



Scrutiny Committee

Minutes of the Meeting Held on 17 February 2021
at 10 am as a virtual teams meeting

Present:

Cllr Steve Morphew (Chair)
Cllr Alison Thomas (Vice-Chair)

Cllr Steffan Aquarone
Cllr Roy Brame
Cllr Phillip Duigan
Cllr Ron Hanton
Cllr Chris Jones

Cllr Joe Mooney
Cllr Judy Oliver
Cllr Richard Price
Cllr John Timewell
Cllr Haydn Thirtle

Substitute Members present:

Cllr Terry Jermy for Cllr Emma Corlett

Parent Governor Representative

Mr Giles Hankinson

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

Cllr Andrew Proctor	Leader and Cabinet Member for Strategy & Governance
Cllr Graham Plant	Deputy Leader and Cabinet Member for Growing the Economy
Cllr Bill Borrett	Cabinet Member for Adult Social Care, Public Health & Prevention
Cllr Margaret Dewsbury	Cabinet Member for Communities & Partnerships
Cllr John Fisher	Cabinet Member for Children's Services
Cllr Tom FitzPatrick	Cabinet Member for Innovation, Transformation & Performance
Cllr Andrew Jamieson	Cabinet Member for Finance
Cllr Greg Peck	Cabinet Member for Commercial Services & Asset Management
Cllr Martin Wilby	Cabinet Member for Highways, Infrastructure & Transport
Tom McCabe	Head of Paid Service and Executive Director Community and Environmental Services
James Bullion	Executive Director of Adult Social Services
Simon George	Executive Director of Finance and Commercial Services
Helen Edwards	Director of Governance and Monitoring Officer
Karen Haywood	Democratic Services Manager
Tim Shaw	Committee Officer

1. Apologies for Absence

- 1.1 Apologies were received from Cllr Emma Corlett (Cllr Terry Jermy substituting), Mrs Julie O' Connor (Church Representative) and Mr Paul Dunning (Church Representative). An apology was also received from Cllr Andy Grant (Cabinet Member for Environment and Waste).

2 Minutes

- 2.1 The minutes of the meetings held on 27 January 2021 were confirmed as an accurate record and signed by the Chair.

3. Declarations of Interest

- 3.1 Cllr Alison Thomas declared an "other interest" in item 8 because she was personally impacted by the flooding event that took place in December 2020 and was having to live in temporary accommodation.

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.

7 Call In

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

8 Norfolk County Council Budget 2021-22

- 8.1 The annexed reports (8) was received and noted.

- 8.2 This report provided the Committee with an overview of the Council's proposed 2021-22 Revenue Budget (considered at item 8A), Capital Programme and Annual Investment (considered at item 8B) and Treasury Strategy (considered at item 8C) as these matters were presented to Cabinet and would be considered by Full Council.

8A Norfolk County Council Revenue Budget 2021-22 and Medium-Term Financial Strategy 2021-25

- 8A.1 The annexed report (8A) was received. This report set out the Norfolk County Council Revenue Budget 2021-22 and Medium-Term Financial Strategy 2021-25.

- 8A.2 Cllr Andrew Jamieson (Cabinet Member for Finance) was present, along with other Cabinet Members, to answer Councillors questions about the budget and the actions that were being taken.

8A.3 The issues that were considered by the Committee included the following:

- The Cabinet Member for Finance explained how the medium-term financial strategy that underpinned the budget for all County Council services focused on supporting the Council's approach to the pandemic and on delivering transformational change.
- The Cabinet Member for Finance drew attention to the budgetary risk pressures that were set out on page 78 of the report and to the impact that the pandemic was having on the cost of providing adult social care. New Discharge to Assess guidance, post-COVID, and rising costs of social care packages were expected to continue to impact significantly on the budget in 2021/22.
- The Executive Director of Adult Social Services said that in the period from March 2020 to the present-day Adult Social Services had dealt with the discharge of some 13,500 people from hospital. During that period hospital discharges had risen from 700 discharges a month to an average of 1,200 discharges a month. This represented an 80% increase in the number of discharge cases. Furthermore, the reablement services were currently dealing with 600 people in a month rather than an average before the pandemic of 230 people a month. This volume of additional business placed additional cost pressures on the Adult Social Services Business Risk Reserve which was set to increase from approx. £4m to approx. £6m.
- The use of additional social care money had to be certified by the Executive Director as being used for this purpose. The Executive Director agreed to contact Cllr Jones to explain the certification process.
- The Cabinet Member for Finance pointed out that the education system at large relied to a much greater extent than it had before the start of the pandemic on the support mechanisms provided by the County Council.
- Councillors spoke about how the increased overall volumes of home-produced waste during the pandemic added to the pressures placed on the Council's waste budget.
- It was noted that the Council was not planning to reduce opening times at Norfolk's recycling centres.
- Councillors welcomed the additional funding allocated to Norfolk trails. The Cabinet Member for Finance (who was also the Walking and Cycling Champion) said that this money would be used to fund the maintenance of existing trails as well as to provide for new walking and cycling routes throughout the county. It was noted that staff redeployment as a result of the pandemic was the main reasons for the reduced level of spending in this area of the budget in 2020/21.
- Councillors spoke about how the pandemic was expected to lead to new and increased budgetary pressures that could not be fully costed until after the start of the financial year. Councillors also spoke about budgetary pressures that arose from price inflation, changes in Norfolk's population profile and increases in the number of children with special needs and disabilities.
- In reply to questions the Cabinet Member for Finance said that the County Council would continue to provide services at levels above statutory requirements.
- The County Council was looking to expand its range of library services. There were also plans for them to be used as community hubs for adult learning, and for them to provide for a wide range of children and adult

social care services.

- The Cabinet Member for Finance said that he would provide Cllr Aquarone with details after the meeting about the Council's accommodation costs for 2021/22 that were within the transformation programme.
- The Cabinet Member for Adult Social Care, Public Health & Prevention said that there were no plans to change in the next two years the NCC charging policy for adults of working age who were subject to the minimum income guarantee. The MIG would remain unchanged until there was a national solution to the funding of adult social care.
- The County Council's budget planning was based on an increase of 1.99% in general council tax and 2.00% on the Adult Social Care precept, with a further 1% Adult Social Care precept increase deferred to 2022-23. The 2% on the Adult Social Care precept met with government expectations at the time that the public consultation was published. The ability to increase by an additional 1 % next year was important.
- Councillors asked what evidence there was to show that the County Council was successful in lobbying the Government for an uplift in its funding. In reply the Cabinet Member for Finance said that while it was difficult to provide a means of measuring the Council's relationship with others the Council recognised that a good working relationship with all branches of the Government and with Norfolk MPs of all political parties was essential in balancing the Council's budget without which the Council would have to make reductions in spending that it did not wish to make.
- In reply to other questions the Cabinet Member for Finance said that he recognised that average earnings in Norfolk were significantly below national and regional levels and that the Council was taking steps to increase the number of higher paid jobs in the county. The Council was lobbying the Government regarding the effects of demographic changes on the Council's budget.
- The Cabinet Member for Finance said that the County Council was content with general balances of £19.5 m. The recently published CIPFA Financial Resilience Index showed Norfolk County Council to have the second lowest level of general reserves of all County Councils in England. However, the Council held a central reserve for tackling Covid-19 issues of £18.5m and would take steps to increase general reserves to 5% of the budget (to £22.5m) if the opportunity arose to increase the safety net in the next two years.
- Councillors spoke about how people who were suffering from long-term Covid19 and a loss of paid employment as a result of the pandemic needed to continue to be supported throughout 2021/22. A great deal more people were seeking support from the Council Tax assistance scheme than had originally been anticipated. In reply the Cabinet Member said that he fully understood the concerns expressed by Councillors of all parties about the need to support people struggling to make ends meet and the Council Tax assistance scheme would be topped up by monies held in the Covid-19 reserve.
- In reply to questions about the results of public consultation the Cabinet Member for Finance said that they were valid for all age groups but recognised that most of the respondents were over 45 years of age. The great majority of responses had come from individuals or family representatives amongst the general public (88%). Parish Councils were invited to attend a Zoom-platform webinar hosted in conjunction with the

Norfolk Association of Local Councils (NALC); The response rates from all interested parties were higher this year than last year. The Leader said that County Councillors had an important role in the public consultation process in consulting with people of all ages and backgrounds living in their divisions.

- Councillors discussed whether the Council should provide for more insourcing of care services and if this approach to social care would or would not provide better value for money and improve the quality of care. It was suggested that a different approach might be needed for the insourcing of care services for children to that for adults and that the Council could consider supporting care staff to take over the running of adult social care.
- The Cabinet Member for Adult Social Care, Public Health and Prevention said that he did not consider that a change of direction in the way that care services were provided in Norfolk would be beneficial to those who received care and he gave several examples of steps taken by the Council to support care businesses run by the Council and to make the private sector care market in Norfolk more stable and sustainable.
- In reply the Chair said that the Council should undertake an annual value for money full assessment of the care market. The Council's primary goals should be to see that children had the best start in life, to protect vulnerable people, to develop a strong and vibrant economy and to transform the way in which services were delivered, to make Norfolk a better place to live and work.
- The Cabinet Member for Adult Social Care, Public Health and Prevention said that an annual market position statement was presented to Cabinet and that he would write to the Chair about this matter after the meeting.
- In reply to questions the Cabinet Member for Finance said that he welcomed the decision of the Council to link future increases in Councillor allowances to that of staff salary increases.
- In reply to general comments in relation to the funding that was required to deal with flooding issues the Leader referred to the Norfolk Strategic Flood Alliance that had been set up under the chairmanship of Lord Dannatt which held its first meeting last week. A strategy involving all the leading agencies including the Norfolk Fire Service was expected in the next few months.
- The Chair drew the Committee's attention to the considerable uncertainty regarding Government funding of local government and said that the Administration should provide more evidence in support of their attempts to obtain fair funding for Norfolk's citizens. He also said that the Scrutiny Committee would need to address issues of funding and running of social care throughout 2021/22.

8A.4 **RESOLVED**

That the Committee note the report and thank the Cabinet Members and officers who had attended the meeting for their help in answering Councillors detailed questions.

8B **Capital Strategy and Programme 2021-2022**

- 8B.1 The Committee received a report (8B) that presented the proposed capital strategy and programme for 2021-22 and included information on the funding available to support that programme.

- 8B.2 In introducing the report Cllr Andrew Jamieson (Cabinet Member for Finance) and the Executive Director of Finance explained the aims of the Capital Strategy and how the strategy provided for improvements in broadband provision and meet the aims and aspirations of service departments as set out on pages 423 and 424 of the report.
- 8B.3 Councillors raised issues concerning future capital spending on the Council's street lighting upgrading programme, the use of capital receipts from the future sale of council assets and the number of buildings that the Council required in the medium to long term.

8B.4 **RESOLVED**

That Scrutiny Committee note the report.

8C **Annual Investment and Treasury Strategy 2021-22**

- 8C.1 The Committee received a report (8C) that set out Annual Investment and Treasury Strategy 2021-22.
- 8C.2 Cllr Andrew Jamieson (Cabinet Member for Finance) and the Executive Director answered technical questions concerning the method of calculating interest payments on the payment of Council debt.

8C.4 **RESOLVED**

That Scrutiny Committee note the report.

9 Scrutiny Committee Forward Work Programme

- 9.1 The Committee received a report that set out a draft forward work programme.
- 9.2 The Committee was fully aware that the County Council still faced a very serious Covid-19 crisis and that some Officers were likely to be redeployed from their current roles to support ongoing work during the pandemic. Councillors therefore wanted to focus the Committee's forward work programme at this time on requests for reports on essential information and to be able to adapt and change long-term areas of scrutiny work to meet constantly changing situations.
- 9.3 It was noted that when setting the agenda for the next meeting the Chair and Vice-Chair would have to keep in mind arrangements that had yet to be finalised for Cabinet consideration of the Western Link Road. Because of the size of the contract this matter might have to be considered by the Scrutiny Committee. There were also issues of future governance for local partnerships that might need to be considered by the Scrutiny Committee.

9.4 **It was then RESOLVED**

That the future shape of the Committee's forward work programme should be deferred to the Chair and Vice-Chair.

The meeting concluded at 12.50 pm

Chair