director of Finance and Commercial Services 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 Service Committees. Any slippage on the capital programme will be carried forward to the next financial year and reported to Service Committees.

### 3.10 Maintenance of Reserves

3.10.1 It is the responsibility of the Executive Director of Finance and Commercial Services to review the Council's financial risks and planning assumptions and advise the Policy and Resources Committee 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.

3.10.2 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 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.

3.10.13.10.3 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 Policy and Resources Committee in-year, based on the advice of the Executive Director of Finance and Commercial Services, with reference to a recommendation from the relevant Service Committee as appropriate in respect of service reserves. There is a general presumption that Policy and Resources Committee will normally approve recommendations for the use of earmarked reserves which are made by Service Committees, except where there are wider implications for financial control across the County Council, or delivery of the Council's budget plans. In the event that the Executive Director of Finance and Commercial Services advises that a decision about the use of reserves may have such broader implications, Policy and Resources

Committee will recommend a course of action but refer the matter to be decided by the County Council.

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## 4. Governance, Risk Management and Internal Control

### 4.1 Governance

4.1.1 The Audit Committee is primarily responsible for Governance, Risk Management and Internal Control throughout the County Council. Its Terms of Reference are reviewed annually, changes approved by the County Council and published as Appendix 2 to the Constitution. The composition is politically balanced and is reviewed at each appointment to the Committee.

4.1.2 Other member-led bodies that also have a role in governance and internal control include the County Council, [the Constitution Advisory Group](#), and, with respect to members, the Standards Committee.

### 4.2 Internal Control and Internal Audit

4.2.1 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.

4.2.2 The Executive Director of Finance and Commercial Services 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.

4.2.3 It is the responsibility of Executive Directors, having regard to advice from the Executive Director of Finance and Commercial Services, to establish sound arrangements for internal control including planning, appraising, authorising and controlling their operations in order to achieve continuous improvement, economy, efficiency and effectiveness and in order to achieve their targets.

4.2.4 The Accounts and Audit Regulations [2014-2015](#) 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 Committee considers the findings of that review as part of its consideration of the system of internal control for the County Council.

4.2.5 The Leader of the Council and the Managing Director 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

4.3.1 The County Council, [through the Policy and Resources Committee](#), is responsible for approving the County Council's Risk Management Policy and Framework, and ensuring that proper insurance exists where appropriate.

4.3.2 The Audit Committee is responsible for reviewing the effectiveness of the County Council's risk management arrangements. It will receive risk management reports at least four times 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.

4.3.3 The Executive Director of Finance and Commercial Services is responsible for informing the preparation of the County Council's risk management Policy and Framework, for promoting it throughout the County Council and for advising the Policy and Resources Committee on proper insurance cover where appropriate. The Executive Director of Finance and Commercial Services will also report on the Corporate Risk Register to each meeting of the Audit Committee, and ensure that Departments report their departmental risk register at least twice per annum to their respective Service Committee. In this way, Service Committees own and manage their service-specific risks.

#### 4.4 External Audit

4.4.1 Public Sector Audit Appointments Limited (which replacing 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~~section 5 of the Audit Commission Act 1998.~~

4.4.2 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.

4.4.3 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 Executive Director of Finance and Commercial Services, 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.

#### 4.5 Anti-Fraud ~~Anti-Fraud~~ and Corruption

4.5.1 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 Strategy. 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

4.5.2 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.

4.5.3 Executive Directors are responsible for ensuring that internal controls are such that fraud or corruption will be prevented, where possible, and the measures in the Anti-Fraud and Corruption Strategy are promoted.

4.5.4 Under the Anti-Fraud and Corruption Strategy, an Executive Director is required to immediately inform the Executive Director of Finance and Commercial Services of any financial irregularity or suspected financial irregularity.

4.5.5 The County Council expects that all who have dealings with it have a similar anti-fraud and corruption ethos and that they have no intent or actions with respect to fraud 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**

4.6.1 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 2007 and ~~fuller~~ details can be found ~~in a procedures document~~ on the Norfolk Public Law (nplaw) pages of the County Council’s Intranet site.

4.6.2 The County Council has nominated the Chief Legal Officer 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.

4.6.3 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**

4.7.1 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.

4.7.2 The County Council is responsible for the setting and revising of prudential indicators

and for the approval of the Annual Investment and Treasury Strategy.

4.7.3 The County Council has delegated responsibility to the Executive Director of Finance and Commercial Services 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 Executive Director of Finance and Commercial Services 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 Executive Director of Finance and Commercial Services 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.

4.7.4 The Executive Director of Finance and Commercial Services will prepare for County Council an annual strategy and plan in advance of the year, a mid-year review and an annual report after its close. In addition, the Executive Director of Finance and Commercial Services will regularly report to the Treasury Management Panel and the Policy and Resources Committee on treasury management policies, practices, activities and performance monitoring information.

4.7.5 The Executive Director of Finance and Commercial Services is responsible for:

- monitoring performance against prudential indicators, including reporting significant deviations to the Policy and Resources Committee 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

4.8.1 The Local Government Pension Scheme (LGPS) is a national pension scheme, with its own regulator (the Department of Communities and Local Government), which is administered locally.

4.8.2 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.

4.8.3 Norfolk County Council delegates all its responsibilities as Administrator of the scheme to the Pensions Committee, including admitted bodies which acts as quasi-trustee of the Fund.

- 4.8.4 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.
- 4.8.5 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.
- 4.8.6 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 1<sup>st</sup> April 2018.~~[Local Government Pension Scheme \(Management and Investment of Funds\) Regulations 2009 \(as Amended\)](#).
- 4.8.7 The Pensions Committee is also responsible for the appointment and monitoring of Investment Managers, Custodian and other related service providers to the Fund.
- 4.8.8 The Executive Director of Finance and Commercial Services is responsible for the administration and financial accounting of the Norfolk Pension Fund. The Executive Director of Finance and Commercial Services is responsible for the preparation of the Pension Fund annual report and the statement of accounts. The County Council delegates responsibility for the approval of the annual accounts to the Audit Committee.
- 4.8.9 The Norfolk Pension Fund has adopted ~~an~~ [Investment Strategy Statement \(formerly the Statement of Investment Principles\)](#) 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 ~~Statement of Investment Principles~~ [Strategy Statement](#).
- 4.8.10 The Executive Director of Finance and Commercial Services is custodian of the Funding Strategy Statement, which sets out the Fund's approach to funding liabilities, based on principles agreed by the Pensions Committee. The Executive Director of Finance and Commercial Services is also the custodian of the Fund's Communication Strategy, which details the communication needs of its stakeholders.
- 4.8.11 The Executive Director of Finance and Commercial Services 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.
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## 5. Assets, Systems, Processes and Records

### 5.1 Introduction

5.1.1 Robust systems and procedures are essential to an effective framework of accountability and control.

### 5.2 Data Management

5.2.1 The County Leadership Team is responsible for ensuring that policies and procedures are in place to enable management of data to support effective decision-making.

5.2.2 It is the responsibility of the Executive Director to ensure data management policies are understood and used effectively within their services.

### 5.3 Financial Processes and Data Protection

5.3.1 The Executive Director of Finance and Commercial Services 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 Executive Director of Finance and Commercial Services must approve any changes made by Executive Directors to the financial processes or the establishment of new processes, including IT systems.

5.3.2 Executive Directors must ensure that any processing (computerised or manual) that involves personal information is registered in accordance with the Data Protection Act 1998 and that all staff are aware of their responsibilities under the Act and advice from the Information Commissioner.

5.3.3 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.

5.3.4 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.

5.3.5 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, Oracle iProcurement).

- 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**

5.4.1 It is the responsibility of Executive Directors to ensure that ~~a the proper~~ scheme of authorisation and financial responsibility is implemented using Budget Manager and is has been established within their area and is operating effectively. The scheme of ~~authorisation~~authorisation and financial responsibility should identify/identifies staff authorised to act on the Executive Director's behalf, or on behalf of the Council, in respect of payments, income collection and procurement (including ordering), ~~together with the limits of their authority~~. 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~~authorisation and financial responsibility.

~~5.4.15.4.2~~ 5.4.2 Policy and Resources Committee 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.

#### 5.5 **Income**

5.5.1 The Executive Director of Finance and Commercial Services is responsible for the provision and management of all income collection arrangements for the County Council.

#### 5.6 **Payments to Employees, Third Parties and Members**

5.6.1 Except for schools, the Executive Director of Finance and Commercial Services 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 LMS scheme.

#### 5.7 **Taxation**

5.7.1 The Executive Director of Finance and Commercial Services 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.

5.7.2 The Executive Director of Finance and Commercial Services 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.

#### 5.8 **Trading Accounts**

5.8.1 Policy and Resources Committee 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.

5.8.2 The Executive Director of Finance and Commercial Services 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.

## 5.9 Monitoring Reporting

5.9.1 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 Executive Director of Finance and Commercial Services is responsible for regularly reporting the details (including compliance with the Prudential Code) to Policy and Resources Committee.

5.9.2 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 Chief Legal Officer and the Head of Procurement in consultation with the Executive Director of Finance and Commercial Services.

## 5.10 Companies, Trusts and Charities

5.10.1 Policy and Resources Committee is responsible for:

- Approving the establishment and viability (including the business case) of all new companies, trusts and charities.
- Approving investments in other companies, trusts and charities, in which the County Council has a financial interest except where the investment is within criteria Policy and Resources Committee has previously delegated to an Executive Director.
- Taking decisions as shareholder and sole trustee where appropriate.
- Monitoring and receiving reports on the County Council's companies.

5.10.2 Executive Directors are responsible for informing the Chief Legal Officer and Executive Director of Finance and Commercial Services 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.

5.10.3 Executive Directors are also responsible for ensuring tight controls are in place for the financial management of loan and guarantor arrangements with Norfolk County Council owned companies. This includes ensuring the Executive Director of Finance and Commercial Services is presented with robust business cases and signed loan agreements.

- 5.10.4 The Executive Director of Finance and Commercial Services is responsible for reviewing the ongoing viability 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.
- 5.10.5 All relevant companies must have their accounts incorporated and consolidated within the County Council's financial accounts in accordance with proper accounting standards and best financial practice. The Executive Director of Finance and Commercial Services is responsible for ensuring the proper financial accounting treatment and compliance with current legislation.
- 5.10.6 The appointment of directors to companies, trusts and charities in which the County Council has an interest must be made by County Council, having regard to the advice of the Executive Director of Finance and Commercial Services. The directors will then have a statutory duty to the company, trust or charity and must therefore act in accordance with the Companies and / or Charities Act where applicable.
- 5.10.7 The Executive Director of Finance and Commercial Services and Chief Legal Officer should be contacted for assistance at an early stage to discuss the proposals.

#### **5.11 Early payments and loans to suppliers and service providers**

**5.11.1** In the normal course of business the County Council may on occasion make **early payments** (in advance of contractual payment terms) to support suppliers or service providers experiencing cash flow difficulties. Early payments will be made on a case by case basis, entirely at the discretion of the County Council, and taking into account the overall value of the contract and the implications of any failure of service provision. Payments in these circumstances will be agreed by the relevant Finance Business Partner for the service area, with notification provided to the Executive Director of Finance and Commercial Services and / or Assistant Director of Finance. In marginal cases, or where there is doubt about the ongoing viability of a supplier, it may be appropriate to undertake a Financial Assessment of the supplier before any early payment is agreed. Early payments will normally be recovered through an adjustment to subsequent contractual payments, and the arrangements for repayment terms **must** be agreed before any early payment is made.

**5.11.2** 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.

5.11.3 The Executive Director of Finance and Commercial Services 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 state aid issues, particularly in respect of determining an appropriate interest rate for the loan, which should be set with reference to the published margin tables; and
- the duration and value of the loan sought.

5.11.4 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 Executive Director of Finance and Commercial Services, or the Assistant Director of Finance, 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.

5.11.5 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 repayments as agreed. The Executive Director for the service should consider the need to make the relevant Committee Chair aware of this potential cost to the Committee budget.

## 5.11.12 **Contract Standing Orders**

5.11.15.12.1 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.

5.11.25.12.2 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.

5.11.35.12.3 Any contract with a value exceeding £30,000 entered into on behalf of the Council must be made in writing. 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.

## 5.125.13 **Assets**

5.12.15.13.1 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.

~~5.12.25.13.2~~ 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 virtue of the General Disposal Consent (England) 2003 (see DCLG Circular 06/2003). All decisions to dispose at less than best consideration will be referred to ~~Policy and Resources~~Business and Property Committee for determination.

~~5.12.35.13.3~~ Disposal must be made by competitive ~~tender or public auction~~process unless the Executive Director of Finance and Commercial Services authorises otherwise. The appointment of agents to handle disposals is subject to the normal provisions of Council Standing Orders.

~~5.12.45.13.4~~ All property disposals (including lease surrenders), 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. 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. The Council's named and designated Corporate Property Officer (the Head of ~~Corporate~~ Property) may, in accordance with arrangements approved by the Executive Director of Finance and Commercial Services, dispose of property assets, acquire property assets and approve of property transactions as set out in the tables at ~~5.13.65.12.6~~ and ~~5.13.75.12.7~~ 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 (Annex to Part 6.2 of the Constitution).

~~5.12.55.13.5~~ 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 the Business and Property Committee to confirm its status as a surplus asset to be disposed of.

5.12.65.13.6 The disposal of surplus assets will be undertaken as follows:

Property		Other Assets	
Disposal value* £m	Responsibility and authorisation	Disposal value* £m	Responsibility and authorisation
<u>Above</u> £0.500m+ (unless disposal specifically agreed within the annual budget-setting process)	Business and Property Committee	<u>Above</u> £0.500m+	Business and Property Committee
<del>Between</del> £0.025m <u>up to and including</u> £0.500m	Corporate Property Officer in consultation with the Executive Director of Finance and Commercial Services, <del>Managing Director</del> and Chair of Business and Property Committee	£0.250m <u>up to and including</u> £0.500m	Executive Director in consultation with Executive Director of Finance and Commercial Services
Up to £0.025m	Corporate Property Officer	Up to £0.250m	Executive Director
All disposals at less than best consideration (irrespective of value)	Business and Property Committee	All disposals at less than best consideration (irrespective of value)	Business and Property Committee
<b>Leases**</b>			
Operational properties – lease out or lease out renewals at a rent of £25,000 or more per annum, or the term is for 10 years or more	Business and Property Committee		
Operational properties – lease out or lease out renewals at a rent below £25,000 per annum, and the term is for less than 10 years	Corporate Property Officer		
Commercial properties – lease out or lease out	Business and Property Committee		

renewals at a rent of £50,000 or more per annum, or the term is for 10 years or more			
Commercial properties – lease out or lease out renewals at a rent below £50,000 per annum, and the term is for less than 10 years	Corporate Property Officer in consultation with the Executive Director of Finance and Commercial Services		
<b><u>Farm Business Tenancies</u></b>			
<u>Farm business tenancies or renewals at a rent of £50,000 or more per annum, or the term is for 10 years or more</u>	<u>Business and Property Committee</u>		
<u>Farm business tenancies or renewals at a rent below £50,000 per annum, and the term is for less than 10 years</u>	<u>Corporate Property Officer in consultation with the Executive Director of Finance and Commercial Services and Chair of Business and Property Committee</u>		
<b><u>Other Property Transactions</u></b>			
<u>Granting of all licenses, easements and wayleaves to statutory undertakers, tenancies at will</u>	<u>Corporate Property Officer</u>		

\* Disposal value in this table refers to the valuation of the asset, irrespective of the consideration to be received.

\*\* For the purposes of leases, a distinction is made between the Operational Property Estate and the Commercial Property Estate as follows:

Operational Estate:

The operational estate relates to those property assets used principally for service delivery. At times parts of the operational estate may temporarily not be required for service delivery but are retained where there will be a future use. An example could be an office building. In addition, parts of the estate are let out to support service

delivery by a third party on the council's behalf, for example a depot. In these instances the asset would be let to derive an income.

**Commercial Estate:**

The council holds some assets for economic development reasons (investment properties), which are let out to businesses to support the policies and aims of economic development as well as deriving a rental income. In this situation, the ebb and flow of leases requires commercial agility to be able to react to market demands. To support this requires the Corporate Property Officer to be able to agree terms of a lease quickly as circumstances dictate.

5.12.75.13.7 Acquisitions of assets will be undertaken as follows:

Property		Other Assets	
Acquisition value £m	Responsibility and authorisation	Acquisition value £m	Responsibility and authorisation
<u>Above</u> £0.250m <del>±</del>	Business and Property Committee	<u>Above</u> £0.250m <del>±</del>	Business and Property Committee
<del>Between</del> £0.025m <u>up to and including</u> £0.250m	Corporate Property Officer in consultation with the Executive Director of Finance and Commercial Services, <del>Managing Director</del> and Chair of Business and Property Committee	Below £0.250m	Executive Director
Below £0.025m	Corporate Property Officer		
Leases			
Lease acquisitions and renewals where the proposed rental is £25,000 or more per annum, or the term of the lease or renewal is for ten or more years	Business and Property Committee		
Lease acquisitions and renewals where the proposed rental is below £25,000 per annum, and the term of the lease or renewal is for less than ten years	Corporate Property Officer		
<u>Lease acquisitions, lease renewals and wayleaves where they apply to standard statutory obligations / undertakings for the installation of plant</u>	<u>Corporate Property Officer</u>		

<u>and equipment by statutory undertakers</u>			
<b><u>Other Property Transactions</u></b>			
<u>Acquiring licenses not exceeding one year</u>	<u>Corporate Property Officer</u>		

5.12.85.13.8 The government has consulted on regulations (the proposed Local Authorities (Functions and Responsibilities) (England) Regulations 2015) which would require any decision to dispose of land and buildings with a value above £500,000 to be agreed by the Full Council. The regulations above show the responsibility is with Business and Property Committee pending the outcome of the consultation. As at August 2017 these have not yet been enacted. If enacted, the following thresholds would apply:

Disposal value	Responsibility and authorisation for land and buildings
Up to £0.025m	Corporate Property Officer
<u>Between</u> £0.025m <u>up to– but not including</u> 0.500m	Corporate Property Officer in consultation with the Executive Director of Finance and Commercial Services, <del>Managing-Director</del> and Chair of Business and Property Committee.
£0.500m <u>or above</u> <del>+</del> and all disposals at less than best consideration (irrespective of value)	Full Council

5.12.95.13.9 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 Farm land will be treated in the following way:

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 Farm land / 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.

#### 5.13.15.14 **Retention of Financial Records**

5.13.15.14.1 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.

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## **6. External Arrangements**

### **6.1 Introduction**

6.1.1 Where the County Council operates in a devolved environment or through a partnership or other arrangements, the Executive Director of Finance and Commercial Services 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**

6.2.1 The County Council has formal representation on many external boards ~~such as: the Police and Crime Panel, the Local Enterprise Partnership Board, and the Greater Norwich Growth Board.~~

6.2.2 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.

6.2.3 The Executive Director of Finance and Commercial Services 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 Executive Director of Finance and Commercial Services and Chief Legal 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.

6.2.4 Executive Directors are responsible, in consultation with the Executive Director of Finance and Commercial Services and Chief Legal 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**

6.3.1 The Executive Director of Finance and Commercial Services 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 Executive Director of Finance and Commercial Services is notified of external funding bids at an early stage.

### **6.4 Financial Guarantees**

6.4.1 Executive Directors must inform the Executive Director of Finance and Commercial Services of all proposals that may require a financial guarantee prior to implementation.

6.4.2 The Executive Director of Finance and Commercial Services is responsible for

ensuring that any proposed financial guarantee requirement is within the powers of the County Council and shall consult with the Chief Legal Officer as appropriate.

6.4.3 Requirements for suppliers to provide the County Council with either bonds or guarantees shall be agreed with the Corporate Property Officer (for property contracts) or the Head of Procurement (for other contracts)

## 6.5 **Work for Third Parties**

6.5.1 The Policy and Resources Committee 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 **State Aid and Competition**

6.6.1 Executive Directors are responsible for ensuring that any payments made by their department do not constitute State Aid or breach rules on competition. State Aid (which is governed by EU regulations) is the illegal subsidy of commercial activity from public funds, and could arise, for example, from the following:

- Cheap loans
- Grant funding
- Sharing staff, equipment or accommodation (particularly with wholly owned companies)
- Waiver of deductions due on contracts.

6.6.2 If an Executive Director is unsure as to whether a payment would constitute State Aid or anticompetitive practice, the advice of the Executive Director of Finance and Commercial Services should be sought in consultation with the Chief Legal Officer where appropriate.

## 6.7 **Private Finance 2 (PF2)**

6.7.1 Executive Directors considering PF2 projects should consult with the Executive Director of Finance and Commercial Services during the preparation of the business case for submission to the Council or Service Committee (Service Committee if less than £100m).

6.7.2 Council / Committee is responsible for approving PF2 projects at all key stages. The Executive Director is responsible for ensuring that such approvals are sought and obtained from Council / Committee in a timely manner following recommendation by the Project Board, in accordance with the approved PF2 process.

6.7.3 The Executive Director of Finance and Commercial Services 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
- 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 PF2 projects are incorporated in financial planning.

#### 6.7.4 Executive Directors are responsible for:

- preparing a business case for submission to Council / Committee 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
- 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 Council / Committee
- 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 Executive Director of Finance and Commercial Services of any matter that may lead to termination under the contract. Policy and Resources Committee is required to approve termination of a contract by use of the Authority Default provisions
- fully considering the risks associated with undertaking a PF2 project and reporting them to Policy and Resources Committee when they are considering the approval of a PF2 project
- ensuring that any dedicated bank accounts necessary to enable their projects to function efficiently are set up and properly operated

6.7.5 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 Executive Director of Finance and Commercial Services is responsible for ensuring that the alternative proposal has a value equal to the foregone deductions.

6.7.6 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.

6.7.7 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 Executive Director of Finance and Commercial Services has all the relevant information regarding these arrangements and of any material financial matters. It is the

responsibility of the Executive Director of Finance and Commercial Services to account for the arrangements in accordance with the relevant regulations and proper accounting practice.

## Norfolk County Council's Scheme of Virement

### Background

1. The scheme of virement is intended to enable Committees, 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.
2. The scheme is administered by the Executive Director of Finance and Commercial Services within guidelines set by the County Council. Any variation from this scheme requires the approval of the County Council.
3. 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 service budgets as reported in the service commentaries within the medium term financial plan. Virement does not include the switching of resources between revenue and capital.
4. 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.
5. 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.

### Revenue

6. County Council is responsible for agreeing virement between services (as shown in the budget report to County Council in February each year), and where the virement has a value in excess of £200,000.
7. Policy and Resources Committee is responsible for agreeing virement between services where the virement has a value of up to £200,000, subject to the prior agreement of the virement by the service committee(s) concerned.

8. County Council is also responsible for agreeing virements between budget heads defined in 3 above – within services, 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 £100,000 – whichever is the higher. For Children’s Services, net budget is calculated exclusive of amounts delegated to schools.
9. All other virements are the responsibility of Executive Directors, subject to consultation with the Chair of the appropriate Committee and the agreement of the Executive Director of Finance and Commercial Services.
10. Executive Directors may delegate authority to make virements to other officers, consistent with the above and in accordance with formally agreed departmental arrangements.

### **Capital**

11. County Council is responsible for agreeing virements between services and schemes (as shown in the Capital Budget document produced by the Executive Director of Finance and Commercial Services).
  12. County Council is also responsible for agreeing virements greater than £250,000 within services or schemes (as defined above).
  13. All other virements are the responsibility of Executive Directors, subject to consultation with the appropriate Committee Chair and the agreement of the Executive Director of Finance and Commercial Services and subject to the service’s overall financial provision for capital spending not being exceeded in the current and future years.
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**Norfolk County Council process for the issue of a report under  
Section 114 of the Local Government Finance Act 1988**

**Background**

1. 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 (Executive Director of Finance and Commercial Services) in consultation with the Monitoring Officer (Chief Legal Officer) if there is, or is likely to be, unlawful expenditure or an unbalanced budget. 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 Executive Director of Finance and Commercial Services being required to make such a report, and such an eventuality is to be avoided if at all possible.
2. The Executive Director of Finance and Commercial Services 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)).
3. In such circumstances, the Executive Director of Finance and Commercial Services is required to make a report to the authority and send a copy to every member and the external auditor. The full council 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 must decide whether it agrees or disagrees with the report and determine the action it proposes to take.
4. The Executive Director of Finance and Commercial Services 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.
5. Information leading to the preparation of a section 114 report might arise from a council officer (including a member of the Finance and Commercial Services department), a member of the council, the public, or from the authority's auditors. Members and officers should note that it is the Executive Director of Finance and Commercial Services' duty to investigate possible issues which might lead to a formal report. The statutory duty to make a report rests with the Executive Director of Finance and Commercial Services.
6. A report made under section 114 (2) requires the Executive Director of Finance and Commercial Services to make a judgement that a decision or course of action is

unlawful. Such a decision will only be made after consultation with the Chief Legal Officer (Monitoring Officer). A report made under section 114 (3) relates to a financial judgement which may be reached by the Executive Director of Finance and Commercial Services alone, although consultation with the Managing Director (Head of Paid Service) and Chief Legal Officer (Monitoring Officer) is still required in case other corporate and legal issues arise as a result of the report.

7. 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.

### **Section 114 Process**

8. 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:

**Executive Director of Finance and Commercial Services consults with Chief Legal Officer (Monitoring Officer) to determine whether an action or proposed action was or will be unlawful**



**Consult with Managing Director (Head of Paid Service)**



In the event of disagreement or doubt, Chief Legal Officer to seek opinion of counsel



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



In the case of an **event which has already occurred, or where it is not possible to stop** the course of action, the Executive Director of Finance and Commercial Services will **draft a report** under Part VIII of the Local Government Finance Act 1988



Report agreed with Managing Director and Chief Legal Officer (consultation with counsel if required)



Executive Director of Finance and Commercial Services **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

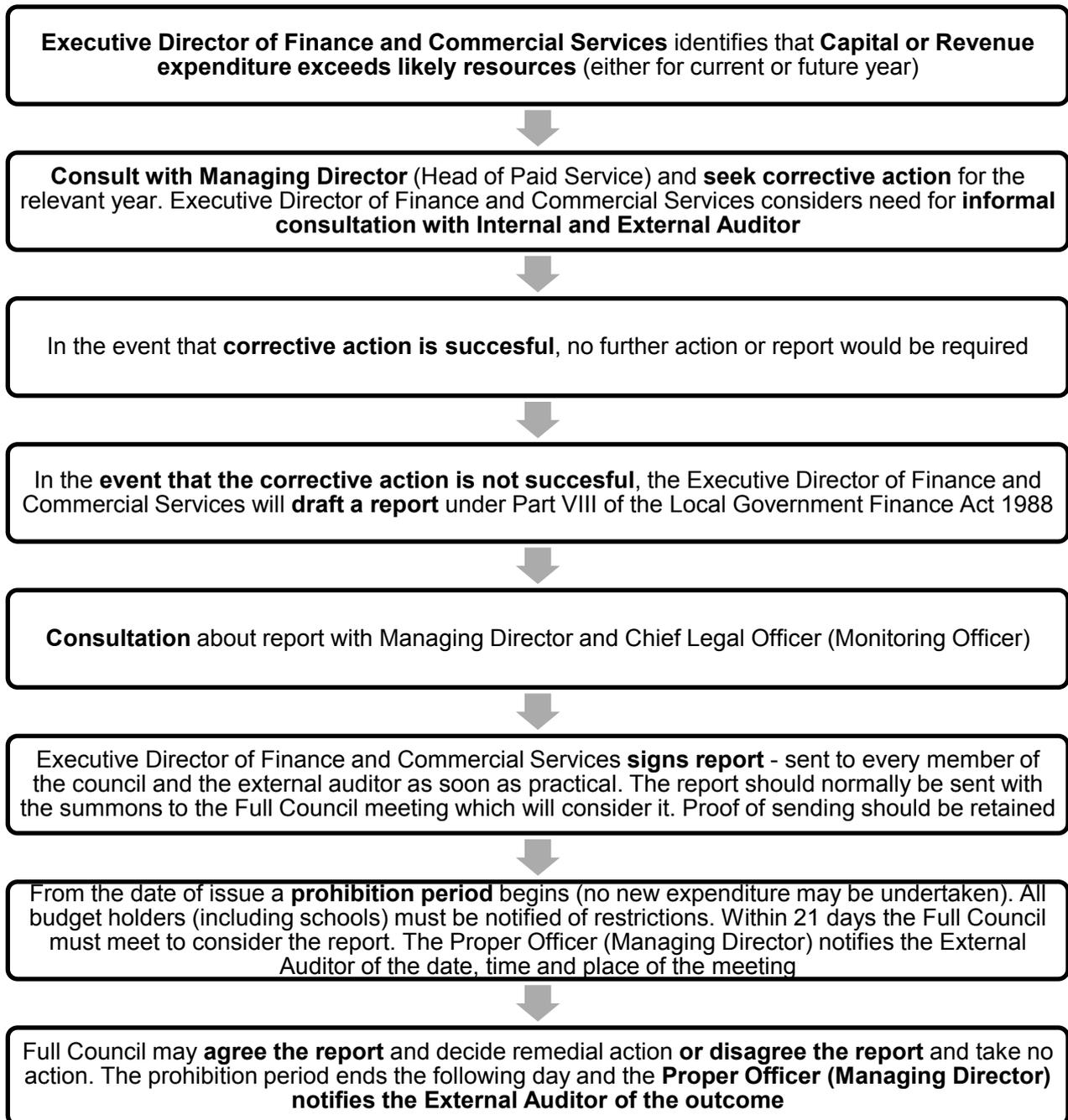


From the date of issue a **prohibition period** begins (the action may not be progressed). Within 21 days the Full Council must meet to consider the report. The Proper Officer (Managing Director) notifies the External Auditor of the date, time and place of the meeting



Full Council 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 **Proper Officer (Managing Director) notifies the External Auditor of the outcome**

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



## **Exceptions and other considerations**

10. 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 committee 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 Executive Director of Finance and Commercial Services judges that there is no reasonable prospect of the position being resolved or mitigated.
11. The above list is not exhaustive. In these and similar circumstances, the Executive Director of Finance will give consideration to the need for a report under section 114, in consultation with other officers as required.
12. 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.

## **Further action**

13. The Executive Director of Finance and Commercial Services' statutory duties under section 114 are discharged once a report has been issued to Full Council. In the event that Full Council 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.

## **ANTI MONEY LAUNDERING POLICY 2017**

This document sets out the Norfolk County Council's policy in relation to combatting money laundering and playing its part in the fight against criminal and terrorist financing.

### **1. Introduction**

- a. The Proceeds of Crime Act 2002 (POCA) and the Money Laundering Regulations 2007 ('the Regulations') create a regime aimed at preventing the use of proceeds of crime.
- b. The Proceeds of Crime Act potentially applies to areas of work carried out by the County Council and to all individual staff. Consequently it cannot be stressed too strongly that in addition to the County Council's role it is every member of staff's responsibility to be vigilant.
- c. The Money Laundering Regulations apply to activities carried on by "relevant persons". While these may be subject to revision from time to time local authorities are not generally subject to those provisions of the Proceeds of Crime Act and the Regulations that apply solely to the regulated sector or relevant persons but there may be specific areas of work where the Regulations do apply.
- d. However it is also appropriate that all public service organisations such as the County Council should embrace the underlying principles behind the money laundering legislation and regulations and put in place anti-money laundering policies, procedures and reporting arrangements, appropriate and proportionate to their activities.

### **2. Policy**

- a. The County Council will monitor and review the scope and application of the relevant law and adopt standards of best practice, in particular to:
  - i. Make all those staff most likely to be exposed to or suspicious of money laundering situations aware of the requirements and obligations placed on the County Council and themselves as individuals by the legislation;
  - ii. Give targeted training to those considered to be most likely to encounter money laundering;
  - iii. Make arrangements to receive and manage the concerns of staff about money laundering and their suspicions of it, to make internal enquiries and to make reports, where necessary, to the NCA National Crime Agency ("NCA"); and
  - iv. Establish internal procedures to help forestall and prevent money laundering.

Part 7 of POCA deals with both the **money laundering offences** and those offences resulting from a **failure to act on a suspicion of money laundering**.

The Money Laundering Regulations 2007 (MLRs) provide the administrative and regulatory requirements for firms within the regulated sector.

### 3. Money Laundering Offences

There are three money laundering offences in POCA relating to the direct handling of the proceeds of crime. These can be committed by any person. It is an offence to:

- Conceal, disguise, convert or transfer the proceeds of crime, or to remove the proceeds of crime from the jurisdiction of England and Wales. This is the basic money laundering offence (section 327).
- Enter into, or become concerned in an arrangement, in which a person knows or suspects the retention, use or control of the proceeds of crime. This is the aiding and abetting offence (section 328).
- Acquire, use or possess the proceeds of crime. This is known as the handling stolen goods offence (section 329).

All three offences require either a knowledge or suspicion of money laundering.

### 4. Offences Relating to Failure to Report Money Laundering

These offences are concerned with a person's action or inaction upon discovering potential money laundering. There are four offences:

- **Failure to disclose.** A person working in a business in the regulated sector knows or suspects, or has reasonable grounds for knowing or suspecting, that another person is engaged in an offence under sections 327 to 329 of POCA but fails to disclose that knowledge or suspicion to a relevant officer (section 330). For more information, see Practice note, Money Laundering - the s330 offence.
- **Failure to disclose (nominated officers).** A person nominated to receive disclosures under section 330 working in the regulated sector (the MLRO) knows or suspects, or has reasonable grounds to know or suspect, money laundering, as a consequence of his role of person nominated to receive disclosures under section 330, and fails to make the necessary disclosure under section 338 as soon as practical after the information comes to him (section 331). It is a defence for the MLRO if he has a reasonable excuse for not disclosing the information. For more information, see Practice note, Money laundering: offence under section 331 of the Proceeds of Crime Act 2002.
- **Tipping off.** A person working in a business in the regulated sector knows or suspects that another person's suspected involvement with money laundering is under investigation or in contemplation of investigation, and regardless makes a disclosure to any person likely to prejudice any investigation (section 333A).
- **Prejudicing the investigation.** A person knows or suspects that a money laundering investigation has or is about to be commenced in respect of another and he makes a material disclosure to any other person which is likely to prejudice the investigation, or interferes with relevant material (section 342). This offence can be committed by both regulated and non-regulated individuals.

These failure to disclose offences can only be committed by a person in the regulated sector. In practice, the simple rule exists that a regulated person can avoid committing

a "failure to report" offence by informing their MLRO of their suspicion and not telling anyone else about it.

## **5. Suspicious Activity reports**

A suspicious activity report (SAR) is the formal mechanism for making an authorised disclosure under section 338 of POCA. A report is made to the National Crime Agency (NCA) who can consider the information provided and either give or refuse consent to complete the transaction. If consent is given, the transaction can be completed without any risk of committing a proceeds of crime offence. If consent is refused, the transaction cannot be completed and the MLRO still has to take appropriate steps to avoid committing an offence of tipping off.

## **6. What are the role and responsibilities of the MLRO?**

In addition to the duties and liabilities imposed by POCA, additional responsibilities are imposed on the MLRO by regulation 20 of the MLRs.

The MLRO's criminal liability emerges from both the offences under POCA and regulation 45 of the MLRs. Under regulation 45, the MLRO can be subject to criminal sanctions for failing to put in place the following relevant regulations prescribed by the MLRs:

- Customer due diligence measures (regulation 7(1), (2) or (3)).
- Ongoing monitoring of business relationships (regulation 8(1) or (3)).
- Verifying the identity of a customer before conducting a transaction (regulation 9(2)).
- Failing to cease transactions where customer due diligence measures cannot be undertaken (regulation 11(1)(a), (b) or (c)).
- Carrying out enhanced due diligence measures (where appropriate) (regulation 14(1)).
- Keeping relevant transactional records (regulation 19(1), (4), (5) or (6)).
- Putting in place adequate policies and procedures, including anti-money laundering procedures (regulation 20(1), (4) or (5)).
- Ensuring that employees receive appropriate anti-money laundering training (regulation 21).
- Failing to follow a direction made under regulation 18 (made by HM Treasury).

## **7. What defences are available to failure to report charges?**

A person in the regulated sector can avoid committing a money laundering offence by disclosing any information that gives rise to knowledge or suspicion of a money laundering offence to the relevant officer (section 330) and subsequently keeping that disclosure confidential (section 333A).

## **8. Problem areas for the County Council**

Within the County Council it is anticipated that the most likely scenario in which a money laundering issue may arise is where officers unwittingly become concerned or

involved in an arrangement which we know or suspect enables criminal property to be retained or acquired by a third party.

Should an officer enter into or become 'concerned' in an arrangement known or suspected to facilitate the acquisition, retention, use or control of criminal property, an offence will have been committed. However it is a defence for the officer concerned to make a disclosure to a 'nominated officer' who will then be duty bound to review the facts and if appropriate make a report to NCA.

Any officer of Norfolk County Council should be aware in their dealings that they could come into contact with money laundering. In the event of any concerns, they should contact the MLRO, the [Chief Legal Officer and Monitoring Officer](#), or the Deputy MLRO, the [Practice Director](#) at nplaw for advice. **NB: An officer should not take any unilateral action of any kind without first seeking advice.**

## **ANTI MONEY LAUNDERING GUIDANCE NOTES 2017**

### **1. What is money laundering?**

Money laundering is the process by which proceeds of crime or terrorism funds are legitimised. It relates to both the activities of organised crime but also to those who benefit financially from dishonest activities such as receiving stolen goods.

Increased awareness has resulted in greater responsibilities for organisations and employees to address risk and combat attempts at money laundering.

The County Council might be viewed as having limited exposure to the problem but is certainly not immune and on a “best practice” basis we are required to take proportionate measures.

There are serious penalties for those who are convicted of breaking the law.

**Norfolk County Council’s policy on money laundering is to:**

- Embrace the underlying principles behind money laundering related legislation to help forestall and prevent money laundering
- Make staff aware of the requirements placed on them and assist with any concerns
- Give targeted training to those at risk
- Provide for the reporting of actual or suspected cases of money

We have nominated the [Chief Legal Officer and Monitoring Officer](#) to be the Council’s **Money Laundering Reporting Officer** (MLRO), and the [Practice Director](#) at nplaw as the Deputy MLRO.

### **2. What are the main offences?**

There are three principal offences:

- **concealing;**
- **arranging;** and
- the **acquisition, use or possession**

...of criminal property.

There are also two ‘third party’ offences:

- **failure to disclose** one of the three principle offences named above; and
- **tipping off** – informing people who are suspected of being involved in money laundering, so that the likelihood of them being investigated is reduced or an investigation already commenced is prejudiced.

### 3. How is it likely to affect me?

It is unlikely that a member or officer would commit one of the three principal criminal offences. However, there could be occasions where there might be a suspicion of money laundering activities. For example:

- a social worker assists a client to apply for grants in the knowledge that proceeds of crime are being concealed.
- an officer involved in a property transaction has suspicions that the property is being bought using the proceeds of crime.
- a tender for a County Council contract is suspiciously low.

In all cases by becoming “concerned” in a transaction known, or suspected of facilitating the acquisition, retention, use or control of criminal property, an offence will have been committed. However it would be a defence of the person concerned to make a disclosure to the Council’s MLRO.

### 4. Cash Payments

High value payments to the Council in cash (including notes, coins or travellers’ cheques in any currency) over £2,000 should be carefully scrutinised. In the event of any proposal to make payment in cash which arouses concerns, the advice of the MLRO should be sought. In all cases, attention should also be paid to the Council’s insurance limits for holding cash. These are currently £600 for a locked receptacle and £15,000 for a safe.

### 5. Customer Due Diligence

Where the Council is carrying out certain ‘regulated activities’ then extra care needs to be taken to check the identity of the customer or client – known as carrying out customer due diligence.

The Regulations regarding customer due diligence are detailed and complex, but there are some simple questions that will help you decide if it is necessary:

- Is the service a regulated activity as defined by the Regulations (i.e. the provision of advice on tax affairs, accounting services, treasury management, investment or other financial services, audit services, estate functions, company/trust formation, dealing in goods involving cash payment of €15,000)?
- Is the Council charging for the service i.e. is it ‘by way of business’?
- Is the service being provided to a customer other than a UK public authority?

If the answer to any of these questions is **no** then you do not need to carry out customer due diligence. Alternatively you are required to carry out customer due diligence before any business is undertaken for that client. If unsure, you should contact the MLRO.

If, at any time, it is suspected that a client or customer for whom the Council is currently, or is planning to carry out, a regulated activity is carrying out money laundering or terrorist financing, or has lied about their identity then this must be reported to the MLRO.

## 6. What should I do if I suspect money laundering?

If you have any suspicion of money laundering activities you **should promptly report it to the Money Laundering Reporting Officer**. Even if it is just a small amount of money it is important to report it. The Money Laundering Reporting Officer will then decide whether the transaction is suspicious and whether to make a report to the National Crime Agency (NCA).

If you work in an area where we think you might find suspicious situations, your manager will talk to you about it, and offer you training where it is needed.

## 7. Possible signs of money laundering

It is impossible to give a definitive list of ways in which to spot money laundering or how to decide whether to make a report to the MLRO. The following are types of risk factors which may, either alone or cumulatively with other factors, suggest the possibility of money laundering activity:

### Generally:

- *A new client;*
- *A secretive client: e.g. refuses to provide requested information without a reasonable explanation;*
- *Concerns about the honesty, integrity, identity or location of a client;*
- *Illogical third party transactions: unnecessary routing or receipt of funds from third parties or through third party accounts;*
- *Involvement of an unconnected third party without logical reason or explanation;*
- *Payment of a substantial sum in cash (over £2,000);*
- *Overpayments by a client;*
- *Absence of an obvious legitimate source of the funds;*
- *Movement of funds overseas, particularly to a higher risk country or tax haven;*
- *Where, without reasonable explanation, the size, nature and frequency of transactions or instructions (or the size, location or type of a client) is out of line with normal expectations;*
- *A transaction without obvious legitimate purpose or which appears uneconomic, inefficient or irrational;*
- *The cancellation or reversal of an earlier transaction;*
- *Requests for release of client account details other than in the normal course of business;*
- *Companies and trusts: extensive use of corporate structures and trusts in circumstances where the client's needs are inconsistent with the use of such structures;*
- *Poor business records or internal accounting controls;*

- *A previous transaction for the same client which has been, or should have been, reported to the MLRO.*

**Property Matters:**

- *Unusual property investment transactions if there is no apparent investment purpose or rationale;*
- *Instructions to receive and pay out money where there is no linked substantive property transaction involved (surrogate banking);*
- *Re property transactions, funds received for deposits or prior to completion from an unexpected source or where instructions are given for settlement funds to be paid to an unexpected destination.*

Facts which tend to suggest that something odd is happening may be sufficient for a reasonable suspicion of money laundering to arise.

If you become aware that your involvement in a matter may amount to money laundering then you must discuss it with the MLRO and not take any further action until you have received, through the MLRO, the consent of National Crime Agency (NCA).

**8. What further help and guidance is available?**

Please contact David Johnson at nplaw on 01603 223247 for further advice and assistance.

<b>Proposed Consequential Changes to the Constitution</b>		
<b>Change</b>	<b>Original section of Constitution</b>	<b>Proposed</b>
<p>Delegations for the Managing Director to be amended to remove the current points 5 to 10 as the Council set up in 2015 the Corporate Property Team and there is now in place a substantive Head of Property and these activities are core business for the team. Furthermore the Council established the Business and Property Committee earlier in 2017.</p>	<p><u>Part 6.2, page 5</u></p> <p><b>SCHEME OF DELEGATED POWERS TO OFFICERS</b></p> <p><b>B. OFFICERS' SCHEME OF DELEGATED POWERS</b></p> <p>The following summaries of Chief Officers' delegations detail further exceptions and provide appropriate clarification:-</p> <p><b>MANAGING DIRECTOR</b></p> <p>In accordance with the strategies, policies and priorities of the Council and the general conditions set out in Section A of this Scheme:-</p> <ol style="list-style-type: none"> <li>1. To do, or authorise to be done, any act or thing necessary to effect any decision of the Council.</li> <li>2. To exercise any powers where necessary in the event of a civil emergency.</li> <li>3. To determine the list of politically restricted posts within the Council and to issue certificates under Section 3 of the Local Government and Housing Act 1989.</li> </ol>	<p><b>SCHEME OF DELEGATED POWERS TO OFFICERS</b></p> <p><b>B. OFFICERS' SCHEME OF DELEGATED POWERS</b></p> <p>The following summaries of Chief Officers' delegations detail further exceptions and provide appropriate clarification:-</p> <p><b>MANAGING DIRECTOR</b></p> <p>In accordance with the strategies, policies and priorities of the Council and the general conditions set out in Section A of this Scheme:-</p> <ol style="list-style-type: none"> <li>1. To do, or authorise to be done, any act or thing necessary to effect any decision of the Council.</li> <li>2. To exercise any powers where necessary in the event of a civil emergency.</li> <li>3. To determine the list of politically restricted posts within the Council and to issue certificates under Section 3 of the Local Government and Housing Act 1989.</li> <li>4. To give permission for the use of the County Council's Coat of Arms.</li> </ol>

<b>Proposed Consequential Changes to the Constitution</b>		
<b>Change</b>	<b>Original section of Constitution</b>	<b>Proposed</b>
	<p>4. To give permission for the use of the County Council's Coat of Arms.</p> <p>5. To exercise the Council's functions relating to county farms, subject to taking professional advice before exercising such powers.</p> <p>6. To decide on proposals for putting to a new use any land or building, which is no longer required for the purpose for which it has hitherto been used, where re-use by others or disposal is not practical, or where the net disposal value is less than £100,000.</p> <p>7. To approve applications for direct use by a particular service of capital receipts arising from the realisation of surplus property assets of that service subject to a maximum not exceeding £100,000.</p> <p>8. To approve the allocation and rearrangement of office space and ancillary accommodation at County Hall and other general purpose buildings at a cost not exceeding £100,000.</p> <p>9. To negotiate and agree with the District Valuer and other interested parties the rating valuation of Council properties.</p>	<p>5. To divide electoral divisions into polling districts at local government elections.</p> <p>6. To make appointments to Committees in consultation with the relevant Group Leader.</p> <p>7. To take minor and urgent decisions within the terms of reference of the Personnel Committee having first consulted with the Group Leaders.</p>

<b>Proposed Consequential Changes to the Constitution</b>		
<b>Change</b>	<b>Original section of Constitution</b>	<b>Proposed</b>
	<p>10. Subject to any financial limitations on this power laid down by the Council or Committee in respect of land and buildings and other property interests, to agree terms for the acquisition by purchase, lease or exchange, lease renewals, lettings and disposals.</p> <p>11. To divide electoral divisions into polling districts at local government elections.</p> <p>12. To make appointments to Committees in consultation with the relevant Group Leader.</p> <p>13. To take minor and urgent decisions within the terms of reference of the Personnel Committee having first consulted with the Group Leaders.</p>	
<p>Delete this delegation as the Council set up in 2015 the Corporate Property Team and there is now in place a substantive Head of Property and these activities are core business for the team. Furthermore the Council established the Business and Property Committee earlier in 2017.</p>	<p><u>Section 6.2 page 14</u></p> <p><b>SCHEDULE OF DELEGATIONS OF CHIEF OFFICERS’ POWERS</b></p> <p><b>MANAGING DIRECTOR</b></p> <p><b>SECTION B – SPECIFIC DELEGATION</b></p> <p>5. To exercise the Council’s functions relating to County Farms, subject to taking professional advice before</p>	<p>Delete. Proposed changes to the financial regulations cover these points.</p>

<b>Proposed Consequential Changes to the Constitution</b>		
<b>Change</b>	<b>Original section of Constitution</b>	<b>Proposed</b>
	<p>exercising such powers.</p> <p>Under this area of delegation the following sub-delegation is made:-</p> <p>“To review 1954 Act Leases on similar terms and on the best rent reasonably obtainable, to grant and renew Farm Business Tenancy Agreements pursuant to the Agricultural Tenancies Act 1995 at the best rent reasonably obtainable, to accept surrenders of leases on the best terms reasonably obtainable, to grant wayleaves and easements to statutory undertakers and for other such services on the best terms reasonably obtainable and to grant tenancies at will.”</p>	
<p>Amend part of the Member protocol as the Council set up in 2015 the Corporate Property Team and there is now in place a substantive Head of Property and these activities are core business for the team.</p>	<p><u>Section 6.2 page 32</u></p> <p><b><u>CONSTITUTION</u></b></p> <p><b><u>ANNEX TO PART 6.2</u></b></p> <p><b><u>LOCAL MEMBER PROTOCOL</u></b></p> <p><b><u>PROTOCOL FOR INFORMING MEMBERS OF ISSUES RELATING TO THEIR ELECTORAL DIVISION</u></b></p>	

<b>Proposed Consequential Changes to the Constitution</b>		
<b>Change</b>	<b>Original section of Constitution</b>	<b>Proposed</b>
	<p><u>NPS LTD</u></p> <ul style="list-style-type: none"> <li>• Property sale particulars.</li> <li>• Property disposals, when not on the open market.</li> <li>• Planning applications on surplus property or for County Council developments.</li> <li>• Property acquisitions by lease or purchase.</li> <li>• Property reviews.</li> <li>• Partnership projects.</li> <li>• Planned maintenance programme for local properties.</li> </ul>	<p><u>Corporate Property Team</u> (or agents on instruction):</p> <ul style="list-style-type: none"> <li>• Property reviews</li> <li>• Property sale particulars.</li> <li>• Property disposals (freehold/leases over 7 years)</li> <li>• Planning applications on surplus property or for County Council developments.</li> <li>• Property acquisitions by lease or purchase.</li> <li>• Partnership projects.</li> <li>• Planned maintenance programmes for local properties.</li> </ul>
<p>Remove reference to Hierarchy of Decision Making which is no longer noted in constitution (used to be in section 7.7 in previous iterations of constitution).</p>	<p><u>Section 7.8 page 5</u></p> <p><b>Contract and Standing Orders</b></p> <p>3.4 Relevant Contracts do not include:</p> <p>a) agreements regarding the acquisition, disposal, or transfer of land, pre-existing property leases, and licenses – the rules governing these are outlined in the Hierarchy of Decision Making on Property Matters Under The Constitution of Norfolk County Council.</p>	<p><b>Contract and Standing Orders</b></p> <p>3.4 Relevant Contracts do not include:</p> <p>a) agreements regarding the acquisition, disposal, or transfer of land, pre-existing property leases, and licenses – the rules governing these are outlined in the Financial Regulations.</p>

# Constitutional Advisory Group

APPENDIX C

<b>Report title:</b>	<b>Proposed changes to the Scheme of Delegation to better reflect the statutory functions of the County Council as Lead Local Flood Authority</b>
<b>Date of meeting:</b>	<b>8 November 2017</b>
<b>Responsible Chief Officer:</b>	<b>Tom McCabe</b>
<b>Strategic impact</b> To ensure greater efficiency in providing technical advice to planning authorities on drainage, the compilation of flood risk asset records and the publishing of flood investigations.	

## Executive summary

This report proposes to revise the existing scheme of delegation for Lead Local Flood Authority matters related to statutory consultations from planning authorities, record keeping on flood risk assets and the publication of flood investigations.

### Recommendations:

It is recommended that an amendment is made (as set out in 1.2 of this report) to Section B, Part 6.2 of the Norfolk County Council Constitution to better reflect the carrying out of statutory functions under the Flood and Water Management Act 2010 and The Town and Country Planning (Development Management Procedure) (England) Order 2010.

## 1. Proposal (or options)

- 1.1. This proposal advocates a small number of changes to the specific delegations of the Executive Director of Community and Environmental Services. The changes proposed are;
  - To amend the text relating to the council functions regarding Sustainable Drainage Systems (“SuDS”). The current text requires updating due to legislative changes and to make the text more consistent with other areas of the scheme of delegation.
  - To make explicit the powers to compile and include records of flood risk assets under Section 21 of the Flood and Water Management Act 2010, and;
  - To make explicit the role the County Council has in publishing investigation reports into flooding of people property and infrastructure under Section 19 of the Flood and Water Management Act 2010.
- 1.2. To better reflect the bullet points set out above, amendments are proposed to Part 6.2, Section B of the Norfolk County Council Constitution. The first amendment relates to Paragraph 10 and is;
  - (10) Giving advice or recommendations to Local Planning Authorities on behalf of the County Council as Lead Local Flood Authority in line with requirements of the Town and Country Planning (Development

The second and third revisions would be to insert new entries (as Paragraph 13 and 14) under Part 6.2, Section B of the Norfolk County Council Constitution. These would be;

(13) To authorise the publication and maintenance of records associated with the register of flood risk structures or features under Section 21 of the Flood and Water Management Act 2010.

(14) Approving the publication of formal flood investigations undertaken under Section 19 of the Flood and Water Management Act 2010

1.3. These amendments are sought to ensure that the Councils Constitution is accurate and that it better reflects the Lead Local Flood Authority statutory duties and functions. The existing and proposed wording is summarised in Appendix A.

## **2. Financial Implications**

2.1. No direct financial implications

## **3. Issues, risks and innovation**

3.1. Failing to accurately reflect the requirements of statutory duties in the authority's specific delegations could impact on the legality of advice or records published in the public domain. This could also impact on the timeframes in which information is published.

## **4. Background**

4.1. From April 2010 to late 2014 it had been Government's intention to implement Schedule 3 of the Flood and Water Management Act 2010. Schedule 3 of the legislation would have placed Unitary Local Authorities and County Councils at the centre of a new process, separate from planning, for approving, adopting and maintaining SuDS on new major developments. In December 2014 Government resolved to deliver SuDS on new developments using the existing Town and County Planning process and set out changes to planning that sought to strengthen planning policy. These changes came into force from the 6 April 2015.

4.2. At the same time Government also set out new consultation arrangements for planning applications for major developments. These changes made upper tier local authorities statutory consultees to planning in their capacity as LLFAs. This statutory consultee role to planning is created by the Town and Country Planning (Development Management Procedure) (England) Order 2015. Schedule 4 of this statutory instrument sets out the consultations before the grant of permission and paragraph (ze) states that the LLFA should be consulted on "major development with surface water drainage". These changes came into force from the 15 April 2015. The LLFA role is broadly similar to that held by the Environment Agency (EA) prior to this date.

- 4.3. The current wording of Paragraph 10, Section B, Part 6.2 of the Norfolk County Council Constitution relates to the SAB role previously envisaged under Schedule 3 of the Flood and Water Management Act 2010. As such the proposal outlined in 1.2 is aimed at better reflecting the statutory consultee role to planning that has been conferred on the authority.
- 4.4. The duties surrounding the Section 19 flood investigations and Section 21 flood risk asset register as set out in the Flood and Water Management Act 2010 were the subject of a previous CAG report approved on the 22 October 2013 which provided a Chief Officers' delegation to the Executive Director of Community and Environmental Services "To exercise the Council's Functions as a Lead Local Flood Authority under the Flood and Water Management Act 2010." The proposal in this report relates to specific delegations that have been identified to better reflect the technical and unique nature of these duties.
- 4.5. Whilst we are seeking amendments to better reflect the functions under the Flood and Water Management Act 2010 it is worth noting that members are currently involved in the following processes and activities;
- Approving and endorsing protocols – Protocols have been produced to establish when County Council officers should exercise their flood risk powers and to set out the thresholds that are used trigger the need for involvement by the authority. These protocols cover;
    - Ordinary Watercourse Enforcement as set out in the NCC CES Enforcement Policy
    - Ordinary Watercourse Consenting
    - Flood Investigations
  - Scrutinising risk management authorities. – Currently the scrutiny of Risk Management Authorities as defined by the Localism Act 2011 is carried out by EDT Committee. Risk Management Authorities have to comply with a request by this committee.
  - Attendance at Regional Flood and Coastal Committees – there are three County Council members on two (Eastern and Central) Regional Flood and Coastal Committees (RFCCs). These seats are in recognition of the levy that is raised from the County Council and that is based on council tax base. For Norfolk this levy is over £800,000. The RFCCs meet quarterly and have a role in endorsing the regional programme of flood mitigation schemes.
  - Adoption of studies and strategies. Members have a role in scrutinising, endorsing and adopting both the Local Flood Risk Management Strategy as well as the evidence base that is developed to support it. This includes Surface Water Management Plans (SWMPs) that have been produced for the Norwich Urban Area, King's Lynn and West Norfolk Settlements and Great Yarmouth Borough.
  - Local members also have sight of draft flood investigation reports that are drafted in line with the requirements of Section 19 of the Flood and Water Management Act 2010 prior to their publication in the public domain.

## **Officer Contact**

If you have any questions about matters contained in this paper or want to see copies of any assessments, eg equality impact assessment, please get in touch with:

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## Appendix A – Existing and proposed wording

Change No.	Current Wording	Proposed wording	Reason
1	(10) To exercise the Council's Functions as a Sustainable Drainage Systems (SUDS) Approving Body (SAB) under the Flood and Water Management Act 2010.	<i>(10) Giving advice or recommendations to Local Planning Authorities on behalf of the County Council as Lead Local Flood Authority in line with the requirements of the Town and Country Planning (Development Management Procedure) (England) Order 2015.</i>	To reflect the nature of legislative changes on current statutory duties.
2	(Not currently contained within scheme)	<i>To authorise the publication and maintenance of records associated with the register of flood risk structures or features under Section 21 of the Flood and Water Management Act 2010.</i>	To make explicit the powers to compile and include records of flood risk assets under Section 21 of the Flood and Water Management Act 2010.
3	(Not currently contained within scheme)	<i>Approving the publication of formal flood investigations undertaken under Section 19 of the Flood and Water Management Act 2010</i>	To make explicit the role the County Council has in publishing investigation reports into flooding of people property and infrastructure.

# Constitutional Advisory Group

## APPENDIX D

<b>Report title:</b>	<b>Changes to Scheme of Delegation of Planning Services</b>
<b>Date of meeting:</b>	<b>8 November 2017</b>
<b>Responsible Chief Officer:</b>	<b>Tom McCabe</b>
<b>Strategic impact</b> To provide for greater efficiency in determining planning applications as advocate by the National Planning Practice Guidance	

### Executive summary

To revise the existing scheme of delegation in relation Town & Country Planning matters to provide greater clarity and to allow officers to refuse applications where there is insufficient information to advise Members as to whether or not the proposal accords with the development plan.

#### **Recommendations:**

That the Constitutional Advisory Group recommend to Full Council that the changes to the constitution are adopted.

## 1. Proposal (or options)

### 1.1. The changes proposed are to:

- Simplify the text surrounding the council functions as a minerals and waste planning authority and make the text more consistent with other areas of the scheme of delegation.
- Make more explicit the powers to refuse applications where they are accompanied by insufficient information to determine whether or not the proposal accords with the development plan; and
- Make explicit the role of the county council as a provider of technical advice to local planning authorities on minerals and waste planning matters.

1.2. This proposal advocates a small number of changes to powers specifically delegated to the Executive Director of Community and Environmental Services. The first is the inclusion of a specific delegation that would allow officers to refuse applications in circumstances where there is insufficient information to enable officers to determine whether or not the proposal accords with the development plan. Officers will always try to negotiate and achieve a solution where there is a possibility that a development proposal may be acceptable. However in some cases where, for whatever reason, the applicant is either unable or unwilling to provide the information required to assess an application it can be in the best interests of all parties to refuse the application. This can help move the application forward through the planning process, reduce potential anxiety in host communities caused by a long running application process involving numerous rounds of consultation and benefit the service by freeing up

officer and Member time.

- 1.3. In addition to determining applications the Authority also advises Local Planning Authorities on minerals and waste implications associated with their own plan making and on determining planning applications. Issues covered include safeguarding minerals resources from needless sterilization and protecting vital waste and minerals management facilities such as rail heads and sewage treatment works from inappropriate development. The current wording of the scheme refers to providing advice as a county planning authority and it is proposed to amend the delegation to make specific reference to the role of the county as a minerals and waste planning authority.
- 1.4. The scheme of delegation in relation to town and country planning functions currently makes reference to regulations. It is proposed to remove this reference and simply refer to town and county planning functions.
- 1.5. The table attached to this report details the specific changes recommended to part 6.2 of the constitution that details the functions delegated to the Executive Director of Community and Environmental Services. The commensurate changes that are required to the Schedule of delegation are not included.

## **2. Financial Implications**

- 2.1. Determination of applications under delegated powers and the avoidance of ineffectual rounds of consultations would reduce the time and costs involved with determining individual applications. However it is not envisaged that the total number of cases would be sufficient to justify a reduction in current planning resources.

2.2.

## **3. Background**

- 3.1. The exercise of the power to delegate planning functions is generally a matter for individual local planning authorities, having regard to practical considerations including the need for efficient decision-taking and local transparency. National Planning policy and guidance advocates that it is in the public interest for the local planning authority to have effective delegation arrangements in place to ensure that decisions on planning applications that raise no significant planning issues are made quickly and that resources are appropriately concentrated on the applications of greatest significance to the local area.
- 3.2. The general provisions applying to delegated powers allow for officers to approve and refuse permissions in accordance with the relevant policies of the County Council. In the context of the town and country planning development management function this permits officers to approve applications that accord with the development plan and similarly refuse applications that are contrary to the development plan. In this case the development plan means the Norfolk Minerals and Waste Development Framework plus the relevant district local plan.
- 3.3. The specific powers delegated to the Executive Director of Community and Environmental Services under part B of section 6.2 of the Council Constitution identify a number of circumstances where decisions that accord with the general provisions must nevertheless be made by members of the Planning (Regulatory) Committee, most significantly applications that are subject to the Environmental Impact Assessment Regulations 2017 and those that have received a number of objections.

## **Officer Contact**

If you have any questions about matters contained in this paper or want to see copies of any assessments, eg equality impact assessment, please get in touch with:

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<b>Change No.</b>	<b>Current Wording</b>	<b>Proposed wording</b>	<b>Reason</b>
1	(12) To exercise all functions of the Council relating to Town and Country Planning and Development control as specified in Schedule 1A paragraphs 7-7, 9-23 of the Regulations except for:	<i>(12) To exercise all the functions of the council relating to Town and Country Planning and Development Management except for;</i>	To simplify wording and avoid the need to cross reference to a separate set of regulations.
2	(Not currently contained within scheme)	<i>To refuse applications on the grounds that there is insufficient information to determine whether or not the application accords with the development plan.</i>	To allow for the efficient determination of applications where there is insufficient information to assess the proposal.
3	<i>(3) Giving Advice or making recommendations to local planning Authorities on behalf of the County council as local highway authority and county planning authority. -</i>	<i>Giving Advice or making recommendations to local planning Authorities on behalf of the County council as local highway authority, minerals and waste planning authority and county planning authority.</i>	To make explicit that the County council provides technical advice to local planning authority on minerals and waste management matters.
4	<i>12 (c) "... and the Director of Environment, Transport and Development..."</i>	<i>".. and the Executive Director of Community and Environmental Services..."</i>	To correct the title of the Executive Director.
5	<i>12 (d) approval of major departures from Development Plans arising from planning applications and proposals</i>	<i>Delete 12 (d)</i>	This is a <del>repletion</del> <a href="#">repetition</a> of the general provisions and therefore is not required

## CONSTITUTION ADVISORY GROUP

Appendix E

<b>Report title:</b>	<b>Access Joint Committee – Changes to the Constitution</b>
<b>Date of meeting:</b>	<b>8 November 2017</b>
<b>Responsible Chief Officers:</b>	<b>Chief Legal Officer</b>
<b>Strategic impact</b> A Government initiative has required local authorities to come together to pool pensions' investments and administration with a view to saving costs while maintaining overall investment performance. Norfolk County Council has joined 10 other authorities from the South and East of the country to form the ACCESS (A Collaboration of Central, Eastern and Southern Shires) Joint Committee.	

### Executive summary

At the Council meeting on 20 February 2017 authority was delegated to the Chief Legal officer to make consequential amendments to the County Council's Constitution to reflect the agreed approach of the creation of the Joint Committee and to report those changes to the County Council.

#### **Recommendations:**

That the Constitution Advisory Group notes the changes which will be reported to Full Council.

### Background

At a meeting on 20 February, 2017, the County Council reviewed a report from the Chairman of the Pensions Committee. That report set out the Government's timetable and agenda for the reform of the Local Government pension Scheme (LGPS).

The County Council agreed the recommendation of the Pensions Committee that Norfolk County Council enter into a Inter-Authority Agreement to support the pooling of investments.

Authority was delegated to the Chief Legal officer to make consequential amendments to the County Council's Constitution to reflect the agreed approach of the creation of the Joint Committee.

The consequential amendments are attached in the Annex to this report.

Recommendation: that the Constitution Advisory Group notes the changes which will be reported to Full Council.

## Officer Contact

If you have any questions about matters contained or want to see copies of any assessments, e.g. equality impact assessment, please get in touch with:

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

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\\Norfolk.gov.uk\ncodfs1\CorporateProperty\Team Admin\Meetings\Members Work groups\Constitution Advisory Group\17.03.01\draft\17.00.00 P&R Committee Proposed Property and Business Committeee (rfwb) draft 0.2.doc

## ANNEX

Changes to the Constitution to reflect the County Council's decision on 20 February 2017 to participate in a Joint Committee to exercise functions associated with the ACCESS pooling arrangements.

### **Article 10**

A new box will be added at the end of paragraph 6 of Article 10 as follows:

ACCESS Joint Committee	1 member of the Council, normally the Chair of the Pensions Committee	This Committee exercises a range of pensions' functions associated with the ACCESS Pooling Agreement
------------------------	---	--

### **Part 4.3**

To add an additional Joint Committee to the list in paragraph 1 as follows:

- The LGPS ACCESS Joint Committee

To add an additional paragraph 2(g) as follows:

(i) Membership

- Norfolk County Council
- Cambridgeshire County Council
- East Sussex County Council
- Essex County Council
- Hampshire County Council
- Hertfordshire County Council
- Isle of Wight Council
- Kent County Council
- Northamptonshire County Council
- Suffolk County Council
- West Sussex County Council

Each Council should be represented by one member of the respective Council. In Norfolk's case this will normally be the Chair of the Pensions Committee.

(ii) Roles and Responsibilities

These are set out in the Joint Committee's terms of reference contained in the Inter-Authority Agreement. They include procuring and managing an operator, appointing professional advisors and making recommendations to the Councils concerning Pool Assets.

(iii) Administration

The Constitution of the Joint Committee is set out in the Inter-Authority Agreement entered into in July 2017.

# Constitution Advisory Group

Appendix F

<b>Report title:</b>	<b>Norfolk Health &amp; Wellbeing Board - Review of Governance Arrangements</b>
<b>Date of meeting:</b>	<b>8 November 2017</b>
<b>Responsible Chief Officer:</b>	<b>Dr Louise Smith, Director of Public Health</b>
<b>Strategic impact</b> By keeping the governance arrangements for its committees up to date the Council ensures good governance and places the organisation in the best possible position to deliver its strategic priorities in the most effective and efficient way.	
<b>Executive summary</b> This report outlines the Health and Wellbeing Board's current governance arrangements in terms of its membership and terms of reference. It sets out a proposal for Constitution Advisory Group (CAG) to consider in relation to the Board's Terms of Reference with a view to making a recommendation to Policy and Resources Committee (P&R Committee).	
<b>Recommendation:</b>  <b>Constitution Advisory Group is asked to recommend to the P&amp;R Committee:</b>  1. That the Council's Constitution be amended to reflect the Health & Wellbeing Board's updated terms of reference (Appendix A)	

## 1. Introduction

- 1.1 Health & Wellbeing Boards (HWBs) were introduced as forums for collaboration to improve health and wellbeing outcomes for local people and communities. They are places where leaders from across the wider health and care system can collaborate to better understand their local community's needs, agree priorities and work in a more joined-up way.
- 1.2 HWBs can provide oversight and strategic leadership across many complex organisations and systems, and commissioning across the NHS, social care and public health. HWBs underpin the shared understanding and joint action that are needed to improve outcomes for their area.
- 1.3 The Norfolk HWB was established in 2013 and has been fully operational for over 4 years. In July 2018, the Board elected its new Chairman, following the formation of the new County Council in May 2017 and the annual appointments to the Council's Committees. It was considered timely for the Board to review its governance and ways of working to ensure that it was working efficiently and effectively, and continue to be well placed to pursue its strategic priorities whilst meeting the current challenges facing the health and wellbeing system.

## 2. HWB governance

- 2.1 At its meeting on 27 September 2018, the HWB considered the current governance arrangements and its ways of working. This included reviewing the Board's membership, terms of reference, sub-structures, appointments to other bodies and its relationship with other key partnership groups. Members also considered and reconfirmed their commitment to working as system leaders and agreed a Forward Plan, to help focus planning and ensure the Board's statutory responsibilities are met in a timely way. The full report to the HWB can be accessed here: [Governance and system leadership approach](#).
- 2.2 As part of this review, the HWB considered a revised Terms of Reference (ToR) which had been updated to reflect the current landscape in which the Board was working. No new responsibilities were introduced but the proposed changes bring the ToR up to date and strengthen the Board's governance overall. The updated draft ToR are at Appendix A. The key changes include:
1. A reference to the Norfolk & Waveney Sustainability & Transformation Plan (STP) – see point 7 of the draft ToR
  2. More detail about the Board's work in promoting the sharing of good practice and learning – see point 8 of the draft ToR
  3. A strengthening of the wording around the Board's role in relation to the CCGs planning and the need for it to take account of the Joint Health & Wellbeing Strategy –see point 9 of the draft ToR.

### 3. Financial Implications

- 4.1 There are no financial implications. The HWB review and subsequent proposal is developed on the basis of ensuring good governance and effective delivery, mindful of the need to contain costs.

### 4. Background

- 5.1 The report to the Norfolk Health & Wellbeing Board background documentation considered in conducting this review are as follows:
- Report to the HWB 27 September 2017 - [Governance and system leadership approach](#)

### Officer Contact

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**Health and Wellbeing Board –Terms of Reference****Aim**

The Norfolk Health and Wellbeing Board will work to lead and advise on work to improve the health and wellbeing of the population of Norfolk by providing strategic system leadership of, and oversight for, the commissioning across the NHS, social care and public health.

**Purpose is to:**

1. Lead the development, with Norfolk County Council and Norfolk's Clinical Commissioning Groups, of the Joint Strategic Needs Assessment (JSNA)
2. Influence and support commissioners of health and wellbeing services to act in line with the evidence-based findings of the JSNA and to highlight where commissioning is out of step with best evidence
3. Lead the development, with Norfolk County Council and Norfolk's Clinical Commissioning Groups, of the Joint Health and Wellbeing Strategy (JH&WBS)
4. Undertake the Norfolk Pharmaceutical Needs Assessment (PNA)
5. Speak up for Norfolk, championing the health and wellbeing needs of the people of Norfolk at a local, sub-regional, regional and national level and challenging central government policy where it conflicts with locally identified priorities
6. Lead and encourage a broad base of partners outside of formal health, public health and social care settings to tackle the wider determinants of health and wellbeing including, for example, housing
7. Work as system leaders to drive the further integration of health and social care services, and other public services, and to ensure collaboration across the health and social care system, seeking assurance of the vision of the Norfolk and Waveney Sustainability & Transformation Plan (STP)
8. Promote the sharing of good practice and learning across the Norfolk health and wellbeing system, through workshops, training sessions, HWB events, good practice awards, etc
9. Seek assurance on whether the Clinical Commissioning Groups' (CCGs) commissioning plans take proper account of the JH&WBS, and provide a view to NHS England, as part of the annual performance assessment of CCGs, on the CCGs' contribution to the delivery of the JH&WBS.

## Recommendation of the Environment, Development and Transport Committee Meeting held on 10 November 2017

1. **Highway Capital Programme and Transport Asset Management Plan (TAMP)**
  - 1.1.1 The Committee received the report outlining the Single Issue Silica Sand Review of the Minerals Site Specific Allocations Development Plan Document for recommendation to full Council.
  - 1.2 The Committee **RECOMMENDED** to full council to:
    1. **NOTE** the content of the Inspector's report into the examination of the Single Issue Silica Sand Review (Appendix 1 to this report);
    2. **RESOLVE** to formally **ADOPT** the Single Issue Silica Sand Review, incorporating the Main Modifications and additional modifications (Appendix 2 to this report);
    3. **RESOLVE** to formally **ADOPT** the associated changes to the Revised Policies Map (Appendix 3 to this report);
    4. **NOTE** that, on adoption, the Single Issue Silica Sand Review would form part of the adopted Norfolk Minerals Site Specific Allocations Development Plan Document.

**Martin Wilby**  
**Chair, Environment, Development and Transport Committee**

The report which the Committee considered can be viewed here:

<http://norfolkcc.cmis.uk.com/norfolkcc/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/662/Committee/18/Default.aspx>

**Procedure for Questions to Service Committee Chairs**

Questions to the Chairs of:-

- Adult Social Care Committee
- Business and Property Committee
- Children's Services Committee
- Communities Committee
- Digital Innovation and Efficiency Committee
- EDT Committee
- Policy and Resources Committee

The time allowed for questions will 10 minutes for each Chair.

1. The Chairman will begin Questions to Chairs by inviting members to indicate, by raising their hands, if they wish to ask a question of the Chairman of the Adult Social Care Committee.
2. The Chairman will select a member to ask their question and all other members should put down their hands until the Chairman next invites questions.
3. The Chairman will follow the principle of selecting the first questioner from the Labour Group, followed by the Liberal Democrat Group, Independent Group and the Conservative Group. The Chairman will then revert to the Labour Group etc.
4. The session will be timed by the existing lights system for timing speeches. The amber light will be lit after 9 minutes and the red light after a further minute. If a question is being asked at the point at which the red light is lit, the Chairman will allow the question to be completed and the answer to be given.
5. Questions should be asked succinctly and in a business-like manner. They should not be preceded by lengthy preambles. Similarly, answers should be given succinctly, so that there is sufficient time for a reasonable number of questions to be dealt with. The Chairman of the Council will be prepared to intervene if he considers this principle is not being adhered to.
6. After questions to the Chair of the Adult Social Care Committee have ended, the Chairman will then invite questions to the Chair of the Business and Property Committee, following the procedure in 1-5 above, etc



## Report of the Adult Social Care Committee Meeting held on 9 October 2017 and 6 November 2017

### A – Items from the meeting of 9 October 2017

#### 1. Executive Director's Update

- 1.1 The Executive Director of Adult Social Services updated the Committee on:
- The recommendation to Policy and Resources Committee agreed by the Committee to lobby government for Adult Social Care funding;
  - A procurement decision made the previous week for mental health services in Norfolk;
  - The new service to support Carers, "Carers Matter Norfolk", which commenced the previous week;
  - Implementation of the new Social Care recording system Liquid Logic which was on-track to go live in November;
  - Recruitment of social workers;
  - The Better Care Fund (BCF) which was expected to be assured with conditions.
  - The retirement of Michael Scott, CEO of the Norfolk and Suffolk Foundation Trust;
  - Work to create integrated ambitions for community mental health and social services across Norfolk;
  - Specifications for the new mental health social care community support service and work which would be undertaken with service providers.

#### 2. Norfolk Safeguarding Adults Board Annual Report 2016-17

- 2.1 The Committee received the report outlining the Annual Report summarising the work of the Norfolk Safeguarding Adults Board (NSAB) for the year 2016-17.
- 2.2 The Committee unanimously **RESOLVED** to **AGREE**:
- a) the content of the report;
  - b) to instruct Officers to share this report with partner organisations with whom they had contact and actively encourage their involvement with NSABs work;
  - c) to ensure all organisations in their constituencies with whom they had contact had safeguarding adult promotional material.

#### 3. Adult Social Care Finance Monitoring Report Period 5 (August) 2017-18

- 3.1 The Committee discussed the financial monitoring report based on information to the end of August 2017 setting out variations from the budget, progress against planned savings and actions being taken by the service to remain within budget.
- 3.2 The Committee unanimously **AGREED**:
- a) The forecast outturn position at Period 5 for the 2017-18 Revenue Budget of £261.313m;
  - b) The planned use of reserves;
  - c) The forecast outturn position at Period 5 for the 2017-18 Capital Programme.

#### 4. Strategic and Financial Planning 2018-19 to 2021-22

- 4.1 The Committee received the report updating on the Committee's detailed planning to feed into Norfolk County Council's budget process for 2018-19.
- 4.2 With 8 votes for, 1 vote against and 4 abstentions, the Committee:
- AGREED** to **RECOMMEND** to Policy and Resources Committee that budget planning for 2018/19 assumes a 3% Adult Social Care council tax precept;
  - CONSIDERED** and **AGREED** the service-specific budgeting issues for 2018-19 as set out in sections 3 and 4 of the report;
  - AGREED** that there were no planned savings for 2018-19 which could be implemented during 2017-18 to provide an in-year saving;
  - CONSIDERED** and **AGREED** that no savings identified for 2019-20 had the capacity to be brought forward to 2018-19;
  - AGREED** proposed new savings for 2018/19 (shown in Table 5 of the report), for **RECOMMENDATION** to Policy and Resources Committee, including those which would require consultation.

#### 5. Performance Management report

- 5.1 The Committee received the performance management report targeting specifically:
- Critical measures and targets against Promoting Independence strategy;
  - The vital signs suite of measures and associated targets already agreed by the Committee and the subject of regular reporting.
- 5.2 The Committee unanimously **AGREED** targets against the measures as set out in the table at section 5 of the report.

## B – Items from the meeting of 6 November 2017

### 1. Notice of Motions

- 1.1 Cllr Rumsby **PROPOSED** a motion, seconded by Cllr Watkins (see paragraph 1.2.2)
- 1.2.1 The Chairman **PROPOSED** an amendment to the motion seconded by Cllr Richmond: "Committee welcomes the decision of Council to ask us to establish a ~~Commission~~ task and finish group to examine the creation of a Carers Charter to include:
- a) Carer friendly practices employers could adopt to enable employees with carer responsibilities to work more flexibly;
  - b) Support that schools could provide to students with caring responsibilities whose studies and participation in school life might be adversely affected ;
  - c) Support that the County Council could offer or be part of to support community organisations in providing respite and social activities for carers who activities may be restricted by caring responsibilities;

Recognising the importance of this work across all the Council the Committee resolves the membership of the ~~commission~~ task and finish group should be:

- An independent chair with experience & knowledge of the issues;
- ~~Six~~ four councillors in total from Adult Social Care and Children's Services committees;
- Norfolk County Council Carers champion;

- Four representatives nominated by Carers organisations

Council agreed to establish the Commission task and finish group no later than December 2017 with a target date to report by June 2018. This Committee therefore agreed that, as we had no more meetings until January, to:

1. Delegate calling the first meeting of the commission task and finish group to Officers;
2. Request the Executive Director of Adult Social Care to invite Carers organisations to nominate 4 representatives on to the commission task and finish group;
3. Ask Adult Social Care Committee to agree the representation of Councillors on the commission task and finish group;
4. Ask the group to report progress in January to Adult Social Care Committee and Childrens Services Committee”

1.3.1 The Chairman put forward a **PROPOSAL** for Chairman of the group and a nomination for Adult Social Care representative on the group of Cllr Storey.

1.3.2 Cllr Jones **PROPOSED** a nomination for Adult Social Care representative on the group of Cllr Sands, seconded by Cllr Rumsby.

1.4 With 8 votes in favour and 5 abstentions the Committee:

- **AGREED** the amended motion;
- **AGREED** to nominate Cllr M Storey and Cllr M Sands as the 2 Adult Social Care Member representatives on the task and finish group;
- **AGREED** to seek agreement from Bill Armstrong as nomination for Chair of the task and finish group.

## 2. Executive Director’s Update

2.1 The Executive Director of Adult Social Services updated members on:

- Recruitment of social workers; 20 of the 50 additional social workers had been recruited and 6 social work managers, meaning recruitment was on target;
- The new Executive Director of Childrens Services, Sara Tough, who had started in post the previous week;
- The Better care fund (BCF); the fund was now assured as the requirements had been met, and the BCF plan was continuing to progress.
- Replacement on the CEO of the Norfolk and Suffolk Foundation Trust, on which he did not have an update

## 3. Chairman’s Update

3.1 The Chairman updated members on:

- an update received from Cllr Brociek-Coulton in her role as Members’ Carers’ Champion;
- his attendance at a monthly board meeting of the STP Chairs Oversight Group at the Norfolk and Norwich University Hospital;
- steps being taken to ensure adequate public engagement before publication of the STP plan.

## 4. Member Champion Updates

4.1 With 5 votes for Cllr Rowntree and 8 votes for Mrs Squire, the Committee **APPOINTED** Mrs S Squire as Member Champion for Learning Disabilities.

4.2 Mrs B Jones was **DULY APPOINTED** as Member Champion for Physical Disability and Sensory Impairment.

## 5. Commissioning and Market Shaping Framework 2017/18 to 2019/20

5.1 The Committee received the report detailing the proposed framework of changes required by commissioning and market shaping to best support the Promoting Independence strategy and deliver the savings needed over the period 2017/18 to 2019/20.

5.2 When taken together, with 8 votes for and 5 votes against the Committee:

- a) **AGREED** the strategic priorities for market shaping and development set out in the Commissioning and Market Shaping Framework 2017- 2020, as set out in 3.11.2 of the report;
- b) **AGREED** to **DELEGATE** the development of sector plans in conjunction with providers & users of services based on the strategic priorities in the Framework

## 6. NorseCare Contract review

6.1 The Committee considered the report analysing the current position of NorseCare, proposing new operating principles to inform changes to the transformation programme and revise the contract arrangement between the Council and NorseCare

6.2 The Committee unanimously:

- **AGREED** the principles in Section 3 of the report; and
- **DELEGATED** to the Executive Director of Adult Social Services a refresh of the NorseCare Contract based on the principles in Section 3 of the report.

## 7. Adult Social Care Finance Monitoring Report Period 6 (September) 2017-18

7.1 The Committee discussed the report providing Adult Social Care Committee financial monitoring information based on information to the end of September 2017.

7.2 The Committee unanimously **AGREED**:

- a) The forecast outturn position at Period 6 for the 2017-18 Revenue Budget of £261.313m;
- b) The planned use of reserves;
- c) The forecast outturn position at Period 6 for the 2017-18 Capital Programme.

## 8. Risk Management

8.1 The Committee received the report showing risks on an exception basis, as agreed at the Committee meeting in June 2017.

- 8.2
- a) With 8 votes for and 5 against, the Committee **AGREED** to the addition of the new Risk RM023 which would replace RM020a and RM020b;
  - b) With 8 votes for and 5 against, the Committee **AGREED** to the removal of Risk RM020a/RM14079 and RM020b/RM0207 (as per recommendation a, above);
  - c) The Committee unanimously **AGREED** to change the prospect Risk score for Risk RM014b from red to green.

**Bill Borrett**  
**Chair, Adult Social Care Committee**

## Report of the Business and Property Committee Meeting held on 18 October 2017.

### A– Items from the meeting of 18 October 2017

1. **Verbal update/feedback from Members of the Committee regarding Member Working Groups or bodies that they sit on.**
  - 1.1 The Chairman updated members on:
    - His attendance at a meeting of the Armed Services Covenant Board on the County Council's involvement in the Covenant to be brought to a future meeting;
    - His visit to Bank House farm a 440 acre acquisition near Downham Market.
  - 1.2 Mr Brame had attended a meeting of the Greater Thetford Development Partnership where effectiveness of the Partnership and their use of Officer time was reviewed. A further meeting was due to be held to set a new terms of reference and elect new members; he would bring a further update to the Committee.
2. **Apprenticeships update**
  - 2.1 The Committee received the report giving an update on Apprenticeships in Norfolk
  - 2.2 The Committee **DULY AGREED** to:
    1. Work with Apprenticeships Norfolk Network partners to support take-up of apprentices aged 16 to 24 years to address the expected imbalance created by Government reforms;
    2. Seek funding from the Norwich Opportunity Area for a trial to support 16 year old transition from school to Apprenticeship;
    3. Seek funding from the Network for East Anglian Collaborative Outreach to support a trial for 17 and 18 year olds into Advanced and Higher Apprenticeships
3. **Trial Apprenticeship Training Agency (ATA) project**
  - 3.1 The Committee received the report outlining a proposal to support the development of an Apprenticeships Training Agency (ATA) in Norfolk.
  - 3.2 The Committee **AGREED**:
    1. To support the development of a trial ATA, working with an existing organisation, subject to securing external funding;
    2. That Officers would bring back a report detailing the outcomes of the trial before upscaling the model to a wider cohort of young people.
4. **Integrated Health and Employment Service (IHES)**
  - 4.1 The Committee received the report outlining the proposal for development of an Integrated Health and Employment Service.

- 4.2. The Committee considered the proposal and:
1. **SUPPORTED** the development of the Integrated Health and Employment service;
  2. **APPROVED** the submission of the stage 1 European Social Fund bid.

## 5. Strategic and Financial Planning 2018-19 to 2021-22

- 5.1 The Committee received the report providing an update on the Committee's detailed planning to feed into the Council's budget process for 2018-19.
- 5.2 The Committee **DULY**:
- 1) **NOTED** that the Council's current budget planning includes an assumed increase in council tax of 3.0% for the Adult Social Care precept, and an inflationary increase of 1.9% in 2018-19;
  - 2) **CONSIDERED** and **AGREED** the service-specific budgeting issues for 2018-19 as set out in section 3;
  - 3) In order to help close the forecast 2018-19 budget gap as set out in section 2 of this report:
    - a. **CONSIDERED** the 5 savings identified for 2019-20 which had the capacity to be brought forward to 2018-19;
    - b. **AGREED** the proposed new savings for 2018-19 (Table 4) for recommendation to Policy and Resources Committee;
    - c. **AGREED** to **RECOMMEND** to Policy and Resources Committee the proposed new savings for 2018-19 which require consultation as set out in section 3.

## 6. Finance Monitoring

- 6.1 The Committee received the report providing information on the budget position for services reporting to Business & Property Committee for 2017-18.
- 6.2 The Committee **NOTED**:
- a) The forecast out-turn position for the Business and Property Committee;
  - b) The capital programme for this Committee;
  - c) The current planned use of the reserves and the forecast balance of reserves as at the end of March 2018.

## 7. Disposal, acquisition and exploitation of Properties

- 7.1 The Committee received the report outlining disposals, acquisitions and exploitation of properties.
- 7.2 The Committee **DULY AGREED** to:
- (i) Formally **DECLARE** the land at Vicarage Road, Deopham **surplus to County Council requirements** and instruct the Head of Property to dispose of the property.  
In the event of a disposal receipt exceeding delegated limits the Head of Property in consultation with the Executive Director of Finance & Commercial Services and Chair of Business and Property Committee was authorised to accept the most advantageous bid and report the fact at a subsequent Business and Property Committee meeting.
  - (ii) Formally **DECLARE** parts of the former Hethersett fire service headquarters site and edged red on the plan (area A to the north east and area B south west of the retained operational fire station) **surplus to County Council requirements** and

instruct the Head of Property to dispose of both areas. In the event of disposal receipts exceeding delegated limits the Head of Property in consultation with the Executive Director of Finance & Commercial Services and Chair of Business and Property Committee was authorised to accept the most advantageous offers and report the fact at a subsequent Business And Property Committee meeting. For the avoidance of doubt an operational fire station would remain in Hethersett.

- (iii) Formally **DECLARE** the land at Norwich Road, Kirstead **surplus to County Council requirements** and instruct the Head of Property to dispose of the property. In the event of a disposal receipt exceeding delegated limits the Head of Property in consultation with the Executive Director of Finance & Commercial Services and Chair of Business and Property Committee was authorised to accept the most advantageous bid and report the fact at a subsequent Business and Property Committee meeting.
- (iv) Formally **DECLARE** the land at School Road, Necton **surplus to County Council requirements** and instruct the Head of Property to dispose of the property either on the open market or to Repton Property Developments Ltd. In the event of a disposal receipt exceeding delegated limits the Head of Property in consultation with the Executive Director of Finance & Commercial Services and Chair of Business and Property Committee was authorised to accept the most advantageous bid and report the fact at a subsequent Business and Property Committee meeting.
- (v) Formally **DECLARE** the former Lakenham First School site, Hospital Lane site **surplus to Norfolk County Council use** and authorise the Head of Property in consultation with Director of Finance and Commercial services to agree a sub-lease on the best terms possible and report the fact at a subsequent Business and Property Committee meeting.
- (vi) **AUTHORISE** the Head of Property to **implement the disposal** of 2 sites by way of lease on Scottow Enterprise Park for use as battery storage facilities on terms to be agreed. In the event of the disposal values exceeding delegated limits the Head of Property in consultation with the Executive Director of Finance & Commercial Services and Chair of Business and Property Committee was authorised to accept the proposal and report the fact at a subsequent Business and Property committee meeting.
- (vii) Formally **DECLARE** the Former Landfill Tip (Burlingham Estate), South Walsham **surplus to County Council requirements** and authorise the Head of Property to negotiate with the adjoining owner to dispose of the property at market value. In the event of a disposal receipt exceeding delegated limits the Head of Property in consultation with the Executive Director of Finance & Commercial Services and Chair of Business and Property Committee was authorised to accept the most advantageous bid and report the fact at a subsequent Business and Property Committee meeting.

## 8. Risk Management

- 8.1 The Committee received the report providing the latest departmental level property risks as at September 2017 following the latest review conducted at the end of August 2017.
- 8.2 The Committee:
  - a) **CONSIDERED** the risks judged as exceptions, and the other departmental risks relating to Property;

- b) **AGREED** that the recommended mitigating actions identified in Appendix A of the report were appropriate;
- c) **CONSIDERED** the definitions of risk appetite and tolerance in Appendix D of the report.

## 9. Performance Management

- 9.1 The Committee considered the second performance management report to this Committee based upon the revised Performance Management System.
- 9.2 The Committee:
  - **NOTED** that none of the 5 vital signs that fall within the remit of this Committee had met the exception reporting criteria;

## 10. Norwich Airport Industrial Estate

- 10.1 The Committee received the report outlining plans to look into investment and improvements in the Norwich Airport Industrial Site.
- 10.2 The Committee **AGREED** to:
  1. Acknowledge that the Norwich Airport Industrial Estate required substantial investment to realise increased asset value, growth in nondomestic rates, increased rental income and employment growth;
  2. The commission of the existing consultant to procure a partnership vehicle that would balance risk with the desired benefits, the details of the procurement brief and approach would be presented to a future B&P Committee meeting;
  3. The details of the proposed type of joint venture would be presented to a future B&P Committee meeting;
  4. The commencement of the residential element in the “Southern Development Zone” through Norwich City Council’s development company;
  5. Acknowledge that “mirror” recommendations would be presented to Norwich City Council Cabinet.

## 11. County Farms Update

- 11.1 The Committee considered the update of activity on the County Farms Estate since the last Committee meeting.
- 11.2 The Committee:
  1. **NOTED** the recent management activity and Tenant’s successes on the County Farms Estate.
  2. **AGREED** the emerging strategies and specific proposals for the Stow & Marshland Estate and Welney Estate.

## 12. County Farms objective and policies, tenant selection process and acquisition criteria

- 12.1 The Committee received the report for periodic review by Members of the County Farms’ objectives and policies
- 12.2 The Committee **RECOMMENDED** to Policy and Resources Committee that they formally:

- (i) **ADOPT** the County Farms Estate objectives and policies as detailed in appendix 1 of the report;
- (ii) **ADOPT** the tenant selection process as detailed in appendix 2 of the report;
- (iii) **ADOPT** the acquisition criteria as detailed in appendix 3 of the report.

**13. Exclusion of the public**

- 13.1 The Committee **AGREED** to exclude the public during discussion of the exempt minutes and Norfolk One Public Estate Partnership Update.

**14. Norfolk One Public Estate Partnership Update**

- 14.1 The Committee **AGREED** the recommendations in the report.

**Mr Keith Kiddie**  
**Chair, Business and Property Committee**

## Report of the Children's Services Committee Meetings held on 17 October and 14 November 2017

### A: Report from the meeting held on 17 October 2017.

#### 1 Items of Urgent Business

- 1.1 The Committee **agreed** to consider the urgent item raised by Ms E Corlett, to consider what the Care Quality Commission (CQC) Report, published on 13 October and placing Norfolk and Suffolk NHS Foundation Trust (NSFT) back in special measures, meant for the children and young people in Norfolk. Ms Corlett also asked the Committee to consider what it could do on behalf of all the children in Norfolk and whether the outstanding actions from the Children & Young People Mental Health Task and Finish Group should be reviewed.
- 1.1.2 The Interim Executive Director of Children's Services advised that, along with some Councillors, he had recently attended a National Children and Adult Services Conference in Bournemouth where the issue of resourcing to Child and Adolescent Mental Health Services (CAMHS) posts nationally had been recognised. He added that a plan to recommission CAMHS provision was being developed and a report would be brought to the Committee in the future about recommissioning the CAMHS service. The Committee welcomed the opportunity to consider a report at a future meeting and the Chairman said that the possibility of setting up a Task and Finish Group could be debated at that time.
- 1.2 The Chairman raised an additional item of urgent business which had recently arisen in her Division, about the safeguarding policies and training in place at District Councils for people who applied for taxi licences. The Chairman asked Members of the Committee to check that their local District Council had policies in place. Mrs Young confirmed that she was a Member of the Licensing and Appeals Committee and that King's Lynn and West Norfolk Borough Council had adopted appropriate policies.

#### 2 Integrated Performance and Finance Monitoring 2017-18.

- 2.1 The Committee considered and **noted** the report by the Interim Executive Director of Children's Services setting out the performance data, information and analysis presented in the vital sign report cards.

#### 3 Demand Management & Prevention Strategy: Children's Services.

- 3.1 The Committee considered the report by the Interim Executive Director of Children's Services setting out the Demand Management and Prevention Strategy for Children's Services which, as one of the 7 priorities agreed by Policy & Resources Committee in July 2017 as part of the transformation programme, would be at the

heart of transforming children's services and making it both financially sustainable by 2022 and fit for the future.

3.2 The Committee **agreed** that a brief overview of the project would be included as part of the Performance Monitoring Report in future, together with key KPIs from the project, with an annual report on the progress of the transformation programme.

3.3 The Committee **RESOLVED** to **Note** that:

- the Demand Management and Prevention Strategy has been agreed as one of the 7 council priorities.
- the Policy & Resources Committee has agreed the allocation of a one-off investment of £12-15m into children's services over the four years, 2018-2022.
- the money will be held centrally, overseen by the Executive Director of Finance & Commercial Services and drawn down only in line with the pre-agreed milestones.

The Committee **AGREED** to:

- Receive an annual report on the progress of the transformation programme, in the same cycle as the P&R Committee and to scrutinise the plans, spend and savings, against agreed milestones, contained in that report.

#### **4 Strategic & Financial Planning 2018-19 to 2021-22.**

4.1 The Committee considered the report by the Interim Executive Director of Children's Services providing an update on the Service Committee's detailed planning to feed into the Council's budget process for 2018-19. The report formed part of the strategic and financial planning framework for Service Committees and provided an update on the Council's budget setting process setting out the details of the actions required by Service Committees to enable the Council to set a balanced budget for 2018-19.

4.2 Upon each recommendation being put to a vote:

- The Committee unanimously **RESOLVED** to **Note** that the budget planning assumptions for 2018-19 are unchanged from the September 2017 Children's Services Committee Strategic and Financial Planning 2018-19 to 2021-22 paper.
- The Committee unanimously **RESOLVED** to **Agree** the service-specific budgeting issues for 2018-19 as set out in sections 3 and 4 of the report.
- The Committee unanimously **RESOLVED** to **Agree** that there are no planned or proposed savings for 2018-19 which could be implemented during 2017-18 to provide an in-year saving in addition to those already reflected in the forecast position and reported as part of the September 2017 Children's Services committee Strategic & Financial Planning 2018-19 to 2021-22 paper.
- The Committee unanimously **RESOLVED** to **Agree** whether any savings identified for 2019-20 have the capacity to be brought forward to 2018-19.
- With 9 votes in favour, 4 votes and no abstentions, the Committee **RESOLVED** to **Agree** proposed new savings for 2018-19 (Table 4 of the report) for recommendation to Policy & Resources Committee, including those which will require consultation.

- 5 As this was the last meeting the Interim Executive Director of Children's Services would be attending the Committee placed on record its thanks to Matt Dunkley for the work he had undertaken during his term of employment and wished him well in his new role.

## **B: Report from the meeting held on 14 November 2017**

### **1 Items of Urgent Business**

- 1.1 The Committee **agreed** to consider the urgent item raised by the Vice-Chairman in respect of appointing an acting vice-Chairman whilst Mrs P Carpenter was absent. Mr S Dark would act as Chairman. The Committee **agreed** to appoint Mr R Hanton as acting Vice-Chairman.
- 1.2 The Committee **agreed** to consider the urgent item raised by the Chairman with regards to a request by the Adult Social Care Committee for two members to join a task and finish group to examine the creation of a Carers Charter. The Committee **agreed** to appoint Mr M Smith-Clare and Mr G Middleton to the task and finish group.
- 1.3 The Chairman explained to the Committee that a request to the Communities Committee for information regarding the number of accidents and accidental poisonings that resulted in children being admitted to hospital.

### **2 Developing Norfolk's Education Landscape**

- 2.1 The Committee considered the report by the Executive Director of Children's Services which provided a summary of the way in which Norfolk's educational system had developed structurally since the reforms introduced by Governments from 2010.
- 2.2 The Committee **RESOLVED**;
- To note changes to the capital programme since June 2017; and
  - To endorse the emerging priorities for further consideration

### **3 Vulnerable Social Impact Bond**

- 3.1 The Committee considered the report by the Executive Director of Children's Services which had been presented to and approved by Policy and Resources Committee on 30 October 2017. The report detailed the nature of the Vulnerable Child Social Impact Bond (SIB).
- 3.2 The Committee **RESOLVED** to **Note** the report.

### **4 Schools' Capital Programme 2017-2020**

4.1 The Committee considered the report by the Executive Director of Children's Services which updated the Committee with the priorities for the development of the 2018+ capital programme as part of the corporate prioritisation process.

4.2 The Committee **RESOLVED**;

- To note changes to the capital programme since June 2017; and
- To endorse the emerging priorities for further consideration

## **5 Update on School Exclusions**

5.1 The Committee considered the report by the Executive Director of Children's Services which included a brief outline of the priorities to reduce school exclusions and some key actions by the Local Authority and a summary overview of the year end data and early Autumn term 2017.

5.2 The Committee **RESOLVED**;

- To note the contents of the report; and
- Endorse the actions advocated in relation to the Local Authority role in intervention, challenge and support for the reduction of school exclusions.

## **6 Children's Services Finance Monitoring Report Period 6 (September) 2017-18**

6.1 The Committee considered the report by the Executive Director of Children's Services which provided an update on the performance and financial outturn information for the 2017-18 financial year. It set out the financial outturn data for the period ending 31 March 2018 as at the end of September 2017 (period 6).

6.2 The Committee **RESOLVED** to;

- Agree the forecast outturn position at period 6 for the 2017-18 Revenue budget for both the Local Authority Budget and School Budget.
- Agree the planned use of reserves.
- Agree the forecast outturn position at period 6 for the 2017-18 Capital Programme.

**Stuart Dark**  
**A/Chairman, Children's Services Committee**

## Report of the Communities Committee Meetings held on 11 October and 15 November 2017

### A: Meeting held on Wednesday 11 October 2017.

- 1 **Presentation on the culture and heritage contribution to Norfolk’s visitor economy.**
- 1.1 The Committee received and **noted** a presentation by the Assistant Director, Culture and Heritage about the Contribution of Culture and Heritage to Norfolk’s Visitor Economy.
- 2 **Strategic and Financial Planning 2018-19 to 2021-22**
- 2.1 The Committee considered the report by the Executive Director of Community and Environmental Services providing an update on the Service Committee’s detailed planning to feed into the Council’s budget process for 2018-19 and setting out details of the actions required by Service Committees to enable the Council to set a balanced budget for 2018-19.
- 2.2 In introducing the report, the Finance Business Partner Community and Environmental Services advised of the following amendments to Table 4 (New 2018-19 Savings Proposals) on Page 18 of the agenda:

Original table line number		Saving 2018/19 £m	Saving 2019/20 £m	Saving 2020/21 £m	Saving 2021/22 £m	Total 2018-22 £m	
4	Vacancy management – Customer services	-0.120	-0.030			-0.150	Reduced 2019/20 saving
8	Income generation – Library and Information Service		-0.020	-0.111		-0.134	Additional £0.020 2019/20
11	Norfolk Community Learning Services – remodelling the staff structure,	-0.150	-0.050			-0.200	Remove 2020/21 savings

	including staff reduction						
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2.3 The Committee voted on each recommendation in turn:

1. With 9 votes in favour, 0 votes against and 4 abstentions the Committee **RESOLVED to Note** that the Council's current budget planning includes an assumed increase in council tax of 3% for the Adult Social Care precept, and an inflationary increase of 1.9% in 2018-19.
2. With 9 votes in favour and 4 votes against the Committee **RESOLVED to AGREE** the service-specific budgeting issues for 2018-19 as set out in section 3 of the report.
3. In order to help close the forecast 2018-19 budget gap as set out in section 2 of the report - with 9 votes in favour and 4 votes against the Committee **RESOLVED to:**
  - a. **Note** whether any savings identified for 2019-20 have the capacity to be brought forward to 2018-19;
  - b. **Agree** the proposed new savings for 2018-19 (Table 4) for recommendation to Policy & Resources Committee;
  - c. **Agree** to recommend to Policy & Resources Committee the proposed new savings for 2018-19 which require consultation as set out in section 3 of the report.
4. With 9 votes in favour and 4 votes against, the Committee considered and **noted** the proposed activities to deliver the historic committed but unallocated budget savings for the Fire and Rescue Service (£490k) (see Table 5) and the Library and Information Services (£622k) (see Table 6) as set out in Section 3 of the report.

### 3 Finance Monitoring

3.1 The Committee considered the report by the Executive Director of Community and Environmental Services providing it with information on the budget position for services reporting to Communities Committee for 2018-19. The report provided information on the revenue budget including any forecast over or underspends and any identified budget risks. It also provided an update on the forecast use of reserves and details of the capital programme.

3.2 Upon being put to the vote, with 9 votes in favour and 4 votes against the Committee **RESOLVED to note:**

- The forecast outturn position for the Communities Committee and the current budget risk that are being managed by the Department.
- The Capital programme for this Committee.
- The current planned use of the reserves and the forecast balance of reserves as at the end of March 2018.

### 4 Risk Management

4.1 The Committee considered the report by the Executive Director of Community and Environmental Services providing it with the full departmental Communities

risk register as at September 2017, following the latest review conducted at the end of August 2017. The reporting of risk was aligned with, and complemented, the Performance and Financial reporting to the Committee.

4.2 The Committee unanimously **RESOLVED** to note:

1. The full departmental Communities risk register;
2. Whether the recommended mitigating actions identified in Appendix A are appropriate, or whether Risk Management improvement actions are required (as per Appendix C of the report).

## 5 **Performance Management**

5.1 The Committee considered the report by the Executive Director of Community and Environmental Services setting out the performance data, information and analysis presented in the vital sign report cards.

### 5.3 **RESOLVED**

That the Committee:

1. **Note** the performance data, information and analysis presented in the vital sign report cards.

## 6 **Forward Plan and update on Decisions taken under delegated authority**

6.1 The Committee considered the report by the Executive Director of Community and Environmental Services setting out the Forward Plan for Communities Committee.

6.2 The Committee **agreed** to add the following items to the forward work programme:

- Road Safety Reduction and breakdown of number of people killed and seriously injured on Norfolk's roads.
- Active Norfolk
- New Drug & Alcohol Contract (January or March 2018).
- Business & Intelligence Property Centre, update on progress following launch on 11 October.

### 6.3 **RESOLVED:**

That the Committee:

1. Note the Forward Plan, adding the items set out in paragraph 12.2 above.
2. Note the delegated decision detailed in section 1.2 of the report.

## **B: Meeting held on Wednesday 15 November 2017**

### **1 Getting Norfolk Active**

1.1 The Committee considered and **noted** the report and presentation from the Director of Active Norfolk.

### **2 Annual Review of the Enforcement Policy**

2.1 The Committee considered the report by the Executive Director of Community & Environmental Services setting out proposed changes to the Enforcement Policy.

2.2 The Committee **RESOLVED** to:

- Confirm the revised CES Enforcement Policy (Appendix 1 of the report) and its annex documents meet the requirements of Communities services, prior to consideration by Policy & Resources committee (the approval body for the Policy).

### **3 Public Health Strategy Review**

3.1 The Committee considered the report by the Director of Public Health together with a presentation setting out the progress made by public health since the strategy was approved by the Committee in November 2016.

3.2 The Committee **RESOLVED** to:

- **Note** progress in relation to the delivery of the Public Health Strategy.
- **Agree** the strategic priorities and commissioning intentions over the next four years, in order to better meet the needs of the residents of Norfolk.

### **4 Norfolk Community Learning Services: Update**

4.1 The Committee considered the report by the Executive Director of Community and Environmental Services providing it with the latest information on Norfolk Community Learning Services progress and, in particular, the two strategic objectives previously determined for 2016-17:

- a) To build on the recent Grade 2 (Good) Ofsted judgement and work towards achieving a Grade 1 (Outstanding).
- b) To continue to meet NCC priorities for the people, communities and businesses of Norfolk.

4.2 The Committee unanimously **RESOLVED** to:

1. **Note** the improvement to date, and
2. **Agree** the continued development of NCLS as Norfolk's provider of a balanced lifelong learning offer for all the community through: first steps learning; 'second chance' learning; employment skills development; community resilience; and informal leisure learning.

#### 4 **Finance Monitoring**

4.1 The Committee considered the report by the Executive Director of Community and Environmental Services providing it with information on the budget position for services reporting to Communities Committee for 2017-18. The report provided information on the revenue budget including any forecast over or underspends and any identified budget risks. It also provided an update on the forecast use of reserves and details of the capital programme.

#### 4.2 **RESOLVED**

That the Committee **Note**:

1. The forecast out-turn position for the Communities Committee and the current budget risks that are being managed by the department.
2. The Capital Programme for Communities Committee.
3. The current planned use of the reserves and the forecast balance of reserves as at the end of March 2018.

#### 5 **Forward Plan and decisions taken under delegated authority.**

5.1 The Committee considered the report by the Executive Director of Community & Environmental Services setting out the Forward Plan for Communities Committee.

#### 5.2 **RESOLVED:**

That the Committee:

1. **Note** the Forward Plan.
2. **Note** the delegated decisions detailed in section 1.2 of the report.

**Margaret Dewsbury**  
**Chairman, Communities Committee**

## **Report of the Digital Innovation and Efficiency Committee meetings held on 12 October 2017 and 8 November 2017**

### **Items from the meeting of 12 October 2017**

#### **1. Chairman's Update**

- 1.1 The Chairman announced that he had written to the DCMS Secretary of State, the Rt. Hon Karen Bradley MP, following her visit to Norwich Castle Museum. The letter which was shared with Members of the Committee after the meeting) explained some of the concerns people in Norfolk had with new technology (especially around Broadband) and showed that the County Council was lobbying government to resolve the issues.

#### **2 Finance monitoring**

- 2.1 The Committee received a report by the Executive Director of Community and Environmental Services and Executive Director of Finance and Commercial Services that provided the Committee with information on the budget position for services reporting to Digital Innovation & Efficiency Committee for 2017-18.

#### **2.2 RESOLVED**

**That the Committee note:**

- a) The forecast out-turn position for the Digital Innovation & Efficiency Committee.**
- b) The capital programme for this Committee.**
- c) The current planned use of the reserves and the forecast balance of reserves as at the end of March 2018.**

#### **3 Strategic and Financial Planning 2018-19 to 2021-22**

- 3.1 The Committee received a report that set out Policy and Policy and Resources Committee's guidance on the actions required to support preparation of a balanced budget for 2018-19. The report also set out details of the saving proposals identified for 2018-19 and subsequent years, for the Digital Innovation and Efficiency Committee's consideration.

#### **3.2 RESOLVED**

**That the Committee:**

- 1. Note that the Council's current budget planning includes an assumed increase in council tax of 3.0% for the Adult Social Care precept, and an inflationary increase of 1.9% in 2018-19.**
- 2. Agree the service-specific budgeting issues for 2018-19 as set out in section 3 of the report.**
- 3. In order to help close the forecast 2018-19 budget gap as set out in**

**section 2 of the report:**

- a. **Note that any savings identified for 2019-20 have the capacity to be brought forward to 2018-19;**
- b. **Agree the proposed new savings for 2018-19 (Table 4 of the report) for recommendation to Policy and Resources Committee;**
- c. **Agree to recommend to Policy and Resources Committee the proposed new savings for 2018-19 which require consultation as set out in section 3 of the report.**

**4 Performance Management**

4.1 The Committee received its second performance management report for the IMT Department. The report included operational dashboard information based on the seven vital signs performance indicators that fell under the remit of this Committee, none of which had met the exception criteria.

**4.2 RESOLVED**

**That the Committee:**

**Note the information provided in the report and on the report cards and in particular the performance data/information relating to the Committee's remit, in addition to the 7 vital signs, which the Committee would wish to review on a regular basis.**

**5 NCC Digital Offer – progress to date**

5.1 The Committee received a report by the Executive Director of Community and Environmental Services and a presentation from the Assistant Director, Community, Information and Learning that explained the significant progress that was being made with the NCC Digital Offer. The presentation showed that in addition to the new online platform and the “my Norfolk” customer account, CRM /automated processes had been implemented for a wide range of business areas across the work of the County Council. The work undertaken so far and that planned for the future was explained to Members.

**5.2 RESOLVED**

**That the Committee note the report which was intended as an introduction to the progress of digital transformation of customer facing services.**

**6 Local Full Fibre Network Bid**

6.1 The Committee received a report by the Executive Director of Finance and Commercial Services, and a presentation from the Head of Information Management & Technology, that described an opportunity to bid for new funding from the Department for Digital, Culture, Media and Sport (DCMS) to enable further deployment of fibre optic cabling across Norfolk in support of high speed data connectivity for residents and businesses.

6.2 Members were informed that a successful bid to the DCMS Challenge Fund would accelerate the deployment of full fibre networks in the county and help to establish public sector digital hubs that could support digital service transformation and

incubator units for digital business start-ups. A successful bid would also provide leverage for local investment and activity to stimulate more fibre connections generally.

- 6.3 The Committee gave their full support to the EOI that was submitted to the DCMS by the deadline of 23rd August 2017 and asked for the final bid to be shared with all Members of the Committee before it was submitted to the DCMS. The Chairman asked that when an update report was presented to the Committee for it to include examples of what could be achieved in Norfolk by the use of full fibre and cutting edge 5G technology.

6.4 **RESOLVED**

**That the Committee:**

- 1. Note the opportunity and approve the development of a full bid in conjunction with Norfolk District Councils and any other relevant bodies.**
- 2. Delegate authority for the submission of the bid to the Head of Information Management & Technology in consultation with the Chair and Deputy Chair of the Digital Innovation and Efficiency Committee after it has been shared with all Members of the Committee.**

7 **Norfolk Counter Fraud Hub**

- 7.1 The Committee received a report by the Executive Director of Finance and Commercial Services that provided an introduction to the work in progress across London Boroughs to identify, stop and prevent fraud. The Committee also received a presentation from guest speakers at CIPFA and BAE Systems that reviewed learning from the London Hub and considered the suitability of a similar approach being pursued across Norfolk.

- 7.2 The guest speakers explained why the London Boroughs that had taken part in the project had collaboratively procured BAE systems as the technology provider, in partnership with Cipfa (the public sector accountancy organisation) to establish the hub, reduce fraud and drive out savings.

7.3 **RESOLVED**

**That the Committee:**

- 1) Note the information provided in this report.**
- 2) Direct officers to proceed with the development of a business case and implementation plans for a Norfolk County counter fraud hub.**
- 3) Present the business case at a future Digital Innovation and Efficiency Committee meeting.**

8 **Forward Plan**

8.1 **RESOLVED**

**That the Committee:**

**Agree the forward plan, subject to the addition of the following issues for the**

## meeting in January 2018:

- **A report on the local planning process and the provision of broadband services.**
- **An invitation being sent to mobile phone providers to discuss mobile phone coverage and how mobile phone services can be better delivered in Norfolk.**

## Items from the meeting of 8 November 2017

### 9 Chairman's Update

- 9.1 The Chairman reported that he had recently met with representatives of Amazon to discuss the potential for the introduction of new technologies to provide for better engagement with the social care market at a time when IT systems were being updated more quickly than ever before.

### 10 Proposal to commission a mobile voice & data study

- 10.1 The Committee received a report by the Executive Director of Community and Environmental Services and Executive Director of Finance and Commercial Services that proposed the Council commence a procurement process to commission an independent review of mobile telecommunications coverage across the county. This would provide a baseline from which informed decisions could be made about what improvements were required and where they were needed.

### 10.2 RESOLVED

#### That the Committee:

1. **Note the scope of the proposed survey.**
2. **Delegate authority for the procurement and award of contract to the Head of Information Management & Technology.**
3. **Add to the forward work programme for March 2018 informed targets for an improvement in reliable mobile voice and data coverage in Norfolk.**

### 11 Finance Monitoring

- 11.1 The Committee received a report that provided information on the budget position for services reporting to Digital Innovation & Efficiency Committee for 2017-18. Members were informed that the Committee was on target to achieve a balanced net revenue budget for 2017-18. Work in the directorates relating to this Committee included a continued focus on taking forward the digital transformation agenda that would drive efficiency savings throughout the work of the County Council.

### 11.2 RESOLVED

#### That the Committee note:

1. **The forecast out-turn position for this Committee.**
2. **The current capital programme for this Committee.**
3. **The draft capital programme for IMT from 2018 - 21 which will be taken to**

the P&R Committee in November and then on to Full Council in February 2018.

4. The current planned use of the reserves and the forecast balance of reserves as at the end of March 2018.
5. Year to date expenditure figures for 2017/18 will be brought back to the next meeting of the Committee.

## 12 Performance Management

12.1 The Committee received its third performance management report for the IMT Department. The report included operational dashboard information based on the seven vital signs performance indicators that fell under the remit of this Committee, none of which had met the exception criteria.

### 12.2 RESOLVED

**That the Committee:**

1. Note the information provided in this report.
2. Note the performance data/information relating to the Committee's remit, in addition to the 8 vital signs that are set out in this report, which the Committee would wish to review on a regular basis.

## 13 Business Intelligence

13.1 The Committee received a report by the Executive Director of Finance and Commercial Services and a presentation by the Head of Information Management & Technology that showcased the Council's Business Intelligence technology, including some specific examples of where this was making a real difference.

13.2 During the presentation, the Head of Information Management & Technology explained how the Council's data warehouse and associated technology (known as GRID) was developed earlier in the year by Norfolk County Council staff and had already shown signs of significant capacity to improve the efficiency and effectiveness of the organisation through consolidated reports, dashboards and GIS applications.

### 13.3 RESOLVED

**That the Committee note:**

**The development of the Council's Business Intelligence technology and plans for ongoing development.**

**Tom Garrod  
Chairman**

## Report of the Environment Development and Transport Committee Meetings held on 20 October and 10 November 2017.

### A - Items from the meeting of 20 October 2017

#### 1. Urgent Business

- 1.1 The Chairman informed Members that funding had been granted by the Department for Transport for a roundabout at Hempnall crossroads and the Suffolk A140 crossroads.

#### 2. Feedback from Members of the Committee regarding Member Working Groups or bodies that they sit on.

- 2.1 An update from the Norwich Distributor Road working group was circulated.

#### 3. Annual review of the Enforcement Policy

- 3.1 The Committee received the report outlining the Enforcement Policy and associated documents for agreement, subject to agreement by the Communities Committee.

#### 3.2 The Committee:

- **CONFIRMED** the revised CES (Community and Environmental Services) Enforcement Policy (Appendix 1 of the report) and its annex documents met the requirements of Environment, Development and Transport services, prior to consideration by Communities Committee (the approval body for the Policy).

#### 4. Strategic and Financial Planning 2018-19 to 2021-22

- 4.1 The Committee received the report providing an update on the Committee's detailed planning to feed into the Council's budget process for 2018-19.

#### 4.2 With 9 votes for and 4 votes against, the Committee:

- 1) **NOTED** that the Council's current budget planning includes an assumed increase in council tax of 3.0% for the Adult Social Care precept, and an inflationary increase of 1.9% in 2018-19;
- 2) **CONSIDERED** and **AGREED** the service-specific budgeting issues for 2018-19 as set out in section 3 of the report;
- 3) **NOTED** that there were no planned 2018-19 savings which could be implemented during 2017-18 to provide an in-year saving; and
- 4) In order to help close the forecast 2018-19 budget gap as set out in section 2 of the report:
  - a. **NOTED** that no savings identified for 2019-20 had the capacity to be brought forward to 2018-19;
  - b. **AGREED** the proposed new savings for 2018-19 (Table 4 as amended) for recommendation to Policy and Resources Committee;
  - c. **AGREED TO RECOMMEND** to Policy and Resources Committee the proposed new savings for 2018-19 which require consultation as set out in section 3 of the report.

## 5. Norwich Western Link project update and next steps

5.1 The Committee received the report providing an update on the progress to date for the Norwich Western Link project and the work undertaken since 2016.

5.2 With 10 votes for 2 against and 1 abstention, the Committee:

1. **NOTED** and **COMMENTED** on the progress of the project;
2. **AGREED** to continue the project, with funding provided for the next stages of the project for a further year to the end of 2018, as set out in section 3 of the report;
3. **AGREED** the scope of further work to the end of 2018 as set out in Appendix B of the report. The funding of this work would come from a bid to the Pooled Business Rates fund, with match funding allocated from the remaining A47 reserve budget;
4. If the Pooled Business Rate funding was not confirmed Members **DELEGATED** authority to consider alternative funding strategies to the Executive Director of Community and Environmental Services in consultation with the Chair/Vice Chair of Environment, Development and Transport Committee and Executive Director of Finance and Commercial Services, or to a review of the delivery timescales of the project to align with the available budget.

## 6. Risk Management

6.1 The Committee considered the report providing information from the latest risk register as at October 2017 following the latest review conducted in September 2017.

6.2 The Committee **AGREED**:

- a) the changes to the risks reported by exception (in paragraph 2.2 and Appendix A of the report), and other departmental risks (in Appendix E of the report);
- b) that the recommended mitigating actions identified in Appendix A of the report were appropriate;
- c) the definitions of risk appetite and tolerance in Appendix D of the report.

## 7. Performance Management

7.1 The Committee reviewed the sixth performance management report based on the revised Performance Management System which was implemented as of 1 April 2016, and the Committee's 13 vital signs indicators.

7.2 The Committee **REVIEWED** and **COMMENTED** on the performance data, information and analysis presented in the vital sign report cards and **AGREED** that the recommended actions identified were appropriate.

## 8. Finance Monitoring

8.1 The Committee received the report providing information on the budget position for services reporting to Environment, Development and Transport Committee for 2017-18.

8.2 The Committee **NOTED**:

- a) The forecast out-turn position for the Environment, Development and Transport Committee;
- b) The capital programme for this Committee;
- c) The current planned use of the reserves and the forecast balance of reserves as at the end of March 2018.

## **B - Items from the meeting of 10 November 2017**

### **1. Urgent Business**

- 1.1 The chairman updated the committee that an opening ceremony was being held later that day to mark the opening of a 4 mile stretch of the Norwich Distributor Road the following day. Construction was on track for opening of the road in March 2019, with the aim of opening the Wroxham Road section earlier.

### **2. Verbal update/feedback from Members of the Committee regarding Member Working Groups or bodies that they sit on.**

- 2.1 The Committee received an update from Mr Foulger from the NDR Working Group.
- 2.2 An update was circulated from the Norwich Western link working group
- 2.3 Mr Castle updated the Committee that the Levy Meeting for the Regional Flood and coastal Committee had been postponed until the 24 November 2017;

### **3. Adoption of the Silica Sand Single Issue Review**

- 3.1 The Committee received the report outlining the Single Issue Silica Sand Review of the Minerals Site Specific Allocations Development Plan Document for recommendation to full Council.
- 3.2 See report to Council

### **4. Ash Dieback Project update**

- 4.1 The Committee received the update report on the achievements and results of the Ash Dieback Project to date, focusing on highway trees
- 4.2 The Committee:
1. **NOTED** the update and **AGREED** to continue to support the ash dieback project;
  2. **SUPPORTED** the recruitment of an additional support post to enable the Council to fulfil its responsibilities under the Highways Act with regard to tree safety.

### **5. Great Yarmouth Third River Crossing – Stage 2 public consultation**

- 5.1 The Committee considered the report setting out the consultation process and responses received for the Great Yarmouth Third River Crossing Project.
- 5.2 The Committee:
1. **NOTED** the outcomes of the consultation described in this report;
  2. **NOTED** the specific issues (as detailed in Section 3.0 of the report) raised as part of the consultation that would need to be considered in more detail during the next stage of scheme development;
  3. **APPROVED** the further development of the preferred scheme which provided for a bascule bridge with a clearance of 4.5m over the water at average high tide, as set out in the outline business case. The next steps would include a further statutory public consultation in 2018 on the detailed scheme, and the results would be reported to Committee prior to the submission of an application for planning consent.

## 6. Highways annual survey results

- 6.1 The Head of Highways updated the committee on the 2017 results of the highways annual survey; A press statement would be prepared for release after the meeting.

## 7. Norfolk Infrastructure Delivery Plan

- 7.1 The Committee received the report outlining the Norfolk Infrastructure Delivery Plan which set out known high level strategic infrastructure needs for the upcoming 10 years.
- 7.2
1. The Committee **ENDORSED** the Norfolk Infrastructure Delivery Plan and **SUPPORTED** the strategic approach to infrastructure planning with a caveat for aspiration for the Committee to see detail on timescales and detail;
  2. **RECOMMENDED** that Norfolk County Council work to the principle that infrastructure should be provided in advance of housing development

## 8. Greater Norwich Development Partnership – progress on the joint Local Plan

- 8.1 The Committee considered the report outlining progress on the Greater Norwich Local Plan and providing an opportunity for Members to consider the proposed public consultation document ahead of its commencement in January 2018.
- 8.2 The Committee **AGREED** to:
- **NOTE** progress on the production of the Greater Norwich Local Plan; and
  - **SUPPORT**, in principle, consultation on issues and options, with the final decision on the 20 November Greater Norwich Development Partnership Board's recommendation taken under delegated powers.

## 9. Norwich Depot Hub – project initiation

- 9.1 The Committee received the report outlining progress on the scheme to develop a joint depot hub for the County Council's Highways service, Broadland District Council's waste collection services and a Household Waste Recycling Centre.
- 9.2 The Committee:
1. **NOTED** progress on the scheme to date and **AGREED** that the scheme could be taken forward, subject to development of a full business case;
  2. **APPROVED** the establishment of a project board to oversee the delivery of the scheme;
  3. **AGREED** that the board could oversee the delivery of a communications and consultation plan;
  4. **AGREED** to set up a Norwich Depot Hub task and finish group of 4 Conservative, 2 Labour and 1 Liberal Democrat members; membership proposals to be forwarded to democratic services.

## 10. Finance Monitoring

- 10.1 Members considered the report providing information on the budget position for services reporting to the Committee for 2017-18.
- 10.2 The Committee **NOTED**:
- a) The forecast out-turn position for the Environment, Development and Transport Committee;

- b) The capital programme for this Committee;
- c) The current planned use of the reserves and the forecast balance of reserves as at the end of March 2018.

**Martin Wilby**  
**Chair, Environment, Development and Transport Committee**

## **Report of the Policy and Resources Committee meetings held on 30 October 2017 and 27 November 2017**

### **Items from the meeting of 30 October 2017**

#### **1 Strategic and Financial Planning 2018/19-2021/22**

1.1 The Committee received a report from the Executive Director of Finance and Commercial Services and the Strategy Director that provided an update on the Council's budget setting process, and the actions required to enable the Council to set a balanced budget for 2018-19. The report included budget setting proposals that had been considered by the service committees.

#### **1.2 It was RESOLVED**

##### **That the Policy and Resources Committee:**

- 1. Note the key budget assumptions set out in section 7 of the report and agree that the Council's budget planning includes:
  - a. against the target, a current forecast budget gap of £7.806m for 2018-19; and**
  - b. an assumed increase in council tax of 3.0% for the Adult Social Care Precept and a general increase of 1.9% for 2018-19.****
- 2. Note the risks and the statement regarding the robustness of budget estimates set out in section 8, the continuing uncertainty around the Council's overall funding, and the Government's Autumn Budget as detailed in section 2 of the report.**
- 3. Note that the budget model assumes the delivery of previously agreed 2018-19 savings as set out in Table 2 of the report, after adjustment for the reversal and removal of savings as set out in Table 3 of the report.**
- 4. Agree the savings proposed for the budgets under the direct control of Policy and Resources Committee as set out in section 5 of the report.**
- 5. Note the new 2018-19 to 2021-22 savings that have been recommended by Service Committees as detailed in Table 5 and Appendix 2 of the report.**
- 6. Note the new corporate priorities – Norfolk Futures – to focus on demand management, prevention and early help, and a locality focus to service provision as set out in section 3 of the report.**
- 7. Agree that public consultation on budget proposals, including the level of council tax for 2018-19, be initiated for those savings which require it as set out in section 9 of the report.**

## **2 Finance Monitoring 2017-18 P5: August 2017**

2.1 The Committee received a report by the Executive Director of Finance and Commercial Services that summarised the Period 5 (August 2017) forecast financial outturn position for 2017-18, to assist Members to maintain an overview of the overall financial position of the Council.

### **2.2 RESOLVED**

**That the Policy and Resources Committee:**

- 1. Note the period 5 forecast Revenue overspend of £3.104m;**
- 2. Note the forecast General Balances at 31 March 2018 of £19.301m, before taking into account any over/under spends;**
- 3. Note the revised expenditure and funding of the current 2017-20 capital programme as set out in Appendix 3 of the report.**

## **3 Delivering Financial Savings 2017-18**

3.1 The Committee received a report by the Executive Director of Finance and Commercial Services that provided details of the forecast delivery of the 2017-18 savings agreed by the County Council at its meeting 20 February 2017.

### **3.2 RESOLVED**

**That the Policy and Resources Committee note:**

- 1. The forecast shortfall of savings delivery of £4.773m, which amounts to 10% of total savings for 2017-18;**
- 2. The budgeted value of 2017-18 savings projects rated as RED of £7.378m, of which £2.960m are forecast to be delivered;**
- 3. The budgeted value of 2017-18 savings projects rated as AMBER of £1.214m, of which £0.859m are forecast to be delivered;**
- 4. The budgeted value of 2017-18 savings projects rated as GREEN or BLUE of £39.182m, of which £39.182m are forecast to be delivered; and**
- 5. The forecast position of savings delivery for 2018-19 (£5.263m shortfall) and 2019-20 (£0.100m shortfall).**

## **4 Managing Director's Department and Finance and Commercial Services vital signs performance management report**

4.1 The Committee received a report by the Strategy Director that presented up to date performance management information for the Managing Director's Department and Finance and Commercial Services.

4.2 **RESOLVED**

**That the Policy and Resources Committee:**

**Note the performance data and recommended action.**

5 **Corporately significant vital signs performance management report**

5.1 The Committee received a report by the Strategy Director that presented up to date performance management information for corporately significant vital signs.

5.2 **RESOLVED**

**That the Policy and Resources Committee:**

**Note the performance data and recommended action.**

6 **Risk Management**

6.1 The Committee received a report by the Executive Director of Finance and Commercial Services that explained the corporate risk register as it stood in October 2017, along with an update on the Risk Management Strategy 2016-19, and other related matters, following the latest review conducted during September 2017.

6.2 **RESOLVED**

**That the Policy and Resources Committee note:**

- 1. The changes to the corporate risk register (Appendices A and B of the report), the progress with mitigating the risks; and**
- 2. The scrutiny options for managing corporate risks, (Appendix C of the report);**
- 3. The movement of corporate risks since the last meeting (Appendix D of the report);**
- 4. The Finance and Commercial Services departmental risk summary(Appendix E of the report);**

**That the Policy and Resources Committee approve:**

**The adoption of the revised Risk Management Policy, as recommended by the Audit Committee at its meeting on 21st September 2017 (Appendix F of the report).**

7 **Norfolk Business Rates pool annual report 2016-17 and development of 2018-19 Business Rates pilot bid**

7.1 The Executive Director of Finance and Commercial Services pointed out that the Government was now willing to offer a “no detriment” protection clause

for 2018-19 Business Rates pilot bids. The timetable for these bids was set out in the report.

## 7.2 **RESOLVED**

**That Policy and Resources Committee:**

1. **Notes the performance of the Norfolk Business Rates Pool and endorses the decisions taken by Norfolk Leaders in respect of:**
  - a. **allocation of the 2016-17 Pool resources; and**
  - b. **Requesting that DCLG extend membership of the 2018-19 Pool to include Great Yarmouth Borough Council, in the event that Norfolk is unsuccessful in applying to become a pilot for 100% Business Rates retention.**
2. **Notes the update on the development of a bid for 2018-19 Business Rates Pilot status.**

## 8 **Norse Group Annual Report 2016-17 and Trading Update**

8.1 The Managing Director of the Norse Group Ltd outlined the results of the Norse Group Ltd for the financial year 2016-17.

## 8.2 **RESOLVED**

**That the Policy and Resources Committee note the on-going growth in the business and the benefits the Company continues to bring to the Norfolk economy.**

## 9. **County Farms Objectives and Policies, Key Processes and Criteria**

9.1 The Committee noted that the Business and Property Committee at their meeting on 18 October 2017 had resolved to recommend to Policy and Resources Committee the adoption of County Farms Estate objectives and policies, tenant selection process and acquisition criteria.

## 9.2 **RESOLVED**

**That the Policy and Resources Committee formally:**

1. **Adopt the County Farms Estate objectives and policies as detailed in appendix 1 of the report.**
2. **Adopt the tenant selection process as detailed in appendix 2 of the report.**
3. **Adopt the acquisition criteria as detailed in appendix 3 of the report.**

## 10. **Vulnerable Child Social Impact Bond**

10.1 The Committee received a report by the Executive Director of Finance and Commercial Services that explained how the Vulnerable Child Social Impact

Bond would form part of the Demand Management and Prevention Strategy for Children's Services and would have a direct effect on reducing the numbers of looked after children over 5 years, partly through the introduction of a new operating model.

**10.2 RESOLVED**

**That the Policy and Resources Committee:**

- 1. Endorse the submission of the full LCF application due on 31 October 2017.**
- 2. Delegate decision-making for procurement and award of contract to the Director of Children's Services in consultation with the Chairman of the Children's Services Committee.**

**11 Counter Fraud, Bribery and Corruption Policy and Strategy**

11.1 The Committee noted that the Audit Committee had reviewed and approved the revised Counter Fraud, Bribery and Corruption Policy and Strategy and had recommended its adoption by the Policy and Resources Committee.

**11.2 RESOLVED**

**That the Policy and Resources Committee approve the updated Counter Fraud, Bribery and Corruption Strategy (appendix 1 of the report) and Policy (appendix 2 of the report).**

**12. Procurement Six Monthly Update**

12.1 The Committee received a regular update on procurement issues, so that they had sufficient notice about forthcoming procurements to provide strategic input and were aware of current issues and any concerns.

**12.2 RESOLVED**

**That the Policy and Resources Committee:**

- 1. Note the pipeline and the contracts set out in the report.**
- 2. Note the information about contract management.**
- 3. Agree the recommendation to establish ESPO Trading Limited and note:**
  - a. That the Board of Directors of the trading company will include five officers—three officers from ESPO, one officer from Leicestershire and one officer nominated by the other member authorities.**
  - b. That the Shareholders (member authorities) may nominate up to two Non-Executive Directors to serve on the Board of the Company;**
  - c. That each of the six member authorities will be equal shareholders in the new Company and that the**

**shareholder representative on the new company will be one elected member from each member authority drawn from the membership of the ESPO Management Committee;**

- d. That the shareholder representatives (Elected Members) will be responsible for taking strategic decisions and agreeing the Annual Business Plan for the Company.**

## **Items from the meeting of 27 November 2017**

### **13 Land at the Willows In King's Lynn**

13.1 The Chairman reported that Norfolk County Council had received an enquiry about the land known as the Willows in Kings Lynn. Given the sensitivity of this site and the Council's commitment to be transparent, the Chairman took the unusual step of updating the Committee on this case.

13.2 The Chairman reported that Officers had responded that the County Council owned the land but were not willing to sell the land, given the decision made by the Business and Property Committee and Council. Officers requested further details as to who was interested in acquiring the land, what it would be used for and whether it would help generate employment. Following discussions (including with the Borough of Kings Lynn who also own some land in this area), a more formal proposal had been put to NCC:

- 13.3
1. The interest was from **EP Power UK Development Ltd** – the new owners of the 'Centrica B' site. They were seeking to build a new gas fired power station (which would not affect the current Centrica operation), where there was currently consent for a smaller station.
  2. They required additional land for the creation of a Carbon Capture Plant - an obligation as part of the planning permission. Without this land, there could be no development.
  3. The proposal would generate 50-60 permanent jobs and a substantial number of construction jobs, as well as advantages for the local supply chain. It would also generate substantial business rates.
  4. The proposal was for them to lease the land from BKLWN and NCC.
  5. The land would not be used for the incineration of waste, but rather Carbon Capture Equipment or the CCGT plant. The Councils would be able to control the use of the land via the lease. Any lease would be on commercial terms.
  6. Any development would be subject to a number of technical,

planning and statutory consents and tests.

7. NCC would remove this site from the Local Waste Plan.

13.4 The Chairman informed the Committee that discussions were only at the very early phase and were just at this point exploratory. However this development provided the opportunity for a substantial development, providing high quality jobs and supply chain opportunities for Kings Lynn. Any decision on the lease of this land would need to be undertaken in line with the governance procedures, but sets out a fantastic opportunity to support economic growth in the County.

#### 14 **Chancellor's Autumn Budget and Fair Funding Review**

14.1 The Committee received a report from the Executive Director of Finance and Commercial Services about the expectations before the Chancellor's Autumn Budget 2017 and a separate update (despatched after the Budget Announcement) on what was presented to Parliament. In addition, the report set out the latest details about the Government's Fair Funding Review, including the anticipated timetable for implementation and some of the key issues for Norfolk. The report also summarised some of the recent representations that were made on funding matters and provided a brief overview of the Council's general approach to engaging with Government on financial issues.

#### 14.2 **RESOLVED**

**That the Policy and Resources Committee:**

- 1. Note the expected implications of the Autumn Budget.**
- 2. Note the latest information about the anticipated Fair Funding Review timetable and implications.**
- 3. Agree the Council's general approach to engaging with Government on the Fair Funding Review and other financial issues as set out in this report.**

#### 15 **Finance Monitoring Report P6; September 2017**

15.1 The Committee received a report by the Executive Director of Finance and Commercial Services that summarised the Period 6 (September 2017) forecast financial outturn position for 2017-18, to assist Members to maintain an overview of the overall financial position of the Council.

#### 15.2 **RESOLVED**

**That the Policy and Resources Committee:**

- 1. Note the period 6 forecast Revenue overspend of £3.694m;**

2. Note the forecast General Balances at 31 March 2018 of £19.301m, before taking into account any over/under spends;
3. Approve the write-off of two Residential Care charges debts totalling £67,920.13, due to the exhaustion of the estates, as set out in section 5.9 of Annex 1 of the report;
4. Note the revised expenditure and funding of the current 2017-20 capital programme as set out in Appendix 3 of the report;
5. Approve a current year capital bid in respect of Exchequer Services office moves as set out in Appendix 3 section 4 of the report;
6. Support and contribute to the development of the 2017-20 capital programme, including the capital strategy, prioritisation scoring method, and potential new schemes, as set out in Appendix 3 Capital Annex 2 of the report;
7. Agree to recommend to Full Council to increase the NDR Budget by £19.25m to £205m as set out in Capital Annex 3, paragraph 4.2 of the report (*and reported to Full Council by way of a separate report*);
8. Approve the virement of £7.250m within the existing 2017-18 Capital Programme from the Norfolk Energy Futures Investment Fund to the NDR budget as set out in Capital Annex 3, paragraph 4.3 of the report;
9. Agree that in the short term the remaining £12m budget increase is funded by internal borrowing using cash balances as set out in Capital Annex 3, paragraph 4.4 of the report;
10. Note that a permanent solution for funding the remaining £12m budget increase will be developed by officers and presented to the 29 January 2018 Policy and Resources Committee meeting as set out in Capital Annex 3, paragraph 4.4 of the report;
11. Agree to the principles set out in Capital Annex 3, section 3 of the report, to update the contract terms.

16 **Delivering Financial Savings P6 of 2017-18**

16.1 The Committee received a report by the Executive Director of Finance and Commercial Services that provided details of the forecast delivery of the 2017-18 savings agreed by the County Council at its meeting 20 February 2017.

16.2 **RESOLVED**

**That the Policy and Resources Committee note:**

1. The forecast shortfall of savings delivery of £5.056m, which amounts to 11% of total savings for 2017-18;
2. The budgeted value of 2017-18 savings projects rated as RED of £7.378m, of which £2.880m are forecast to be delivered;
3. The budgeted value of 2017-18 savings projects rated as AMBER of £1.214m, of which £0.656m are forecast to be delivered;

4. The budgeted value of 2017-18 savings projects rated as GREEN or BLUE of £39.182m, of which £39.182m are forecast to be delivered; and
5. The forecast position of savings delivery for 2018-19 (£5.263m shortfall) and 2019-20 (£0.100m shortfall).

## 17 Health, Safety and Well-being Mid-Year Report

17.1 The Committee received a report by the Health, Safety and Well-Being Manager that provided a mid-year update performance position for health, safety and Well-being for NCC as an employer and an update on progress with the 2017/2- plan previously agreed. The report specifically referenced our response to the recently published Stevenson/Farmer report “thriving at Work.

### 17.2 RESOLVED

**That the Policy and Resources Committee:**

1. Note the mid-year performance position
2. Note the progress made against the 2017-20 plan to date
3. Note the assessment of NCCs position against the recommendations of ‘Thriving at work’

## 18 Annual Review of the Enforcement Policy

18.1 The Committee received a report from the Executive Director of Communities and Environmental Services that provided an annual review of the framework of the Enforcement Policy to ensure that the County Council worked in an equitable, practical and consistent manner in the way it delivered regulatory activities and law enforcement. The policy and annexes were confirmed as meeting the requirements of EDT and Communities at the EDT Committee on 20 October 2017 and the Communities Committee on 15 November 2017.

### 18.2 RESOLVED

**That the Policy and Resources Committee:**

**Approve the Community and Environmental Services Enforcement Policy (at appendix 1 of the report and its annex documents), and agree to the ongoing review of the Policy on an annual basis.**

## 19 NORSE Consents

19.1 The Committee received a report by the Executive Director of Finance and Commercial Services that recommended the purchase of 50% of Build Insight Ventures Ltd, Build Insight Ltd and Build Insight Consulting Ltd by NPS.

19.2 **RESOLVED**

**That the Policy and Resources Committee:**

**Approve the purchase of 50% of Build Insight Ventures Ltd, Build Insight Ltd and Build Insight Consulting Ltd by NPS.**

20 **Notifications of Exemptions Under Contract Standing Orders**

20.1 The Committee received a report by the Executive Director of Finance and Commercial Services that set out the exemptions that had been made up to 2 November 2017 under paragraph 9.11 of Contract Standing Orders and that were over £250,000 and therefore needed to be notified to the Policy and Resources Committee.

20.2 **RESOLVED**

**That the Policy and Resources Committee:**

Note the exemptions that had been granted under paragraph 9.11 of Contract Standing Orders by the Head of Procurement and Head of Law in consultation with the Chairman of Policy and Resources Committee that were over £250,000.

21 **County Council Network Conference**

21.1 The Chairman reported on the annual conference of the County Council Network that was held from 19 to 21 November 2017. Norfolk was represented by the Leader and Managing Director. 'A New Deal for Counties: Our Plan for Government' was launched at the conference. See [file:///C:/Users/ccywt/Downloads/A-New-Deal-for-Counties-Our-Plan-for-Government-Low-Res-1%20\(1\).pdf](file:///C:/Users/ccywt/Downloads/A-New-Deal-for-Counties-Our-Plan-for-Government-Low-Res-1%20(1).pdf)

**Cliff Jordan  
Chairman, Policy and Resources Committee**

## Report of the Norfolk Health Overview and Scrutiny Committee meeting held on 26 October 2017

### 1. Norfolk and Waveney Sustainability and Transformation Plan – progress update

- 1.1 The Committee received an update report on progress with the Norfolk and Waveney Sustainability and Transformation Plan to date and the timetable for consultation with health scrutiny on proposed changes arising from the Plan.
- 1.2 The Chairman welcomed Mr Michael Ladd who was the Chairman of Suffolk Health Scrutiny Committee and represented the Kessingland and Southwold division on Suffolk County Council and Mrs Jane Murray who was a member of Suffolk Health Scrutiny Committee and represented the Oulton ward on East Suffolk, Waveney District Council. Mr Ladd and Mrs Murray had been invited to the meeting for the opportunity to ask questions and make comments on the progress of Norfolk and Waveney Sustainability and Transformation Plan alongside members of Norfolk Health Overview and Scrutiny Committee.
- 1.2 The Committee received evidence from the Lead for Norfolk & Waveney STP (and Chief Exec of North Norfolk and South Norfolk CCGs) and the Norfolk & Waveney STP Programme Director.
- 1.3 The following key points were noted:
  - The Norfolk and Waveney Sustainability and Transformation Plan (STP) was one of 44 STPs across the country.
  - The Lead for the Norfolk and Waveney STP said that when the STPs were being planned in 2016 NHS England and NHS Improvement officials had told STP Boards not to publish the STPs before they had received feedback on their plans. As a result of this, the planning within the NHS for the STPs had initially been undertaken in secrecy.
  - The Norfolk and Waveney Sustainability and Transformation Plan was published at an early stage but the timescale for the publication of the plan had meant that any involvement from the public had inevitably been limited.
  - There was much work now being done through the STP with the County Council and Healthwatch to involve the public in the co-design of health and social care services.
  - The Health and Wellbeing Boards (Norfolk and Suffolk), together with the County Council and local councils and the Boards of provider and commissioning organisations, played an important role in the strategic oversight of the Norfolk and Waveney STP programme and were looking to speak with a “single voice”.
  - The speakers said that only by working together and successfully implementing change with other service providers would the acute hospitals and the CCGs be able to provide customer-oriented, safe and sustainable quality services. The way in which the partners would coordinate their approaches and work together to achieve the aims of the STP was explained in the report.
  - The delivery of the STP change programme required all organisations to accept significant change in the way services were currently delivered and develop joint

commissioning strategies. The CCGs' process of establishing the new single Joint Strategic Commissioning Committee was ongoing, with four out of five CCGs having approved it to date.

- In order to deliver public aspirations in Norfolk and Waveney for improved health and care, and the most efficient use of resources, the CCGs were coordinating their approach through the STP to issues such as workforce development, information technology, the 111 service, estates and other common service provision.
- Norfolk and Waveney generally had an older population that was projected to increase at a greater rate than the rest of England. This created a key challenge for the health and social care system.
- The overarching theme of the STP was for more people to be treated in the community.
- The speakers were questioned about whether they felt that more resources should be invested through the STP in mental health services, as a response to the recent inspectors report. In reply, the speakers said that while the Norfolk and Suffolk NHS Foundation Trust had been given 6 months to come up to standard, a 12 months fundamental review of mental health services was required. There was already a review taking place into mental health services for children and, following the publication of the inspectors' report, it was now generally accepted that more had to be done to achieve the cultural changes that would lead to fundamental improvements in all mental health services. This included looking at the level of resources in mental health services and in approaches to keeping people mentally well, and making sure that delayed transfers of care were addressed so that mental health beds were used for their intended purpose.
- The data made available to the Committee showed that the STP had been awarded £2.2m to enable more GPs to be hired from abroad. The NHS was continuing to look to countries in the EU for the filling of vacancies for GPs and nurses.
- It was pointed out that the STP was spending £250,000 on Attain consultants to help develop a series of detailed options on service changes within the areas served by the three acute hospitals. The changes could include creating a single waiting time list for certain services. Members were assured that the NHOSC would be kept informed of developments.
- Alongside the review of acute services, planning was also taking place about the optimal future configuration for the 5 CCGs and the integrated social care commissioning units.
- The implementation of the Norfolk and Waveney Sustainability and Transformation Plan was not expected to lead to the closure of hospital wards. The plans that made up the STP did not currently include any proposals for substantial changes to clinical services that would require formal consultation.

1.4 The STP Lead indicated that the public would be engaged in the co-design of services and that the STP partners would consult with health scrutiny about any proposed substantial changes to services.

1.5 It was noted that Members of NHOSC and other County Councillors would be informed of the details of the engagement events being run with Healthwatch Norfolk towards the end of 2017, to encourage attendance.

## 2 Ambulance response times and turnaround times in Norfolk

2.1 The Committee received a report that set out the trends in ambulance response and turnaround times in Norfolk and the action underway to improve performance.

2.2 Representatives of the East of England Ambulance Service NHS Trust (EEAST), the Norfolk and Norwich University Hospital NHS Foundation Trust (NNUT) and North Norfolk Clinical Commissioning Group were in attendance to discuss the issues. The Committee also heard from David Russell of Cromer Town Council.

2.3 The following key points were noted:

- The East of England Ambulance Service NHS Trust (EEAST) had implemented the new Government-approved categories for how emergency calls were triaged, responded to and reported.
- The new ambulance standards, under the Ambulance Response Programme (ARP), could not be compared to the previous standards as the call categories and associated response times were significantly different.
- Given the ongoing pressures on the ambulance service, urgent and emergency and the wider health and social care system, it would take some time before EEAST was able to bed down the ARP standards, however, EEAST expected to see significant benefits in improved response times before April 2020. The extra 4 minutes triage time would enable EEAST to send the right response first time in more cases.
- The speakers said that whilst EEAST was working hard to make further improvements to its response times, it was important to remember that they were not the only measure of the care EEAST provided to patients and the focus remained on providing the safe and high-quality services that were outlined in the report.
- Rural areas of Norfolk presented unique challenges in meeting time targets due to the nature of their infrastructure, particularly during severe weather, along with the fact that demand could not be predicted with the same kind of accuracy as in urban areas. While EEAST was commissioned on a region-wide basis to meet national targets EEAST was committed to improving the performance and quality of services they provided to patients in all of their areas.
- The speakers confirmed that EEAST would continue to examine what if any patient harm arose for every stroke patient that had not been conveyed to hospital within 60 minutes of their call.
- EEAST was constantly monitoring and reviewing resource allocation to achieve optimum response times. EEAST was redesigning services for patients to ensure they were more tailor made so that patients got the care that they really needed, whether that was at home, in hospital or by directing them to a more appropriate service. This would cut down on unnecessary hospital admissions and improve the experience for patients while enabling ambulances to reach high priority emergencies more quickly.
- The speakers said that an early intervention vehicle to support the needs of the frail and the elderly had been operating across the central Norfolk system since January 2017. This was part of a collaborative scheme with colleagues at NCH&C who provided an occupational therapist to work with EEAST in meeting the needs of the frail and elderly and had received funding outside of the core contract by Norwich CCG until the end of the financial year. EEAST had received additional funding via the STP to put on two more such vehicles which were due to join the ambulance fleet to cover the East and West of the county in

the next two months.

- EEAST was looking at transferring much of its existing staffing from Rapid Response Vehicles (RRV) to ambulances to facilitate an increase in ambulance cover.
- The delay in ambulance turnaround times was partly attributed by the speakers to full beds in community hospitals and in-patient wards in acute hospitals which was creating a backlog at A&E and delaying new admissions.
- The situation was made worse by people calling ambulances when they had difficulty getting appointments to see a GP.
- Attention was drawn to the work of the Hospital Ambulance Liaison Officers (HALOs) who supported the N&N around the clock; this team of officers continued to play a key role in capacity planning and managing the flow of patients through to the hospital. Talks had begun between EEAST and the CCGs about the funding of the role in the next financial year.
- Members raised the issue of EEAST's involvement in the transport of patients in mental health crisis to acute hospitals and to acute beds at mental health hospitals after a Mental Health Act assessment. In reply, the speakers said that there was confusion on whether some types of journey were included in the contract with the ambulance service. Work was underway to identify and resolve gaps in the transport pathway for mental health patients.
- EEAST also received urgent calls from GPs and other health professionals requesting ambulance transport for their patients. The response to these calls was tailored to each individual patient's need as determined by the Doctor or health professional requesting the ambulance. In addition to dealing with emergency care, EEAST provided a range of other emergency, urgent and planned healthcare and transport services for instance for those patients requiring transport to mental health hospitals outside of the county.
- Members praised the work of the ambulance crews operating in Norfolk and spoke about the worthwhile experiences that they had gained from their visits to the Emergency Operations Centre (EOC).
- The speakers explained the procedure that staff at the EOC used to decide what kind of response was needed and whether an ambulance was required. The EOC staff included people with clinical knowledge who were able to ask more detailed questions than normal call handlers. This made for earlier identification and recognition of life-threatening conditions and more time to assess patients who did not have life-threatening conditions.
- The practice of having the 111 service directly transfer work into the ambulance call taking system as 'already triaged' and 'ready to dispatch' could be expected to have an impact on the workload of ambulance crews. The pre-triage questions asked by the 111 service helped to identify those patients in need of the fastest response. EEAST was able to re-triage calls handed over to it by the 111 service.
- EEAST worked closely with services provided by Swifts and Night Owls and could be expected to benefit from forthcoming improvements in NHS IT systems.
- EEAST awaited the results of the Independent Service Review, commissioned by its regulators, to identify if it needed to recruit more staff into Norfolk and Waveney and the approach being taken to fill the immediate gap in paramedics including supporting ambulance technicians more effectively during their training period.
- David Russell from Cromer Town Council asked a number of detailed questions about the fine monies relating to EEAST and Norfolk & Norwich Hospital under

the former financial penalties regime. The CCG representative confirmed that the contracts with the N&N and EEAST were now under the STF (Sustainability Transformation Fund) arrangement which meant that financial penalties in relation to ambulance response times and turnaround times were no longer applied.

- 2.4 The NN CCG was asked to ensure that outstanding Freedom of Information requests from Cromer Town Council regarding the fine monies relating to EEAST and Norfolk and Norwich Hospital under the former financial penalties regime received a response.
- 2.5 The East of England Ambulance Service NHS Trust (EEAST) was asked to consider involving service users in a workshop currently being arranged on the conveyance of mental health patients to hospital and other facilities.

### **3 Forward Work Programme**

- 3.1 The Committee agreed its forward work programme, with the addition of Mental Health Services in Norfolk as a one item agenda on 7 December 2017.
- 3.2 The following items were also agreed for addition to the programme:-
  - Delayed discharged / transfers of care – work by the Norfolk and Norwich Hospital and local district councils to address delays
  - Physical health checks for adults with learning disabilities
  - Access to NHS dentistry in west Norfolk (including service personnel's families at RAF Marham)
  - Implementation of the Suicide Prevention Action Plan 2016-21 (relating to the county-wide Suicide Prevention Strategy) - progress by service providers.

**Michael Chenery of Horsbrugh  
Chairman**

## Report of the Norfolk Joint Museums Committee meeting held on 27 October 2017

### 1 Area Museums Committees

- 1.1 The Joint Committee received reports from meetings of the Breckland, Great Yarmouth, King's Lynn and West Norfolk and Norwich Area Museums Committees.
- 1.2 Members attention was drawn to the reference in the Breckland report to work at Thetford Museum to create a new permanent gallery dedicated to Duleep Singh. The possibility of using funding schemes offered by the Heritage Lottery Fund and ACE were being investigated.
- 1.3 From the Great Yarmouth report, the Joint Committee noted that Great Yarmouth museums' performance in terms of total visitor numbers and school visits remained very positive, although it would require a great deal of work to maintain the visitor numbers at the current level. The exceptional results were heavily influenced by the Titanic exhibition and events programme and the record breaking schools visit figures supported by events developed as part of the *Stories from the Sea* programme.
- 1.4 From the King's Lynn and West Norfolk report, the Joint Committee noted the local marketing and outreach work that was undertaken by members of staff. This work had included mobile exhibitions, visiting community venues, the loan of materials to schools and the production of a new History in Your Hands flier to publicise local museum events. The Curator of King's Lynn Museums reported to the Joint Committee that Lynn Museum had acquired a major new work by the King's Lynn painter Henry Baines, funded by a grant from the V&A Purchase Fund along with other grants and donations. The painting was made available for Members to see in the committee room prior to the start of the Joint Committee meeting.
- 1.5 From the Norwich report, thanks were placed on record to the school learning teams for their work in ensuring activities for school children remained relevant to subjects within the National Curriculum. The high numbers of school visits to Norwich museums were attributed to the strong and relevant school learning programmes and the significant effort of the learning teams across the NMS.

### 2 Finance Monitoring Report for 2017/18

- 3.1 The Joint Committee received a report that covered the forecast position for the Norfolk Museums Service (NMS) in 2017/18 as at 31 August 2017.
- 3.2 Going forward, the strong exhibition programme planned over the autumn / winter months meant that NMS remained optimistic of continuing to be able to meet its income targets. A word of caution was, however, expressed in the Joint Committee meeting by the Chairman about the spring 2018 exhibition programme which while of a very high quality was unlikely to achieve the exceptional income generating levels achieved in 2017.
- 3.3 The Joint Committee **resolved to note progress with the revenue budget, capital programme and reserves and provisions forecast out-turn positions for 2017/18.**

## 4 Risk Management report

- 4.1 The Joint Committee **received and noted a report that provided Members with the Norfolk Museums Service Risk Register as at October 2017.**
- 4.2 Members were informed of the measures that the NMS had taken to address the risks that were set out in the report.
- 4.3 It was suggested that NMS should look into the use of flood boards to help mitigate against the residual low level flooding risk that would always remain in terms of Elizabethan House, Great Yarmouth and the Museum Stores at King's Lynn.
- 4.4 Members were assured that the NMS took additional measures to step up security arrangements as and when appropriate to do so, for example to provide additional protection for material on loan for major exhibitions such as "Nelson & Norfolk" and "Rembrandt: Lightening the Darkness." In taking key security decisions, NMS was able to draw upon expert input from Arts Council England's national security advisor.

## 5 Norfolk Museums Service – Performance & Strategic Update Report

- 5.1 The Joint Committee received a report that provided progress with performance against the NMS agreed service plan for 2016/17, details as to museum education and learning programmes, marketing and PR, partnerships, commercial developments, Norwich Castle Keep and other capital developments, NMS fundraising, the Arts Council England funding programme and the DCMS National Museums Review.
- 5.2 The following key points were noted:
  - The Joint Committee was informed that Museum visits across all 10 NMS sites for the period up to the end of August 2017 were 217,601 compared to 190,282 for the equivalent five month period in 2016/17, a 14% increase. This positive position for the year-to-date was largely attributable to a very strong events and exhibitions programme, including Titanic: Honour and Glory at Time and Tide and Nelson and Norfolk at Norwich Castle, which gave the Service a record-breaking August for Norwich Castle (31,268 visits).
  - The numbers of school visits to NMS museums for the period up to the end of July 2017 were 17,555 compared to 17,406 for the equivalent four-month period in 2016/17, a 1% increase on last year's record-breaking figures. This excellent result was very much at odds to the national picture of declining school visits to museums.
  - The NMS remained confident of maintaining visitor figures of 400,000 visits across the 10 NMS sites plus outreach and special events attendance and of keeping school visits at the 45,000 level.
  - Going forward, the "Rembrandt: Lightening the Darkness" and the "We Came Here to Conquer" exhibitions could be expected to attract high visitor figures at the Castle Museum.
  - The Joint Committee was pleased to hear that the Learning Teams had secured two prestigious Sandford Awards for Excellence in Education. These national awards recognised the role which museums and heritage sites played in supporting the development of young people in a variety of ways. The Chairman expressed a desire to congratulate those who were involved in the NMS achieving these awards.

- Congratulations were also due to the work of the project team at Norfolk County Council that had led to the launch of the new NMS website in September 2017. The new site, embedded within the NCC website, was enabled for mobile and tablets and features a huge range of new facilities including video. See: [www.museums.norfolk.gov.uk](http://www.museums.norfolk.gov.uk)
- It was noted that the NMS had been awarded £776,500 from the Heritage Lottery Fund for the 'Norfolk Journeys' project which sought to empower young people to develop their own pathways into the County's heritage. This project formed part of the Heritage Lottery Fund's 'Kick the Dust' initiative, a new £10m grant programme which aimed to transform how heritage organisations engaged with young people.

### 5.3 The Joint Committee **resolved**:

1. **To note progress regarding development of the Keep at Norwich Castle which is outlined in paragraph 7 of this report.**
2. **To note progress in terms of the programme and key Service Plan priorities for 2017/18.**
3. **To note progress in terms of developing the business plan for Arts Council England's new funding programme for 2018-22.**

## 6 Collections Review and Rationalisation Programme

6.1 The Joint Committee agreed to the rationalisation of certain social history items that had been considered for rationalisation by the Breckland and Great Yarmouth Area Museums Committees. This was agreed subject to further work being done to identify suitable homes for some of these items.

## 7 Norwich Castle Keep: Gateway to Medieval England-Project and Fundraising Update

7.1 The Joint Committee received a presentation from Dr John Davies, Project Director and Jo Warr, Head of Development, about the Norwich Castle Keep development project.

7.2 Dr John Davies and Jo Warr said that Gateway to Medieval England was a four year project that would transform the Keep within Norwich Castle back to its appearance under the great Norman Kings. The project would enable a unique form of partnership, displaying national treasures from the British Museum collections alongside exquisite artefacts from Norwich Castle's own medieval collection, in a new *British Museum Gallery of the Medieval Period*. Regular communication was being held between curatorial and project teams at NMS and the British Museum in order to develop concepts for the British Museum Partnership Gallery of the Medieval Period within the Keep.

7.3 The aims of the project included the transformation of Norwich Castle into the premier heritage attraction in the East of England, attracting 300,000 visitors per year and the creation of an inspirational learning resource for Norfolk's schools with the capacity to welcome 30,000 visitors per year. The project would create a positive and significant economic impact for local businesses in terms of creating jobs, providing skills, giving training opportunities and a destination for hospitality and events.

7.4 The project needed the support of the business community to realise its ambitious

vision for Norwich Castle. With this in mind NMS was offering a range of corporate packages to suit individual business requirements that included access to exclusive events, behind the scenes tours and team building opportunities, brand exposure through PR opportunities, logo placement and digital recognition.

7.5 The Project Team had officially entered the Development Phase of the project the work from which would form the basis of the second-round application to the Heritage Lottery Fund, which was expected to be submitted early in 2018.

7.6 Questions were asked about the Victorian features of the Castle Keep in relation to the project. Dr John Davies explained the importance of the Academic Steering Group in the project and the detailed recording of all historical features, including the Victorian elements.

**7.7 The Joint Committee resolved:**

**To place on record thanks to Dr John Davies, Project Director and Jo Warr, Head of Development, for their presentation about the Norwich Castle Keep development project and to ask to be kept informed of developments at future meetings.**

**John Ward  
Chairman**

## Report of the Norfolk Records Committee Meeting held on 03 November 2017.

### A – Items from the meeting of 03 November 2017

#### 1. Chairman's Opening Remarks

- 1.1 The Chairman opened the meeting by marking the last meeting of Co-opted member Professor Wilson.

#### 2. Appointment of Co-opted Members

- 2.1 The Committee:
- **CONFIRMED** the **APPOINTMENT** of Mr M R Begley and Prof C Rawcliffe as Co-opted Members for the period 2017/2018;
  - **CONFIRMED** the **APPOINTMENT** of Dr V Morgan as Observer Member for the period 2017/2018;
  - **AGREED** that the third co-opted member would be a representative of NORAH, (the name of whom would be confirmed at the next Committee meeting).

#### 3. Finance and Risk

- 3.1 The Committee considered the report providing an update on the forecast financial year end position and for the Norfolk Records Committee for 2017/18
- 3.2 The Committee **CONSIDERED** and **NOTED**:
- The forecast position of the revenue budget, reserves and provisions for 2017/18;
  - The management of risk for 2017/18.

#### 4. Performance Report

- 4.1 The Committee considered the report providing information on the activities of the Norfolk Record Office and performance against its service plan during the period 1 April 2017 – 30 September 2017
- 4.2 The Committee **CONSIDERED** performance against the 2016/17 service plan and **NOTED** the progress to date.

**Christopher Kemp**  
Chairman, Norfolk Records Committee

## **Independent Remuneration Panel**

### **Review of Norfolk County Council Members' Allowances Scheme**

#### PANEL MEMBERS

Mr Alan Howard (Chairman)  
Mr Peter Franzen OBE  
Professor John Last  
Mr David Morgan

November 2017

## 1.0 BACKGROUND

1.1 The last review of Members Allowances was carried out in 2014. In recommending a Scheme, the Panel also recommended that the next full review take place in 2017, with any resulting changes being implemented from April 2018.

1.2 The County Council accepted the Panel's recommendation regarding the next review. It is therefore necessary to undertake a full review of the Scheme.

## 2.0 PANEL OBJECTIVES AND TERMS OF REFERENCE

2.1 The Panel's previously agreed objectives and terms of reference are as follows:

The objective is to make recommendations to the Council on:-

- (i) The level of Basic Allowance to be paid to all Norfolk County Councillors;
- (ii) The posts for which Special Responsibility Allowances (SRAs) should be paid and the level of those SRAs;
- (iii) The appropriateness of continuing to pay a Carer's Allowance and the rate at which it should be paid;
- (iv) Whether allowances should be paid to co-opted Members and if so, at what level;
- (v) The terms of travel and subsistence allowances for members.

All these issues are subject to consideration and recommendation by the Panel.

2.2 The Panel's agreed terms of reference are:-

To make recommendations on a scheme of payments to councillors which:-

- (i) conforms with legislation;
- (ii) recognises that the work of a councillor is undertaken for the sake of public service and not for private gain;
- (iii) recognises the demands placed upon councillors by their differing roles and responsibilities within the Council and fairly and equitably compensates them for the time and effort they devote to their work as a member of the Council;

(iv) is simple to administer and easy to explain and justify to the public.

### 3.0 PROCESS

3.1 The Panel undertook the following process

#### Stage 1 - 21 September 2017

- General discussion of the reports and issues
- Discussed the implications for this review of a proposal by the ruling Administration to switch to a Cabinet system of governance in May 2019
- Identified any additional information that it required to assist in reaching conclusions on particular issues
- Considered inviting the group leaders to submit representations about the review and to attend a meeting with the Panel

#### Stage 2 – 24 October 2017

- Met and questioned two Group Leaders and considered additional information provided including the written submissions from two of the Group Leaders.
- Reached final conclusions and decisions on all issues

### 4.0 RECOMMENDATION

4.1 That the Council considers the attached report on the review of allowances and the recommendations contained within it.

## **BASIC ALLOWANCE**

- 1.1 The requirement and basis for a Basic Allowance is set out in Government Guidance. Local Authorities must include in their schemes of allowances a basic, flat rate allowance, payable to all their elected members. It must be the same for each member.
- 1.2 The guidance advises reaching a conclusion as to the number of hours that members need in order to carry out the role expected of them. The guidance also advises that some element of members' work be regarded as voluntary and consequently that not all their time should be remunerated. However the guidance advises this be balanced against the need to ensure that financial loss is not suffered by members, and to ensure that despite the input required, people are encouraged to come forward as elected members and that their service to the community is retained. Finally the guidance advises that independent remuneration panels consider rates at which it would be appropriate for remunerated time to be paid.
- 1.3 An Improvement and Development Agency (IDeA) Census in the autumn of 2010 found that the figure for county councillors for the basic role was 21.2 hours per week. Unfortunately there has been no such councillor census since then.
- 1.4 The Panel has previously considered that the position on hours necessary should link to the hours per week identified in the IDeA survey. The Panel recognised that some members will spend more time than others in carrying out their role but the Panel had an expectation that members should generally not be spending less than the IDeA average of 21.2 hours per week on their basic county council duties.
- 1.5 The Panel has previously reflected carefully on what proportion of the 21.2 hours should not be remunerated to reflect a public service element. On balance, the Panel considered that a 30% reduction was a fair and reasonable assessment and one that members of the council and the general public would be satisfied with.
- 1.6 In terms of the hourly rate to be applied, the Panel felt that the average gross hourly rate for all full-time employee jobs in Norfolk set out in the Annual Survey of Hours and Earnings produced by the Office of National Statistics was an appropriate one to use for considering an indicator. The rate then was £13.59. In the 2017 survey it is now £14.42 in Norfolk. For comparison purposes, the Panel noted other rates as follows:
  - UK - £16.95
  - England - £17.20
  - East Region - £17.68
  - Cambs - £18.31
  - Essex - £18.47
  - Herts - £20.64

- Suffolk - £16.07

1.7 The rate of £9,018 recommended by the Panel was accepted by the County Council. Since then, as recommended by the Panel, the allowance has increased each year in line with the employee pay awards and is currently £9,401 per annum. In terms of some of the key indicators which the guidance advises be considered, the present position is as follows:-

1.8 Comparative figures for the Basic Allowance were been obtained from all County Councils. From these figures can be seen that Norfolk's present basic allowance (£9,401) is at a rate of 87% of the average of county councils (£10,793).

1.9 The numbers of candidates standing at the last four County Council Elections were as follows:-

May 2005	-	312 candidates
June 2009	-	322 candidates
May 2013	-	358 candidates
May 2017	-	362 candidates

1.10 At each of the above Elections all 84 divisions were contested, so a fair comparison can be made which shows the number of candidates to be increasing. We also considered demographic information on the age profile of the new Council. Whilst this does not directly mirror the population, it was encouraging insofar as it was not as far out of line as we would have expected.

## 2.0 CONSIDERATIONS

2.1 There is a requirement to review the level of basic allowance.

2.2 When the Basic Allowance was set by the Council in 2013 it was at a rate of 90% of the county council average. The rate now (£9,401) stands at 87% of the average of all county councils (£10,793), so Norfolk's allowance appears to have declined slightly in comparative terms. Retaining the 90% rate would require an increase of £313 to £9,714 (increase of 3.3%).

2.3 Making a formula calculation based on the present relevant hourly rate indicator (£14.42) and retaining the previous position on hours necessary (21.2) and voluntary discount element (30%) would set the allowance at £11,170 which would be an increase of £1,769 (18.8%) on the present level.

## 3.0 OPTIONS

- Use the same formula as used previously (increase as in para 2.3);

- Revise formula calculation in respect of hours needed;
- Revise formula calculation in respect of voluntary element;
- Revise formula calculation in respect of appropriate hourly wage rate;
- Not use formula but increase Basic Allowance to bring more in line with other authorities;
- Reduce the Basic allowance;
- No change to Allowance and continue with the present policy of only increasing in line with the local government employee pay award pending the implementation of the Cabinet system in May 2019

#### 4. POLITICAL GROUP REPRESENTATIONS

4.1 The political group leaders were invited to make representations to the Panel regarding the Basic Allowance. In addition the group leaders were asked if they wished to meet the Panel in order to support their representations. Two of the three group leaders took up the invitation and met the Panel.

4.2 The following representations were made that related to the Basic Allowance.

- (i) There needs to be a major increase in the basic allowance. This has not increased for many years and does not give due recognition to the work that Councillors undertake on a daily basis. Many Councillors cannot afford to travel round their divisions helping local residents as they are supposed to do. The basic allowance does not cover the basic duties of Councillors. The Group Leader suggested that there be a major uplift of allowances across the board. The work of Councillors has changed beyond all recognition. People expect a Councillor to come when they call and need help. It is vital that they have remuneration in keeping with the work that they are expected to do.
- (ii) Whilst accepting that the guidance advises that some element of members' work be regarded as voluntary and consequently that not all their time should be remunerated, there should be a recognition that this has a material effect on the ability of some low paid people to take on the role of a Councillor. It was suggested that if an individual Councillor earned a salary below a certain level, then they could ask to receive a basic allowance without the 30% public service discount.
- (iii) The basic allowance should be flexible enough to reflect the workloads and costs associated with being a Councillor in a rural area – in particular the number of Parish Councils that expected their County Councillor to attend and the distances travelled to meet residents.

#### 4.3 Views of the Panel on Representations Received

(i) The Panel accepted the view in representation 1 that the role of Councillor had changed in recent years and consequently that the Basic Allowance was in need of a fundamental review. This exercise had to be based on strong evidence and the Panel did not feel that at this stage they had sufficient robust data to allow them to come to a firm conclusion. In addition, they were

very mindful of the intention to move to a Cabinet System in May 2019 and they considered that work should be undertaken as soon as possible in preparation for a new system of allowances which would be required in 2019/20.

(ii) Whilst recognising the desirability of ensuring Councillors are as far as is possible representative of the community of Norfolk a whole, regulations provide that the basic allowance must be the same for all members and therefore this proposal in representation (ii) would not be lawful.

(iii) The same restrictions applies as in (ii) above in that the basic allowance must be the same for all members and therefore this proposal would not be lawful.

## 5.0 CONCLUSIONS

5.1 The Panel accepts that the basic allowance requires a fundamental review, including considering whether there are more appropriate methodologies in arriving at a final figure. We think that citizens' expectations are rising with regard to Councillors in line with their general expectations of the public and private sectors – for example they expect to be able to access Members more readily and expect a quicker response. However, the Panel is mindful of 2 factors:

(i) The stated aim of the Administration to revert to a Cabinet system as soon as lawfully possible (May 2019). This will involve changes to council structures and to the roles of Members. It will also require a fundamental review of all allowances, so any scheme recommended by the Panel and agreed by the Council now would only be in place for 12 months.

(ii) Any recommendation to vary the Basic Allowance should be based on strong empirical data which will take some time to collect.

5.2 The Panel is keen for early engagement with the Council as it develops its proposals for Cabinet Governance – in fact we have tasked officers with starting to gather data on comparable authorities and structures. To that end, we urge the Administration to make the proposed structure known as soon as possible. However again we are mindful that this may need to be refined in the light of evidence gathered post implementation – i.e. any initial allowances scheme for the new Cabinet system will not be based on its operation in practice. We will also review the current 30% “voluntary discount” or “pro-bono publico” with a view to making recommendations as to whether this continues to be set at the appropriate level.

5.3 We therefore accept that there is a need for a fundamental review of all aspects of the allowances scheme to make sure it is fit for purpose. Whilst affordability of a scheme is not the primary concern of the Panel, we are mindful that the Council is currently consulting on significant budgetary reductions and therefore it is all the more important to make sure that any

recommendations on major changes to the scheme are robust and properly evidenced.

## 6.0 RECOMMENDATIONS

1. That the Basic Allowance remains at £9,401 for the financial year 2018/19, subject to the same percentage increase, if any, that is awarded to local authority employees for that year;
2. That a fundamental review be undertaken by the Panel in 2018, with any resulting changes to be implemented in 2019

## **SPECIAL RESPONSIBILITY ALLOWANCES (SRAs)**

### **1.0 BACKGROUND**

- 1.1 In considering SRAs, the Panel must have regard to Government Guidance, in particular the following key issues:-
- (i) there must be significant additional responsibilities if an SRA is to be paid;
  - (ii) there is no limit on the number of SRAs and a member can receive more than one SRA, although in Norfolk the practice is that a member can hold more than one SRA post but is only paid for one (the highest);
  - (iii) if the majority of members receive an SRA the local electorate may question whether this is justified;
  - (iv) not all responsibilities given to particular members may involve significant additional responsibility.
- 1.2 In its previous review, the Panel followed the Guidance by first agreeing the SRA for the Leader and then grading as a percentage of the Leader figure, those posts it considered merited the payment of SRAs.

### **2.0 PRESENT POSITION**

- 2.1 The Panel invited the Group Leaders to identify if there were any particular SRA issues that had arisen and which they wanted the Panel to consider as a matter of urgency.
- 3.2a The Panel received and has considered 3 representations from Group Leaders as follows:
- (i) It was suggested that there needs to be recognition that different Service Committee chairmen required a different SRA because of the significance of their responsibilities. It was suggested that the Chairmen of Children's Services and Adult Social Care Committees should receive higher remuneration than other Service Committee Chairmen. It was also suggested that these two Chairmen should be followed by the Chairmen of Business and Property Committee and the Digital Innovation and Efficiency Committee. Finally, the Chairmen of the Communities Committee and the Environment, Development and Transport should have the lowest SRAs of the Committee Chairmen.
  - (ii) It was suggested that the spokespersons and group leaders of the opposition groups have an increased focus with the reduction of the number of political groups on the Council. Overall, the changes the administration has made have added to the consequences of the election outcome. The

demands have increased more on opposition groups and reduced on the administration.

(iii) It was suggested that the fact that the Liberal Democrat Group has only one Member on 4 of the Service Committees placed a significant additional responsibility on that Councillor and with the reduction in the number of political groups represented on the Council there was still a significant additional responsibility for all Liberal Democrat Service Committee Spokespersons which was not reflected in any SRA.

### 3.2b Other issue

Subsequent to our meetings we were advised that some changes were necessary to Member SRA positions with regard to Children's Services due to the illness of the current Chairman. Given the urgency and importance of having continuity and robust Member leadership to progress the Children's Services improvement journey, we were advised that the Chairman would retain her position during her current illness and continue to receive her Special Responsibility Allowance pending her return. The current Vice Chairman would become Acting Chairman and receive the equivalent allowance of the Chairman to recognise the significant additional responsibilities. An Acting Vice Chairman was to be appointed who would receive the equivalent of the Vice Chairman's allowance for the period required.

We supported the steps that the Council had taken given its urgency and importance.

### 3.3 VIEWS OF THE PANL ON REPRESENTATION RECCEIVED

(i) The Panel accepted the proposition that the Chairmen of the Children's Services Committee (CSC) and the Adult Social Care Committee (ASC) were particularly high profile roles which carry the responsibilities that reflect the challenges around the local and national agendas in these areas. The Panel agreed that it was appropriate to reflect this in the SRA for these 2 posts. The Panel however felt that they did not have any evidence to make recommendations on the banding of the other Chairmen as suggested above in the representation of the Group Leader. Service Committee Chairmen's SRAs are currently set at 50% of the Leader (£13,747). In considering the appropriate level for the Chairmen of CSC and ASC, the Panel was mindful not to erode the differential with the Deputy Leader's SRA (£17,872 - 65% of the Leader's SRA). It was therefore agreed to recommend that the SRA for the Chairmen of CSC and ASC be set at 57.5% of the Leader's SRA (£15,809).

(ii) Currently the scheme only allows a Service Committee Group Spokesperson's SRA to be paid to the largest Group on a Service Committee not holding the Chairmanship (£2,062, 7.5% of the Leader's SRA). On all of

the Service Committees this is the Labour Group, which holds 17 seats on the Council. We accept that there continues to be a significant additional responsibility for these posts, but we don't have sufficient evidence to come to a view as whether they should be remunerated at a higher level or what that level should be. We will review this as part of our ongoing work based on the emerging new structures.

(iii) The Liberal Democrat Group has 11 members and under the "Widdecombe" political balance rules is entitled to representation on all Service Committees. Currently the scheme only allows an SRA to be paid to the largest Group on the Committee not holding the Chairmanship. On all of the Service Committee this is the Labour Group, so no Liberal Democrat Members receive an SRA as a Group Spokesperson on a Service Committee. Given the reduction of Political Groups on the Council to 3 (in recent history there have been 6), we consider that there is a significant additional responsibility for Liberal Democrat spokespersons on Committees. However, we recognise that the additional responsibility of a Spokesperson from the largest opposition Group (Labour) is likely to be more significant. We therefore propose to recommend an SRA payable to spokespersons on Service Committees from the second largest group not holding the Chairmanship, of 5% of the Leader's Allowance (£1375)

#### 4.0 RECOMMENDATIONS ON SRAS

1. To note that a full review of SRAs will be undertaken pending clarification of the Council's intentions with regard to its future system of governance.
2. Amendments to the current SRAs as follows:-
  - Chairmen of Children's Services Committee and Adult Social Care Committee to receive 57.5% of the Leader's SRA (£15,809)
  - Group Spokespersons from the second largest Group not holding the Chair on Service Committees and Policy and Resources Committee to receive 5% of the Leader's Allowance (£1,375)

## DEPENDENT CARERS' ALLOWANCE

### 1.0 BACKGROUND

- 1.1 One of the Panel's responsibilities is to consider whether a Carers' Allowance should be paid and if so, at what rate.
- 1.2 The Carers' Allowance is payable towards the cost of care of dependent relatives (be they children, elderly people or people with disabilities). It is designed to enable a Councillor to carry out their County Council work. A carer will be any responsible adult who does not normally live with the Councillor as part of that Councillor's family.
- 1.3 It has previously been agreed that such an allowance should be paid and as recommended by the Panel in 2013, it is maintained at a rate of 10% above the national living wage. It is currently £8.25 per hour, subject to a limit of £3,168 for any individual Councillor in a single year.
- 1.4 Take-up of the allowance has been extremely low in Norfolk County Council and during the financial year 2016/17, no claims were made by members.

### 2.0 COMPARISON

- 2.1 Accurate direct comparisons with other Councils are complicated by the fact that some have differing rates depending upon whether the dependent relative is a child or an adult. Within Norfolk, other hourly rates are:-

Norwich City	-	£10 per hour per child
North Norfolk	-	£10 per hour
South Norfolk	-	£7.50 (National living wage)
Breckland	-	£8.45 per hour
Broadland	-	National minimum wage plus £3.00

### 3. CONCLUSION

- 3.1 The Panel considered that the Norfolk County Council rate does appear to have fallen substantially behind that in some of the other local councils. Given the take-up, the financial implications of making any increase are not substantial we feel it is appropriate to bring the rate more in line with the average payable locally.

### 4. RECOMMENDATION

- 4.1 That the rate be set at National Living Wage (£7.50) plus 20% (currently £9.00)

## **CO-OPTEEES ALLOWANCE**

### 1.0 **BACKGROUND**

1.1 Legislation enables local authorities to pay an annual co-optees allowance to people who are not members of the authority but who are members of a committee of the authority. In Norfolk County Council, the following posts are potentially eligible for payment:-

- Person representing the Roman Catholic Diocese
- Person representing the Church of England Diocesan Board of Education
- Local Government Association nominees on the Pensions Committee (2)
- Co-Optees on the Police and Crime Panel (2)

1.2 The County Council has previously concluded that none of the above posts will attract an allowance payment

### 2.0 **Church Representatives**

2.1 The Church of England and the Roman Catholic Church Diocesan Boards have a right to membership of the local authority committee responsible for education. This is in recognition of the important contribution which those they represent make to education at a local level. In Norfolk, each Diocesan Board has one representative and they each serve on the Children's Services Committee. They are entitled to speak on all matters discussed by the committees but only to vote on matters which relate to education functions. The Panel considers that as employees of the Diocesan Boards, the Church representatives are already remunerated for the time they spend as Members of the Children's Services Committee

### 3.0 **Co-opted Members on the Police and Crime Panel**

3.1 Norfolk Police and Crime Panel is a joint committee of the county and district councils in Norfolk. Its role to hold to account the Norfolk Police and Crime Commissioner (PCC). The Panel scrutinises the actions and decisions of the PCC and supports and challenges the PCC in the exercise of his functions.

3.2 The Panel comprises 3 county and 7 district councillors, but is required by legislation to co-opt 2 independent persons (non-councillors). The independent persons are identified through an open recruitment process. They are co-opted for respective terms 4 years. The appointments were made on the basis of those with the skills, experience and qualities considered best to secure the effective functioning of the Panel

3.3 The Panel's specific roles include:

- Scrutinise and report on the Commissioner's proposed annual precept;
- Conduct confirmatory hearings to review the proposed appointment by the commissioner of a new Chief Constable, Deputy PCC, Chief Executive, Chief Finance Officer;
- Review the Commissioner's draft Police and Crime Plan;
- Review the Commissioner's Annual Report;
- Consider and respond to a proposal by the PCC to call upon the Chief Constable to retire or resign.

3.4 The Panel meets at least 4 times per year but usually more than this. The independent members on the Police and Crime Panel are volunteers who put themselves forward for the role. The members are able to have their travel costs reimbursed but there is currently no remuneration to reflect the time commitment they make. The Panel recommended at its last review that an allowance of £1000 should be paid to these posts, however the Council did not accept that recommendation. Since then the role of the independent member has been enhanced through a greater involvement in complaints about the conduct of the PCC. The Panel specifically invited the Group Leaders views on the Independent Members of the PCP however, none were received.

We asked your officers to seek the views of the 2 independent members and their views are as follows:

- Most if not all independent Members that have met have received some form of allowance. The largest by far was around £6K per year but the majority gave their independent members an allowance of £1K per year. I applied for this position and was accepted on the basis that I was a volunteer. I am quite happy for that to remain the case unless the County wish to align themselves to others.
- I volunteered for the role on the PCP and rather think that altering my approach would be out of alignment with my civic direction. I am however, aware, that there is a divergence between many of the PCP's, some paying as much as £6K whilst others pay around £1K, some pay nothing at all. In addition Norfolk County Council are having to make considerable savings over the next few years and the concept of paying for something that is at this moment provided for free (nearly) is counterintuitive. I came on board as a volunteer and am happy to continue to be one. If, however, a small retainer or allowance were paid would not decline it.

#### 4.0 Local Government Association Representatives on the Pensions Committee

4.1 The Pensions Committee exercises the County Council's functions relating to local government pensions. Although administered by the County Council, access to the Norfolk County Superannuation Fund is available to district council staff in Norfolk. Consequently, the Committee includes 2 additional voting members who are nominated by the Local Government Association to represent the interests of the district councils and other authorities which are

admitted to the Norfolk County Fund. The persons nominated are district councillors.

The Pensions Committee meets about 4 times per year. The Panel considers that as the County Council; representatives on the Pensions Committee do not receive any additional remuneration for this role there is no justification to be paid to the District Council representatives.

#### 4. CONCLUSION

4.1 We consider that there remains a strong case to recognise the important contribution of the Independent Members of the Police and Crime Panel. Since our last report where we recommended a co-opted allowance, the value of these posts has been enhanced through an increased role in a number of functions of the Panel and we therefore see no reason to change our view that an allowance should be paid. Given the divergence of the amounts paid by others, we agree that an allowance towards the lower end would be appropriate.

#### 5. RECOMMENDATION

5.1 That a co-opted member's allowance of £1000 is paid to independent members of the Norfolk Police and Crime Panel.

## **TRAVEL AND SUBSISTENCE ALLOWANCE**

### **1.0 BACKGROUND**

- 1.1 An allowances scheme may provide for the payment to members of an allowance in respect of travelling and subsistence undertaken in connection with or relating to such duties as are specified in the scheme.
- 1.2 The Panel has previously recommended that the travel and subsistence arrangements for members be the same as those in place for officers of the Council. This was subsequently agreed by the Council and is reflected in the current scheme and the rates are adjusted accordingly, as and when the officer rates change.
- 1.3 The Scheme also sets out a list of the duties that are approved for the purpose of travel, subsistence and carers' allowances. For a member to claim any of these allowances, the duty to which the claim relates must fall within the approved list. This part of the scheme also covers the claiming of the cost of home broadband

### **2. REPRESENTATION RECEIVED**

- 2.1 We received a representation from a Group leader on 1 point:

(i) At present there is the ability to make a claim for home internet connection. It is difficult to unpick from some combined packages that media providers market to make a fair claim.

This area of expenditure should be reimbursed in some way. Making a claim would be cumbersome, time consuming and expensive for the council. I invite the panel to consider increasing the basic allowance by a fixed sum to recognise this outgoing.

### **2.2 View of the Panel on Representations Received**

(i) A Member may claim 50% of their broadband connection, subject to a maximum of £10. We understand the point made that some services are purchased in bundles, but we are not aware of any practical difficulties this has caused and we conclude that any payments made should be on the basis of cost and require a claim (which is done through the monthly on line claim form). We do however appreciate the emphasis the Council has placed on Members working in a "paper-less" way, and that there may be additional costs associated with this shift. We therefore recommend increasing the maximum claimable each month to £13.

### **3.0 RECOMMENDATIONS**

That no changes be made to the present arrangements for travel and subsistence allowance, with the exception that a Councillor may claim 50% of their home broadband connection, subject to a maximum of **£13** per month.

## **OTHER MATTTTERS**

### 1.0 **REPRESENTATON RECEIVED**

1.1 We received a representation from a Group Leader on a further point:

(i) From this May the council has also stopped providing printers and ink for councillors, instead expecting us to buy our own. A number of councillors find it difficult to manage complex financial reports and columns of data on our iPads and so print off pages off agendas.

Both these areas of expenditure should be reimbursed in some way. Making a claim would be cumbersome, time consuming and expensive for the council. I invite the panel to consider increasing the basic allowance by a fixed sum to recognise these outgoings.

### 1.2 **View of the Panel on Representations Received**

(i) Again, we note the emphasis on Members working in a “paper-less” manner. In the previous Council, Members were provided with printers and also consumables (printer cartridges and paper). Members took a decision as part of the IT refresh, that the “offer” to the new Council elected in 2017 would not include printers and consumables. Whilst we accept that some Members may need to print off some documentation, we consider that any costs should reasonably be funded from the basic allowance. We do not think it would be appropriate for us to make a recommendation to allow Members to claim for these consumables, as it would directly contradict the direction of travel that Members have agreed.

### 2.0 **RECCOMENDATION**

That no change to the current scheme is made.

**SIZE OF COMMITTEES AND PROPORTIONAL ALLOCATION  
OF SEATS ON COMMITTEES**

Report by Head of Democratic Services

**1.0 Introduction**

1.1 Following changes to the political balance of the Council, it is necessary to review the overall allocations of committee places to political groups.

**2.0 Allocations**

2.1 There are 137 main committee places. Based on the present overall Council group composition of 54 Conservative, 16 Labour, 11 Liberal Democrat, 2 Independent group, (there is in addition 1 Independent (non-aligned Member) there are 137 main committee places. Based on the above Council composition, the allocation of the 137 places to political groups is as follows:-

Conservative	89	(-2 on previous allocation)
Labour	27	(-1 on previous allocation)
Liberal Democrats	18	(no change on previous allocation)
Independent Group	3	(+3 on previous allocation)
<b>TOTAL</b>	<b>137</b>	

2.2 The table below sets out the allocation of places to each committee when the proportionality formula is applied to each committee individually.

<b>Committee and number of places</b>	<b>Con</b>	<b>Lab</b>	<b>Lib Dem</b>	<b>Indep</b>
Policy & Resources (13)	8	3	2	0
Adult Social Care (13)	8	3	2	0
Business and Property (13)	8	3	2	0
Children's Services (13)	8	3	2	0
Communities (13)	8	3	2	0
Environment, Devt & Transport (13)	8	3	2	0
Planning Regulatory (13)	8	3	2	0
Digital Innovation & Efficiency (9)	6	2	1	0
Health Overview & Scrutiny (8)	5	2	1	0
Audit (7)	5	1	1	0
Standards (7)	5	1	1	0
General Purposes (5)	3	1	1	0
Pensions (5)	3	1	1	0
Personnel (5)	3	1	1	0
<b>TOTAL ALLOCATED (137)</b>	<b>86</b>	<b>30</b>	<b>21</b>	<b>0</b>
<b>Overall number of places that each group should have based on proportion of all the seats (137)</b>	<b>89</b>	<b>27</b>	<b>18</b>	<b>3</b>

- 2.3 Once the proportional allocations have been applied on a Committee by Committee basis, because of the rounding up/down required, it is almost inevitable that some Groups will have too many seats overall and some too few and therefore the final figure for some or all groups will need to be adjusted up or down. This does not mean that groups are gaining or losing out – it is just a mechanism to make sure they all get their fair allocation overall.
- 2.4 The following adjustments are required (all of the adjustments need to be on Committees of 13).
- Conservatives – Should have 89 but are allocated 86 and therefore need to be adjusted by having 3 more places
  - Labour – Should have 27 but are allocated 30 and therefore need to be adjusted by having 3 fewer places
  - Lib Dem – Should have 18 but are allocated 21 and therefore need to be adjusted by having 3 fewer places
  - Independent – should have 3, but are allocated 0 and therefore need to be adjusted by having 3 more places
- 2.5 It is for Council to agree a “package” to achieve the above adjustments. There is no straightforward re-allocation of seats between the above named groups.

### 3.0 **Recommendations**

- (i) Council is asked to determine the political composition of the committees as set out above;
- (ii) Council is asked to agree that the group leaders notify the Head of Democratic Services by 15 December 2017 of their proposed changes to appointments to reflect the new political composition of committees and the appointments then formally be made by the Head of Democratic Services under the delegated powers set out in the Constitution.