



Scrutiny Committee

Minutes of the Meeting Held on 21 July 2021
at 10 am at County Hall Norwich

Present:

Cllr Steve Morphew (Chair)

Cllr Carl Annison
Cllr Lesley Bambridge
Cllr Graham Carpenter

Cllr Nick Daubney
Cllr Phillip Duigan (substitute for Cllr
Lana Hemsall)
Cllr Barry Duffin

Cllr Mark Kiddle-Morris

Cllr Keith Kiddie

Cllr Ed Maxfield

Cllr Jamie Osborn

Cllr Richard Price

Cllr Brian Watkins

Mr Giles Hankinson (Parent Governor
representative)

Also present (who took a part in the meeting):

Cllr Andrew Jamieson
Simon George
Kat Hulatt
Karen Haywood
Caroline Clarke
Tim Shaw

Cabinet Member for Finance
Executive Director of Finance and Commercial Services
Head of Legal Services
Democratic Services Manager
Assistant Director of Governance-Democratic and Regulatory
Committee Officer

1. Apologies for Absence

- 1.1 Apologies were received from Mrs Julie O' Connor (Church Representative), Mr Paul Dunning (Church Representative) and Cllr Lana Hemsall (with Cllr Phillip Duigan attending as substitute).

2 Minutes

- 2.1 The minutes of the meetings held on 23 June 2021 were confirmed as an accurate record and signed by the Chair.

3. Declarations of Interest

- 3.1 There were no declarations of interest.

4 Urgent Business

4.1 No urgent business was discussed.

5. Public Question Time

5.1 There were no public questions.

6. Local Member Issues/Questions

6.1 There were no local member issues/questions.

7 Call In

7.1 The Committee noted that there were no call-in items.

8 Strategic and Financial Planning 2022-23 Finance Monitoring Report 2021-02 – Period 2

8.1 The annexed reports (8a and 8b) were received.

8.2 The Committee received the Finance Monitoring 2021-22 (P2) and Strategic and Financial Planning 2022-23 reports that were considered by Cabinet on 5 July 2021, together with a covering report. These reports provided the Committee with a briefing on the Council's current and future financial position and an understanding of the Council's strategic financial planning process for 2022-23.

8.3 During discussion of the reports with the Cabinet Member for Finance and the Executive Director of Finance and Commercial Services the following key points were noted:

- The Cabinet Member said that in recognition of the growing pressures on the care sector, the Council would continue to make investment commitments to alternative models of support accommodation for older people and to the refurbishment of existing residential care schemes.
- The Cabinet would recommend that the County Council add £6.787m to the capital programme to address capital funding requirements of which the largest requirement was for Older People Estate Transformation. This additional capital funding allocation would allow Norse Care to upgrade its facilities.
- Details regarding how Norse Care planned to address energy efficiency measures would be provided to Councillors by the Executive Director of Finance and Commercial Services after the meeting.
- A high-level summary of the cost pressures facing the Council could be found in tables 2 and 5 of the report at item 8b.
- The report at item 8b represented an early milestone in the development of the 2022-23 budget and provided an opportunity for the Scrutiny Committee and the Select Committees to influence the shape of the emerging budget proposals.
- The ongoing Covid-19 pandemic, along with continued unprecedented levels of uncertainty about future year pressures and funding, represented a very significant challenge for Norfolk County Council in developing its budget plans for 2022-23.
- Aside from the implications of COVID-19 there remained other uncertainties

within the budget driven by Central Government decisions, including the level of pay award for 2022-23, which was yet to be confirmed, although the Council's budget was based on a 3% pay inflation for 2022-23 onwards.

- Demand for people services continued to rise each year with an increase in an aging population requiring social care and more children with special needs and disabilities requiring support.
- A one-year roll over of the local government settlement was increasingly likely for 2022-23. Within that context, the Cabinet Member said that the Council's investment in infrastructure would help Norfolk lead the way in economic development and stimulate economic growth which would be key to raising wage levels in Norfolk to those which could be found elsewhere in the Eastern region.
- The Council's priorities would focus on maximising opportunities offered by Government for inward investment, ensuring Norfolk was part of the conversation on "levelling up" the local economy and reducing the wage gap with other areas of the country, so that no one working in any sector of employment in Norfolk was left behind.
- It was suggested that issues concerning the availability of support for children who were not educated within mainstream schooling should be directed to an Education Officer following the meeting. This was an issue that Councillors said that they would wish to return to at future meetings.
- The Government did not expect the High Needs Block deficit for Children's Services to appear on the Council balance sheet. However, at the national level Children's Services and Public Accountancy Bodies continued to press the Government for a decision on how the High Needs Block overspend would be met in the long term.
- The budget heading for fees and charges for services included a sum for where the Council had lost income during the pandemic and sought assistance from Government sources of Covid-19 related funding. Details would be made available in the next finance monitoring report.
- It was pointed out that in recent years the Council had achieved some 80% of its savings targets. The Chair said that the Committee would be able to discuss what happened regarding the outstanding 20% of savings at a future meeting.
- It was suggested that tackling the climate crisis and protecting the natural environment were issues that required significant investment though joint working with interested parties and should be included in the medium-term planning process. The Cabinet Member said that he was working through partner organisations and the Norfolk MPs to meet these challenges.
- It was noted that a Cabinet report on the Council's financial commitment to be carbon neutral by 2030 was being prepared.
- The Chair said that the carbon neutral commitment needed to be included in the narrative of the final budget report when it was presented to Cabinet.
- Steps were being taken to deal with flooding issues discussed at previous meetings and the cost implications were included in the budget.
- There was a strong business case for borrowing from the Public Works Loan Board (currently at 1.7 %) rather than by Community Municipal Bonds which were more costly, restrictive and expensive to administer.
- The budget setting process recognised that certain groups such as younger people, vulnerable people, small and medium size businesses (SMEs), and ethnically diverse communities would be most significantly affected in terms of economic and health impacts and all possible steps were being taken

allow them an opportunity to be consulted as part of the budget planning process.

- The budget planning process recognised what could be achieved through a strong training and apprentice programme.
- The timescale for assessing performance against how the Council met contract standing orders would be discussed with Cllr Maxfield outside of the meeting.

8.4 **RESOLVED**

That the Committee note the report and the answers given by the Cabinet Member for Finance and the Executive Director of Finance and Commercial Services.

9 **Establishment of Children's and Adult Social Services Performance Review Panels**

- 9.1 The Committee received the attached report (9) that outlined proposals for the establishment of two member-led performance review panels with responsibility for monitoring and providing challenge to Norfolk County Council's Children's Services/Adult Social Services functions, reviewing performance in readiness for independent external inspections.
- 9.2 The Committee considered the draft Terms of Reference for the Performance Review Panels and the suggestions regarding the establishment of the two panels, including operating principles and membership that were set out in the report.
- 9.3 The Chair pointed out that he had expressed some reservations about the Review Panels meeting in private session and being chaired by the Deputy Cabinet Members which might need to be returned to at a later time.
- 9.4 It was noted that the work of the previous Children's Services Sub-Panel would be considered as part of the work programme for the new Children's Services Performance Review Panel.

9.5 **RESOLVED**

That the Committee

- 1. Note the draft Terms of Reference for the Performance Review Panels.**
- 2. Note the establishment of the two panels, including operating principles and membership.**
- 3. Agree to disband the Children's Services Sub-Panel, to be replaced by the Performance Review Panels.**
- 4. Agree that there should be an ongoing reporting schedule between the panels and the Scrutiny Committee, including a six-month review of the panel's progress in the Scrutiny Committee forward work programme.**

10 **Scrutiny Committee Forward Work Programme**

- 10.1 The annexed report (10) that was circulated following the dispatch of the agenda

was received.

10.2 The Committee noted that report took account of the informal meeting that was held to consider the future shape of the forward work programme.

10.3 All topics were subject to change, with the Committee remaining flexible to ensure the ability to adapt to emerging and urgent topics for consideration.

10.4 **RESOLVED**

That the Committee note the forward work programme.

The meeting concluded at 12. 20 pm

Chair