

Norfolk County Council

Date: **Monday 12 December 2016**

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 meetings of the Council
Meetings held on:

- 17 October 2016
- 7 November 2016

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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.

5. Notice of Motions.

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6. Recommendations from Service Committees

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7. Reports from Committees

Service Committees (Questions to Chairs)

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8. Senior Management Arrangements

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9. Appointment of Independent Persons

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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
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Norfolk County Council**Minutes of the Meeting Held on Monday 17 October 2016****Present:**

Mr A Adams	Ms A Kemp
Mr S Agnew	Mr J Law
Mr S Askew	Mrs J Leggett
Mr R Bearman	Mr B Long
Mr R Bird	Mr I Mackie
Mr B Borrett	Mr I Monson
Dr A Boswell	Mr J Mooney
Ms C Bowes	Ms E Morgan
Mrs A Bradnock	Mr S Morpheus
Mr B Bremner	Mr G Nobbs
Mrs J Brociek-Coulton	Mr W Northam
Mr M Carttiss	Mr R Parkinson-Hare
Mr M Castle	Mr J Perkins
Mrs J Chamberlin	Mr G Plant
Mr J Childs	Mr A Proctor
Mr S Clancy	Mr D Ramsbotham
Mr D Collis	Mr W Richmond
Ms E Corlett	Mr D Roper
Mrs H Cox	Ms C Rumsby
Mr D Crawford	Mr M Sands
Mr A Dearnley	Mr E Seward
Mrs M Dewsbury	Mr N Shaw
Mr N Dixon	Mr R Smith
Mr J Dobson	Mr P Smyth
Mr T East	Mr B Spratt
Mr T FitzPatrick	Mr B Stone
Mr C Foulger	Mrs M Stone
Mr T Garrod	Dr M Strong
Mr A Grey	Mrs A Thomas
Mrs S Gurney	Mr J Timewell
Mr B Hannah	Miss J Virgo
Mr D Harrison	Mrs C Walker
M Chenery of Horsbrugh	Mr J Ward
Mr H Humphrey	Mr B Watkins
Mr B Iles	Ms S Whitaker
Mr T Jermy	Mr M Wilby
Mr C Jordan	Mrs M Wilkinson
Mr J Joyce	

Present: 75

Apologies for Absence:

Apologies for absence were received from Mr M Baker; Mr P Gilmour; Mr T Coke; Mr C Aldred; Mr P Hacon; Mr A Byrne; Mr M Kiddle-Morris; Mr M Storey and Mr A White.

1 Minutes

- 1.1 The minutes of the Council meeting held on 25 July 2016 were confirmed as a correct record and signed by the Chairman, subject to the following amendments:
 - 1.1.1 Paragraph 7.1 – (Question from Mr D Roper to Chair of Policy & Resources committee). The date should read 2016-17 and not as stated.
 - 1.1.2 Paragraph 7.5.2. Replace the word “tendering” with the word “tankering”. Sentence to read “Mr Proctor said Norfolk County Council was paying thousands of pounds in tankering water away after the floods, ..

2 Chairman’s Announcements

- 2.1 The Chairman reminded Council that a special Council meeting had been convened for 21 November 2016 to consider devolution.
- 2.2 The Chairman advised Council that the funeral of Mr John Ellis, who had worked for Norfolk County Council for many years as Head of Emergency Planning was held on 17 October.

3 Declarations of Interest

- 3.1 Mrs C Walker declared an interest in item 9 (Norfolk and Waveney Sustainability and Transformation Plan (STP)) as her daughter was a midwife at the James Paget Hospital.
- 3.2 Mrs S Gurney declared an interest as a family member was employed by Norse.
- 3.3 Mr I Mackie declared an interest in item 6 (Policy & Resources report from the meeting held on 26 September 2016) as he was a Director of Norse and Interim Norse Chairman of all subsidiaries.
- 3.4 Mrs M Dewsbury declared an interest as she had a family member who was employed by Norse.

4 Questions to Leader of the Council

4.1 Question from Mr G Nobbs.

Mr Nobbs said that the Leader and he were of one opinion that this should be a Member-led authority and he considered it was now as it had been under his leadership. Mr Nobbs said he had been concerned to read in the papers for the Personnel Committee meeting on 21 October, under item 5 - Appointments and Disciplinary action relating to senior officers and the proposal that the number of appointments made by Members should be reduced from the present 29 to 5, 6

or possibly 7 depending on who held the post. Mr Nobbs said various reasons had been put forward for the proposal, one of which was that it was very demanding for Councillors to be involved in the application process and also that applicants may not wish to apply for senior positions if they knew they were going to be interviewed by Councillors. Mr Nobbs continued that Norfolk County Council employed thousands of people and he considered reducing the number of jobs that elected Councillors were involved in the interview and recruitment process to five or six was ridiculous. Mr Nobbs said he hoped that Members would look very carefully at the proceedings of the Personnel Committee and asked the Leader if he, presumably having seen and commissioned the report, would agree with the recommendations.

The Leader replied that the Committee system had extended the recruitment processes beyond all reason so he was trying to speed things up.

4.2 Question from Ms A Kemp

Ms Kemp asked why it was, that 2½ years after the County Council had voted against an incinerator in her Division, the Waste Allocation and Site Specific Plan included the Willows site as suitable for all sorts of thermal treatment, including incineration. She asked when the Administration was going to change the Plan.

The Leader replied that there would be a discussion on that topic under item 5 (Notice of Motions) on the agenda.

4.3 Question from Mr D Crawford

Mr Crawford asked the Leader if he would instruct officers to start looking into the necessary steps that must be taken to implement the reintroduction of the grammar school system.

The Leader responded that there was a Motion on grammar schools on the agenda (item 5). He added that he would not restrict anything and at present this was a Green Paper proposal out for consultation.

4.4 Question from Mr D Harrison

Mr Harrison said the Leader constantly talked in a deprecating way about the so-called rainbow alliance, saying that when the alliance was in power it kicked the cans up the road. Mr Harrison referred to the cans when the alliance was in power: 1 – incinerator; 2 – cabinet system – which was squashed for five years; 3 – looked after children – dealt with and now improved hugely; 4 – Conventional education. At the time the rainbow alliance came into power Norfolk County Council was well down in the league tables of GCSE results and was now mid-table; 5 – Adult Education –unsatisfactory and now rated good; 6 – Three budgets and the County Council hadn't spun off into a financial abyss. Mr Harrison asked the Leader what the cans were that had been kicked up the road.

The Leader replied that he was still working his way through the cans. He added that he had been asked this question at most Council meetings and one example was the Syrian Refugee initiative which had been kicked into the long grass and that there were also other examples.

4.5 Question from Mr R Bearman

Mr Bearman said for the past 2 years he had asked the former Labour leader to move this Council's lowest paid staff onto the Real Living wage - as set by the Living Wage Foundation - which was currently £8.25 per hour. He continued that

Norfolk County Council still had directly employed full time staff struggling to make ends meet on low wages and following an email to Members from the GMB Union recently he asked the Leader, in his role as Chair of the Personnel Committee, if he would bring forward proposals for the introduction of the Real Living Wage at £8.25 per hour as the minimum acceptable rate of pay for our hard working Norfolk County Council staff.

The Leader replied that a lot of information had been circulated to all Councillors about living wage and the Managing Director had made sure Members had been kept up to speed. He added that there were knock-on effects from all wage increases on County Council services and that we would need to find the money from somewhere. The Leader said he fully supported everyone having a wage they could live on.

4.6 Question from Mrs C Walker

Mrs Walker asked the leader if he intended to follow the example of his predecessor, the Leader of North Norfolk District Council, by suspending those Norfolk County Council Members who had been taken to court for non-payment of council tax, given that any decisions taken here were based on what people paid on their council tax.

The Leader replied that the reporting on the case had been historical, he didn't know all the details and it was a matter for individual Members.

4.7 Question from Mr P Smyth

Mr Smyth said that his question related to the process over the summer where the Committees had put forward their proposals for the use of the Rural Services Delivery Grant money which had been wrapped up into transitional funding. He asked when the Service Committees would find out why their proposals didn't appear to have been adopted and how much money of the Rural Services Delivery Grant, which was there to provide additional funding for delivering services in rural areas, had been spent on the delivery of services in rural areas.

The Leader delegated the question to the Deputy Leader, who responded that, as Members were aware, it had been hoped to use the Rural Services Delivery Grant or Transition Grant for proposals that came forward through Service Committees. The Deputy Leader said this would have happened, had the budget that we were assured was robust in February had been so, but sadly that had not been the case and the money had been needed to deal with the overspend.

4.8 Question from Mr D Roper

Mr Roper said that last month he had asked the Leader of the Council about the Transitional Funding for 2016-17 and received assurance that it would be spent in this financial year. He added that no proposals had been taken forward and Committee papers indicated that, far from being used to fund the overspend this year as the Deputy Leader had pointed out, it was in the budget papers for each Committee to be rolled forward into next year. He asked if the Leader could let him know when the decision had been made and how it had been made.

The Leader replied that he had given a straight answer when the question had been asked so the decision had changed between then and now as that had been the way the budget had been set up.

4.9 **Question from Dr A Boswell**

Dr Boswell said now that the Prime Minister had signalled her intention that the UK would pursue a “hard Brexit” approach to leaving the EU including also leaving the single market, would the Leader instigate an investigation and review on the likely impact on the Norfolk economy and people’s social wellbeing, of such an approach, so that the Council was best prepared to make the optimal decisions for Norfolk people over the next few years.

The Leader replied that he was waiting to see exactly how Brexit would take shape. He had not yet been told by Government exactly what they were doing and everyone was assuming that was what was happening. He said he was waiting until there was some substance to see how Brexit would affect Norfolk.

5 **Notice of Motions**

- 5.1 The following motion was proposed by Mr J Dobson, Dr A Boswell, Ms A Kemp and Mr R Bird and seconded by Mr T East:

“This Council wishes the discontinued Revell Inquiry to be completed as soon as possible and for its report to be brought to Council not later than 1 March 2017. The Inquiry should retain its original terms of reference, as laid down by the Leader of the Council (Cllr Nobbs) in April 2014. The work should be completed by a neutral, suitably qualified LGA or other nominee. In those few cases where parties to the Inquiry have declined to give evidence, the missing information should be derived from the Council's records.

The Inquiry should be formally recommenced and managed under the auspices of the Managing Director, who additionally should add recommended lessons to be learned to the completed report.”

- 5.1.1 Dr M Strong, seconded by Mr B Hannah, proposed the following amendment which was agreed by the Proposer of the motion and became the substantive motion:

“This Council instructs the Managing Director to ask the Local Government Association (LGA) Chief Executive to take a view from his political leaders as to the LGA commissioning an independent person to carry out an inquiry on governance of the Willows Energy from Waste project and if the political leaders so agree, to advise Norfolk County Council as to the cost.”

- 5.1.2 Ms A Kemp proposed the following amendment, which was agreed by the proposer and became the substantive motion:

“This Council instructs the Managing Director to ask the Local Government Association (LGA) Chief Executive to take a view from his political leaders as to the LGA commissioning an independent person to carry out an inquiry on governance of the Willows Energy from Waste project and if the political leaders so agree, to advise Norfolk County Council as to the cost. The Report should be delivered to Council by April 2017.”

- 5.1.3 Following debate, and upon being put to a recorded vote (Appendix A), with 36 votes in favour, 37 votes against and 2 abstentions, the motion was **LOST**.

- 5.2 The following motion was proposed by Mr M Sands and seconded by Ms E

Corlett:

- 5.2.1 “Norfolk County Council affirms its commitment to an inclusive education system offering wide opportunities for all which is not based on selection and therefore opposes the proposed reintroduction or extension of grammar schools.”
- 5.2.2 Mr R Smith proposed the following amendment, which was seconded by Mrs S Gurney.
- “Norfolk County Council affirms its commitment to an inclusive education system offering wide opportunities for all ~~which is not based on selection and therefore opposes the proposed reintroduction or extension of grammar schools.~~”
- Upon being put to the vote, with 43 votes in favour of the amendment, 25 votes against and 4 abstentions, the amendment was **CARRIED** and became the substantive motion.
- 5.2.3 Following debate, the motion was **WITHDRAWN** by the proposer and seconder of the original motion.

The meeting adjourned at 12.50pm and reconvened at 1.30pm.

6 Recommendations from Service Committees

6.1 Policy & Resources – 26 September 2016

- 6.1.1 Mr C Jordan, Chair of Policy & Resources Committee, moved the Recommendation in the report.

Appointment of Directors in NCC related companies: shareholder consents required under Articles of Association of Norse Group companies and Financial Regulation 5.10.6.

Council **RESOLVED**:

1. To retrospectively approve the appointment of Directors to companies in which the County Council has an interest, as set out in the report.
2. That Martin Hopkins be appointed to directorships held by Peter Hawes prior to his retirement.
3. That Tom McCabe be appointed to directorships previously held by Anne Gibson, including appointment as chairperson of the Norse Group Ltd and as director of Norse Care Limited and Norse Care Services Limited.
4. To agree the proposed changes to the articles of association of NPS Property Consultants Limited, Norse Commercial Services Limited, Norse Eastern Limited, Norse Transport, Norse Care Limited and Norse Care Services as set out in schedule 2 of the report.
5. That Karen Knight be appointed as a Director of NPS Property Consultants Limited, Norse Commercial Services Limited, Norse Eastern Limited and Norse Transport.

6.2 Children’s Services Committee – 13 September 2016

6.2.1 Mr R Smith, Chair of Children's Services Committee, moved the recommendations in the report.

6.2.2 **Annual Review of Norfolk Residential Services.**

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.

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

Council **RESOLVED** to approve the Statement of Purpose of Norfolk's Fostering Services.

6.2.4 **Norfolk County Council Adoption Agency Annual Review.**

Council **RESOLVED** to approve the Statement of Purpose for the Adoption Agency.

6.2.5 **Unaccompanied Asylum Seeking Children.**

Council **RESOLVED** that:

- Norfolk County Council would participate in the national voluntary arrangements as set out in the Protocol agreed between the Home Office and the Association of Directors of Children's Services.
- The Executive Director of Children's Services should have authority to accept or refuse individual children in accordance with the criteria set out in the report and always subject to the Department's agreed budget being able to sustain the costs of providing for that child as looked after and as a care leaver, taking account of any additional funding provided by national government for that purpose.
- In placing UASC in accommodation, consideration will be given to the capacity of the local community to meet the needs of that child and the importance of ensuring that there are good opportunities for that child to build sustainable relationships that will support them in adulthood.

7 Reports from Service Committees (Questions to Chairs)

7.1 **Report of the Policy and Resources Committee meeting held on 26 September 2016**

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

7.1.1 **Question from Mr B Bremner**

Mr Bremner referred to Psychometric Testing and said he was given to understand, and that he hoped he was mistaken, that the Managing Director had commissioned an outside agency to conduct psychometric testing among senior officers. He asked if he was correct in this understanding and if so, what was the purpose and motivation for this testing and what was to be done or achieved with the results. He also asked who had authorised this testing, how much it was costing and what was the value for money analysis.

The Chair said that he would provide a written response to the question.

7.1.2 Question from Mr P Smyth

Mr Smyth referred to the National Policy context outlining the Government's commitment to move to local government funding being 100% self-sufficient by 2020 and that this was a fundamental change to local government finances and would have an impact on all service committees. Mr Smyth referred to the paragraph which stated that the Committee had resolved to make its response to the government consultation and said that because this was such a fundamental shift to the way business would be conducted, whether the response should be a county council response rather than just a Policy & Resources Committee response as Service Committees had not seen the report to add their input to the consultation.

The Chair replied that the decision had been made as required.

7.1.3 Question from Mr S Morpew

Mr Morpew referred to a rumour that the Conservative Group intended to propose a 3.8% council tax increase. He asked, given that no budget proposals had been published as yet, if the Leader could let Council know when this information would be published for public consultation and comment.

The Chair replied that he was following the budget process and the topic would be presented to Policy & Resources Committee at its next meeting.

7.1.4 Question from Mr G Nobbs

Mr Nobbs asked how many consultants were currently employed within the Organisation, or had been commissioned since Mr Jordan had become Leader. Mr Nobbs asked what the method was of recruiting them, how they were invited to tender for the work and more importantly how much the process was costing.

The Chair agreed to provide a written response to the question.

7.1.5 Question from Mr B Watkins

Mr Watkins said that in November 2013, the then Leader had announced a new concordat with Suffolk County Council to explore new ways of working and to drive down costs. He asked the current Leader how the Council had benefited from this arrangement and what further initiatives if any, were planned with Suffolk.

The Chair replied that there were a number of different initiatives, but whether they were beneficial or not, we would need to wait until the full cycle had been completed. The Chair said he had been told significant savings were being achieved.

7.1.6 Question from Ms A Kemp

Ms Kemp referred to the reforming of the farms and that these now came under the remit of Finance which in turn came under the remit of Policy & Resources Committee. Ms Kemp said she understood Policy & Resources was planning to create a Business and Property Committee and that it was being proposed that Members would make decisions in the granting of farm tenancies. She added that following the problems previously, which had led to Members being involved in making decisions and a lack of impartiality, how this would contribute to the good reputation of the Council.

The Chair responded that a Business and Property Committee would be created, after which the details would be sorted out.

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

7.2 **Report of the Adult Social Care Committee meeting held on 5 September 2016**

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

7.2.1 **Question from Mr B Watkins**

Mr Watkins said, at the Adult Social Care Committee meeting on 10 October, Members were informed that savings in the region of £7m would need to be made in the 2017/18 financial year. One option which would be included in the public consultation process was a scheme to reshape work with people of all ages requiring housing related assistance to support to keep them independent, which it was suggested, would save approximately £4.5m. Mr Watkins asked the Chair, if it was decided that this option should not go ahead, if he would state what other options to secure an equivalent level of saving would be made instead.

The Chair responded that there were no other alternatives and if a particular saving was not able to be made as a result of the public consultation, further savings would need to be offered up from other areas.

7.2.2 **Question from Ms S Whitaker**

Ms Whitaker said that, given the unilateral decision by the Norfolk and Norwich University Hospital (NNUH) to discontinue funding the Henderson Unit, which was doing excellent work in rehabilitating people after they had a spell in hospital, what alternative plans would be put in place to assist the 300 (approximately) people per year who would have used the facility, to gain access to a similar service.

The Chair said that this had been discussed at the Adult Social Care Committee meeting and that he was extremely sad at the news, given the key work the Henderson unit did in rehabilitating people out of hospitals, so they were not blocking beds and also enabling them to go back into their own homes which was a core part of the county council strategy. The Chair added that he couldn't help but note to Council that the NNUH was cutting the service at the same time the Queen Elizabeth Hospital (QEH) at Kings Lynn was looking to start a similar service. The Chair went on to say that Brian Watkins, who was the Council's representative on the Trust of Governors for the NNUH took the will of the Adult Social Care Committee back to a Trust meeting to say that Norfolk County Council was extremely unhappy with the decision. The Chair said there were no details of specific outcomes as yet, but contingency planning was being considered and it was hoped that all staff who were currently employed by Norfolk County Council at that site could be redeployed elsewhere.

7.2.3 **Question from Mr P Smyth**

Mr Smyth referred to item 5 of the report that Adult Social Care Committee was going to lobby Government directly to try to secure additional funding and said that Members may be aware that there was a cross-party group of MPs that lobbied to obtain extra funding for rural areas, with the Department for Communities and Local Government responding to their successful lobbying earlier this year by providing millions of pounds in Rural Service Delivery Grant

(RSDG) to offset the need that we appear to have in Norfolk. Mr Smyth asked the Chair to what extent had the committee bid for use of the RSDG money to address the shortfall.

The Chair replied that Adult Social Care Committee had passed a resolution to recommend to Policy & Resources Committee that the full £4.7m of the RSDG should be used to support the budget for adult social care in the coming year. He added that the Committee had considered it and suggested to Policy & Resources Committee how the money should be spent.

7.2.4 Question from Mr M Sands

Mr Sands said that Adult Social Care was heading for a £9m overspend. Given the largest overspends were in adult social care transport and the Learning Difficulty Service, he asked the Chair what plans were in place to bring these overspends in on budget.

The Chair replied that the Council had initiated a review into adult social care transport and due to an overlap, the review would also cover children's services transport. The Chair added that the Committee would receive a report at a future meeting to consider areas where savings had consistently been demanded and failed over a number of years and that this review would be key.

7.2.5 Question from Ms A Kemp

Ms Kemp referred to the closure of the Henderson Unit and asked what had happened to the £3m allocated funding. She felt the Council should write to government opposing the closure.

The Chair replied that Norfolk County Council had not made the decision to close the Henderson Unit, this had been made by the Norfolk and Norwich University Hospital. He added that the Chair of the Health and Wellbeing Board was lobbying in an attempt to reverse the decision.

7.2.6 Council RESOLVED to note the report.

7.3 Report of the Children's Services Committee meeting held on 13 September 2016

Mr R Smith, Chair of Children's Services Committee moved the report.

7.3.1 Question from Ms E Corlett

Ms Corlett stated that the Education and Adoption Act gave Norfolk County Council the responsibility to act as champions of children and parents and one of the ways we could do this was by scrutinising the quality of education and challenge the Norfolk system over standards. It would be difficult to do that without clear, accurate information from education providers as we need to know that "Progress 8" scores were comparing "like for like" and that data was not being skewed, for example by using this year's English Literature GCSE results compared to previous years English Language GCSE results. Ms Corlett asked if the Chair would write to Norfolk Headteachers and ask them what measures and data they had used to calculate the Progress 8 scores.

The Chair replied that progress with regard to GCSE results had been reported in the Eastern Daily Press on Friday 14 October, which had also included a note about Progress 8. He added that schools received credit for the amount of

improvement pupils had made since leaving primary school. Progress 8 qualification was based on the results of up to 8 subjects including English and Maths which were given particular prominence. The Chair considered this was something that could be taken up with the Primary and Secondary Heads Leadership Board and he asked Ms Corlett to raise the issue at the Children's Services Committee meeting on 18 October.

7.3.2 Question from Mr R Bird

Mr Bird said he had heard that Smithdon School in Hunstanton was to become an academy on 30 November and become part of the West Norfolk Academy Trust. He added that as part of the process, the sixth form at the school was being closed. Mr Bird asked for some help as to his knowledge there had been no public consultation or liaison about the academisation and that he had only received information about it the previous week. He asked for some help on clarifying the current position and what could be done about the situation.

The Chair replied that he would find out and provide a written response.

7.3.3 Question from Mrs J Chamberlin

Mrs Chamberlin asked the Chair to explain the Higher Education Scheme.

The Chair replied that the County Council had hosted a recent meeting for 100 young people who were seeking entry into the top flight universities. The scheme was open to all students wishing to gain admittance to any university, although the evening had focused on those who were recommended by their teachers and stood a chance of entry into one of the top universities in the country, including Oxbridge. The Chair continued that this was the second year of the scheme, with the pilot event, which had been well received, held in the last academic year. The scheme included a yearlong programme of events, assisting pupils with drafting personal statements, interviewing skills, university selection procedures, university visits, etc. The Chair commended the scheme to all Members and asked Members to contact him if they knew of any aspiring youngsters and he would ensure the details were passed on to the appropriate team.

7.3.4 Question from Ms C Rumsby

Ms Rumsby asked the Chair what specific plans were in place to address the budget overspend and what actions to keep families safe.

The Chair replied that the Executive Director of Children's Services was considering ways to reduce the departmental overspend, the details of which would be discussed at the Children's Services Committee meeting on 18 October. He added that he was very concerned about the overspend.

7.3.5 Question from Mr D Crawford

Mr Crawford asked for some clarification about the unaccompanied asylum seeking children. He added that we had been told that these children were mainly 16 and 17 years of age and would not be in the care of Children's Services for very long as they would leave care when they reached the age of 18. Mr Crawford asked the Chair to let him know who looked after them after they reached 18 years of age so he could let his constituents know.

The Chair said that this issue had been considered by the Children's Services Committee in September. Essentially, refugees between the age of 16 and 17 years old would be looked after children, who were the responsibility of Norfolk

County Council Councillors in their role as corporate parents. Once a young person reached the age of 18 they would become a care leaver. The Chair referred to the report presented to the Children's Services Committee meeting which stated that new guidance had confirmed some Local Authorities had a duty to fund refugees beyond the age of 18 while immigration status was confirmed and would be transferred to the Home Office to limit the financial liability on local authorities until it was confirmed they had leave to remain in the country. This was a developing situation and the Chair considered that these young people would have all the rights of a care leaver like any other Norfolk looked after child.

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

7.4 **Report of the Communities Committee meeting held on 7 September 2016**

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

7.4.1 **Question from Mr A Grey**

Mr Grey asked if the Chair would ask officers from Trading Standards, the Police and Public Health to continue the great work that had been carried out recently in targeting the illicit tobacco trade that blighted towns and villages. He also asked if the Chair would look into whether this could be taken further to include tackling crime at source by securing funding from HM Coastguard for teams to patrol our coast.

The Chair agreed that Trading Standards, the Police and Public Health were doing a good job and that a lot of illegal cigarettes had been confiscated recently from King's Lynn, Great Yarmouth and Thetford by Trading Standards and the Police. She added that Trading Standards, along with sniffer dogs, had recently attended County Hall to show Members the work they were doing.

The Chair went on to say with regard to getting more teams to patrol the coast, Revenue and Customs was responsible and any money would need to come from the Government. She added that a request for additional funding would be made.

7.4.2 **Question from Ms S Whitaker**

Ms Whitaker said that at a recently Council of Governors Meeting at the Mental Health Trust a staff member had raised with her that the ring-fenced budget for Public Health had been reduced by approximately 2.5%, although as far as the Norfolk Recovery Partnership was concerned, which dealt with people who had drug and alcohol problems, the offer to the mental health trust was a reduction of 27%. Ms Whitaker said they provide a very good service which was well respected, but operating with that amount of reduction in budget would put the service in serious jeopardy. Ms Whitaker asked the Chair for some comment about whether this was true and had the consequences been thought through with a reduction of that magnitude.

The Chair replied that this was a delegated decision to officers and no final decision had yet been made. The Chair agreed to speak with Ms Whitaker outside the meeting and provide more detail.

7.4.3 **Question from Mr M Carttiss**

Mr Carttiss said that, whilst he had been abroad, he had left his library card with a relative, asking them to renew his library books at Great Yarmouth Library. His relative had called the 0344 800 8006 number quoted on the slip and received a

recorded message that the line was discontinued and books could be renewed either on line or by going to the public library and returning them there. His relative had looked up a number for the public library in the telephone book, and spoken to a helpful member of staff who had renewed the books. Mr Carttiss asked the Chair why the Great Yarmouth library computer had issued a chitty advising people to call a discontinued number, and why the number had been discontinued and also why people were being informed they must return books to the library to renew them, or go on line.

The Chair replied that she had contacted the new Head of Library Service about the issue who had said that when a review of the automated service had been carried out it had found there were only about 20 people using the service each month. Providing the number had been uneconomic so it had been decided to discontinue the 0344 number. The library service had contacted all 20 members of the public who had been using the service and the Chair confirmed that a new number had now been provided.

7.4.4 Question from Mr P Smyth

Mr Smyth said Members not on the Communities Committee may not be aware that flood response was not a mandated task for Norfolk Fire and Rescue Service. The external funding currently available was due to cease in Spring 2017 and there was no concrete funding available for that task at the present time. Mr Smyth added that the Committee had agreed to write to MPs to raise the issue and asked if the Chair had sent the letter yet, and if so had a response been received.

The Chair replied that the letter had been drafted. Other ways to see if there was any funding available were also being explored, although she advised that the rescue boat was not a statutory responsibility of the Fire and Rescue Service, it was a Police responsibility. The Head of Norfolk Fire and Rescue Service was exploring ways to fund the service, although there may have to be funding cuts in other areas to cover the costs. She added that the Communities Committee would be considering options at its meeting on 19 October.

7.4.4 Council RESOLVED to note the report.

7.5 Report of the Environment, Development and Transport Committee meeting held on 16 September 2016.

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

7.5.1 Question from Mr T Jermy

Mr Jermy referred to the re-routing of HGV's from the B1111 at East Harling through Thetford, which was of considerable concern to residents in his Division. Mr Jermy asked, as a result of the decision taken by the Committee, if the Chair could reassure residents that the safety concerns highlighted would be looked at, particularly along the Norwich Road in Thetford, which was a busy route to schools, as well as considering the likelihood that additional HGV's would travel along the A134 Bury Road, where there were long-standing issues with HGVs causing damage to parked cars and property.

The Chair gave his total assurance that the route would be reviewed and monitored and if changes were required, they would be addressed and changed as necessary.

7.5.2 Question from Mr B Spratt

Mr Spratt asked the Chair to look into the request for a 20mph speed limit at Carleton Rode which had been on the agenda for some time.

The Chair replied that he would look into the request at Carleton Rode provide a response.

7.5.3 Question from Mr B Borrett

Mr Borrett congratulated the Chair of EDT Committee on his excellent handling of the recent meeting with the A47 Highways Agency at County Hall, in particular concerns about the delivery of the North Tuddenham to Easton dualling, taking account of the County Council's aspiration to deliver the Norwich Western Link from the end of the Northern Distribution Route through to the A47. He added that the gentleman from the Highways Agency had acknowledged that he understood that this particular route was a County Council priority and that the Highways Agency should take account of delivering a junction on that piece of dualling. He asked if the Chairman agreed with his view that is what happened.

The Chair replied that he felt the Highways Agency was fully aware of where the Norwich Western link needed to join onto the A47. He added that Norfolk County Council would be involved in any proposals.

7.5.4 Question from Mr B Bremner

Mr Bremner asked if the presentation or report from the A47 meeting could be circulated to all Members, as he had been unable to attend the meeting due to other commitments.

The Chair replied that the Highways Agency should be producing a briefing note which would be circulated to all Members, together with an update and timescales, hopefully in the near future.

7.5.5 Question from Mr P Smyth

Mr Smyth asked if the Chair would write to Swaffham Town Council to explore ways of providing additional funding for traffic regulation orders in the town.

The Chairman replied that there was not an easy fix for every village or town and each scheme for traffic regulation orders was dealt with on their own merit. He added that Harleston had commissioned a feasibility study to look at the traffic issues and had agreed to fund some schemes themselves and that it may be worthwhile for Swaffham Town Council to carry out a feasibility study of its own, whilst appreciating there was a cost to doing so.

7.5.6 Question from Ms A Kemp

Ms Kemp referred to the Waste Site Specific Allocations document which still showed the Willows site as being eligible for any sort of incineration or mass burner. Ms Kemp asked the Chair what steps he would take to make sure that the Committee discussed this issue and got the plans amended. She added that if this issue needed to be raised with the Secretary of State, then it should be.

The Chair replied that it was not for him to personally decide the future of the site, it was a decision for Full Council.

7.5.7 Council RESOLVED to note the report.

7.6 **Report of the Economic Development Sub-Committee meeting held on 9 September 2016**

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

Other Committees

7.7 **Report of the Norfolk Health Overview and Scrutiny Committee meeting held on 8 September 2016.**

Mr M Carttiss moved the report.

7.7.1 **Question from Mr R Parkinson-Hare**

Mr Parkinson-Hare said he had been given to understand at a recent meeting convened by the Clinical Commissioning Group (CCG) in Great Yarmouth, that the Greyfriars Clinic in Great Yarmouth had closed due to EU Legislation. He asked the Chair if this was correct.

The Chair replied that until April 2016, NHS England had been responsible for maintaining and funding walk-in centres, set up as a government initiative. The contract had been let by NHS England and in April 2016, the responsibility for maintaining and funding walk-in centres had transferred to the relevant CCG. In the case of Greyfriars in Great Yarmouth, this was the Great Yarmouth and Waveney CCG. The contract with the provider of that walk-in centre had been extended twice by NHS England in order to allow it to reach the point at which the CCG would become responsible. Once the CCG became responsible for Greyfriars, they were prevented by EU Legislation from extending the contract any further, therefore the centre needed to be put out to tender, which took time and had led to staff leaving and obtaining jobs in other health service places.

7.7.2 **Question from Ms S Whitaker**

Ms Whitaker asked if a response had yet been received from the Norfolk and Suffolk NHS Foundation Trust to the letter requesting detailed information on information that was either not included, or not fully explored in Verita's review of unexpected deaths, and if not, what the deadline was for receipt of a response.

The Chair deferred the question to Mrs Stone, who informed Council that a response was due by 28 October 2016.

7.7.3 The Chairman advised Council that the Health Overview and Scrutiny Committee received an information bulletin that had referred to the Henderson Ward although this had not been discussed by the Health Overview and Scrutiny Committee (HOSC). Mr Carttiss said that the HOSC did not have any rights to interfere with the decision to close the Unit, but would be looking at the consequences and how the situation could be resolved. Mr Carttiss said he had received a note to the effect that the Norfolk and Norwich University Hospital paid for and employed the relevant staff at Henderson Ward at no cost to Norfolk County Council.

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

7.8 **Report of the Audit Committee meeting held on 22 September 2016**

7.8.1 Mr I Mackie moved the report and the recommendation included in paragraph 9

(Local Audit and Accountability Act 2014 – External Auditor Appointments Implementation).

7.8.2 Local Audit and Accountability Act 2014 - External Auditor Appointments Implementation.

Council **RESOLVED** to:

- Direct the Executive Director of Finance to formally “opt in” with the Government’s designated appointing person (in this case Public Sector Audit Appointments Ltd (PSAA)), as allowed under Section 17 of the Act, as the preferred option offering the greatest potential economic and efficiency savings.
- Note the report.

7.8.3 Mr James Joyce wished it to be recorded in these minutes that the Vice-Chair of Audit Committee was in the Chair for item 11 (County Farms Update) at the Audit Committee meeting on 22 September and, upon the recommendations being put to a vote, with 3 votes for and 3 votes against, the Vice-Chair had used his casting vote to agree the recommendations.

7.9 Report of the Planning (Regulatory) Committee meeting held on 2 September 2016

Mr M Sands moved the report. Council **RESOLVED** to note the report.

7.10 Report of the Health and Wellbeing Board meetings held on 20 July and 21 September 2016.

Mr B Watkins moved the report. Council **RESOLVED** to note the report.

7.11 Report of the Norwich Highways Agency Joint Committee meetings held on 21 July and 15 September 2016

Mr T Adams moved the report. Council **RESOLVED** to note the report.

8 Approval of Non-Attendance

8.1 Section 85 of the Local Government Act 1972, stated that if a member of a local authority failed throughout a period of six consecutive months from the date of their last attendance to attend any meeting of the authority, they should cease to be a member of the authority. The only exception was if their non-attendance had been approved by the authority before the expiry of the six month period.

Councillor Colin Aldred had been unable to attend meetings recently due to ill health. The last meeting Councillor Aldred had attended was County Council on 9 May 2016 and Council was asked to give its approval for a continuing absence for a period which exceeded six months.

8.2 Council **RESOLVED** that in accordance with Section 85 of the Local Government Act 1972, to approve Councillor Colin Aldred’s non-attendance at meetings until the end of the municipal year on the grounds of continued ill health and that the Council’s best wishes be conveyed to him.

9 Norfolk and Waveney Sustainability and Transformation Plan (STP).

9.1 Council received the report by the Managing Director informing Council about the development of a Sustainability and Transformation Plan (STP) for the Norfolk and Waveney area and outlined the next steps. The report provided a summary of the key elements of the STP and invited Council to consider and endorse the overall strategic direction, in advance of the submission to NHS England on 21 October and give its support to the ongoing work with partners in moving to the next stages of detailed planning.

9.2 Following debate and upon being put to the vote, with 29 votes in favour, 1 vote against and 10 abstentions, Council **RESOLVED** :

To endorse the overall strategic direction of the Norfolk and Waveney STP and key areas for change for submission to NHS England by the 21 October deadline and supported the ongoing work with partners in moving to the next stages of detailed planning

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

There were none.

11 To answer questions under Rule 8.3 of the Council Procedure Rules

There were none.

The meeting concluded at 3.35pm

Chairman



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Norfolk County Council

17 October 2016

ITEM NUMBER: 5a – Motion by Mr J Dobson, seconded by Mr T East.

FOR	AGAINST	ABST.		FOR	AGAINST	ABST	
	X		ADAMS Tony		X		JORDAN Cliff
X			AGNEW Stephen	X			JOYCE James
	Absent		ALDRED Colin	X			KEMP Alexandra
	X		ASKEW Stephen		Absent		KIDDLE-MORRIS Mark
	Absent		BAKER Michael			X	LAW Jason
X			BEARMAN Richard		X		LEGGETT Judy
X			BIRD Richard		X		LONG Brian
	X		BORRETT Bill		X		MACKIE Ian
X			BOSWELL Andrew		X		MONSON Ian
	X		BOWES Claire		X		MOONEY Joe
X			BRADNOCK Allison	X			MORGAN Elizabeth
X			BREMNER Bert	X			MORPHEW Steve
X			BROCIK-COULTON Julie	X			NOBBS George
	Absent		BYRNE Alec		X		NORTHAM Wyndham
	X		CARTTISS Michael	X			PARKINSON-HARE Rex
X			CASTLE Mick	X			PERKINS Jim
	X		CHAMBERLIN Jenny		X		PLANT Graham
	X		CHILDS Jonathon		X		PROCTOR Andrew
	X		CLANCY Stuart	X			RAMSBOTHAM David
	Absent		COKE Toby		X		RICHMOND William
		X	COLLIS David	X			ROPER Daniel
X			CORLETT Emma	X			RUMSBY Chrissie
	X		COX Hilary	X			SANDS Mike
X			CRAWFORD Denis	X			SEWARD Eric
X			DEARNLEY Adrian		X		SHAW Nigel
	X		DEWSBURY Margaret		X		SMITH Roger
	X		DIXON Nigel	X			SMYTH Paul
X			DOBSON John		X		SPRATT Bev
X			EAST Tim		X		STONE Barry
	X		FITZPATRICK Tom		X		STONE Margaret
	X		FOULGER Colin		Absent		STOREY Martin
	X		GARROD Tom	X			STRONG Marie
	Absent		GILMOUR Paul		X		THOMAS Alison
X			GREY Alan	X			TIMEWELL John
	X		GURNEY Shelagh		X		VIRGO Judith
	Absent		HACON Pat	X			WALKER Colleen
X			HANNAH Brian		X		WARD John
X			HARRISON David	X			WATKINS Brian
	X		HORSBRUGH Michael Chenery of	X			WHITAKER Sue
	X		HUMPHREY Harry		Absent		WHITE Tony
	X		ILES Brian		X		WILBY Martin
X			JERMY Terry	X			WILKINSON Margaret

With 36 votes in favour, 37 votes against and 2 abstentions the motion was LOST.

Norfolk County Council**Minutes of the Extraordinary Meeting Held on
Monday 7 November 2016****Present:**

Mr A Adams	Mr B Long
Mr S Agnew	Mr I Mackie
Mr S Askew	Mr J Mooney
Mr R Bearman	Ms E Morgan
Mr R Bird	Mr S Morphew
Mr B Borrett	Mr G Nobbs
Dr A Boswell	Mr W Northam
Mrs A Bradnock	Mr R Parkinson-Hare
Mr B Bremner	Mr J Perkins
Mrs J Brociek-Coulton	Mr G Plant
Mr M Castle	Mr A Proctor
Mr J Childs	Mr D Ramsbotham
Mr S Clancy	Mr W Richmond
Mr D Collis - Chairman	Mr D Roper
Ms E Corlett	Mr M Sands
Mrs H Cox	Mr E Seward
Mr D Crawford	Mr N Shaw
Mr A Dearnley	Mr P Smyth
Mrs M Dewsbury	Mr B Spratt
Mr J Dobson	Mr B Stone
Mr T FitzPatrick	Mrs M Stone
Mr C Foulger	Dr M Strong
Mr A Grey	Mrs A Thomas
Mrs S Gurney	Mr J Timewell
M Chenery of Horsbrugh	Miss J Virgo
Mr H Humphrey	Mrs C Walker
Mr B Iles	Mr J Ward
Mr T Jermy	Mr B Watkins
Mr C Jordan	Ms S Whitaker
Ms A Kemp	Mr M Wilby
Mr M Kiddle-Morris	Mrs M Wilkinson

Apologies for Absence:

Apologies for absence were received from Mr C Aldred; Mr M Baker; Ms C Bowes; Mr A Bryne; Mr M Carttiss; Mrs J Chamberlin; Mr T Coke; Mr N Dixon; Mr T East; Mr T Garrod; Mr P Gilmour; Mr P Hacon; Mr B Hannah; Mr D Harrison; Mr J Joyce; Mr J Law; Mrs J Leggett; Mr I Monson; Ms C Rumsby; Mr R Smith; Mr M Storey and Mr A White.

1 Chairman's Announcements

- 1.1 The Chairman announced the sad passing of former county councillor Tony Blyth on 20 October 2016. Mr Blyth, 77, had been a dedicated councillor who had served both as a county councillor representing Magdalen East and Claydon in Gorleston until the ward boundaries had been re-organised in 2005, then as a borough councillor until May 2016, when he had stepped down due to ill health. Council stood for a moment's silence in memory of Mr Blyth.

2 Declarations of Interest

- 2.1 There were no declarations of interest.

3 Devolution

- 3.1 Council received the report by the Leader of the Council updating full Council on the progress towards devolution, informing Members of changes that had taken place since the meeting in June 2016 and, in light of the changed landscape, to give the Leader an opportunity to hear views on his continued involvement in the final phase of devolution discussions.
- 3.2 Council welcomed Mr Mark Pendleton, Chair of Local Enterprise Partnership (LEP) who answered any appropriate questions.
- 3.3 Council received a presentation by the Managing Director, Head of Law and Monitoring Officer and Assistant Director Economic Development & Strategy, a copy of which is attached at Appendix A.
- 3.4 The Managing Director, Assistant Director Economic Development and Strategy and Head of Law and Monitoring Officer answered questions from Council about the presentation, consultation process and procedural arrangements.
- 3.5 The Leader proposed the recommendations in the report:
1. **Note** the progress that has been made since 27 June, including the proposals developed since then in relation to decision-making and the mayors powers;
 2. **Agree** for Norfolk County Council's Leader to continue his involvement in the devolution discussions in readiness for the decision on 21 November 2016.
- 3.6 Mr G Nobbs proposed the following amendment, which was seconded by Ms A Kemp:
- 3.6.1 1. **Note** the progress that has been made since 27 June, including the

proposals developed since then in relation to decision-making and the mayors powers;

2. **Agree** for Norfolk County Council's Leader to continue his involvement in the devolution discussions, **providing they do not include an elected mayor**, in readiness for the decision on 21 November 2016.

3.6.2 The Leader did not accept the amendment to the motion, and the Head of Law and Monitoring Officer advised that the proposed amendment negated the motion.

3.6.3 Mr J Dobson proposed the following amendment, which was seconded by Mr G Nobbs:

1. **Note** the progress that has been made since 27 June, including the proposals developed since then in relation to decision-making and the mayors powers;
2. **Agree** for Norfolk County Council's Leader to continue his involvement in the devolution discussions in readiness for the decision on 21 November 2016, **making sure that his interlocutors in the remaining discussions are fully aware that Norfolk County Council has substantial reservations about the governance aspects of the devolution proposal.**

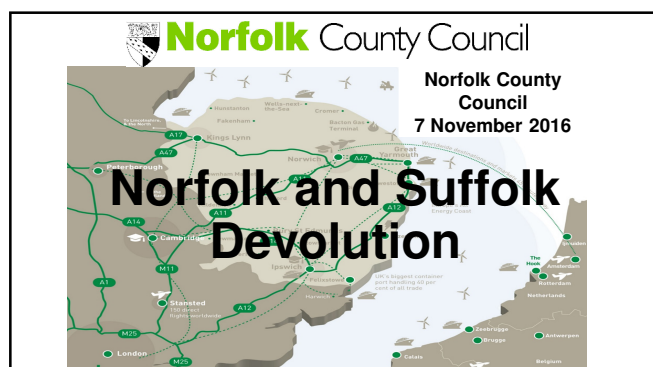
3.6.4 The Leader accepted the amendment, which became the substantive motion.

3.7 Upon being put to a vote, with 53 votes in favour, 4 votes against and 3 abstentions, Council **RESOLVED** to:

- 1) **Note** the progress that had been made since 27 June 2016, including the proposals developed since then in relation to decision-making and the mayor's powers.
- 2) **Agree** for Norfolk County Council's Leader to continue his involvement in the devolution discussions in readiness for the decision on 21 November 2016, making sure that his interlocutors in the remaining discussions are fully aware that Norfolk County Council has substantial reservations about the governance aspects of the devolution proposal.

The meeting concluded at 12.35pm

Chairman



Change of Government – reinforced commitment to devolution and local economic growth

In his letter the Secretary of State says:

- The deal on the table for Norfolk and Suffolk is indeed ambitious.
- The deal on the table will not progress without a directly-elected mayor.
- In addition, further benefits will flow to devolution areas that have the appropriate structure – a Mayoral Combined Authority – to receive new powers and funding. One such example is the consideration of strong, ambitious governance as a factor in the allocation of the Local Growth Fund.
- Undoubtedly, this deal will bring more jobs, more investment and more opportunity to Norfolk. If your decision was not to proceed with the deal, these economic benefits would not be available to Norfolk by any other route.
- Government will continue to work with, and make substantial new investments in, those other local areas which are committed to taking devolution forward.
- This deal is the start of a journey, and that further opportunities will follow for Norfolk to take even greater control of its economic destiny. However, this will not be on offer without the successful implementation of this historic first deal and the establishment of the right local structures to take full advantage of the economic gains on offer.

2

One of the best deals in England

- £25m (*of new money*) over 30 years for **economic growth, infrastructure and jobs** - £10m of which can be used by the CA to support borrowing of some **£100m**
- £130m (*of new money*) over five years for **housing investment** to deliver 10,300 homes
- £225m **transport** budget over four years
- £20m annual **skills** fund and £2m annual **apprenticeship** grant
- More control and influence over investment in **key roads** across Norfolk and Suffolk
- Norfolk and Suffolk wide approach to **flood and coastal risk** management
- Locally integrated **employment** service, and the opportunity to co-design and co-commission the new national work and health programme

3

The Combined Authority area – An open door for the future

- 4 of Norfolk's councils decided to not be part of the Governance Scheme for consultation and therefore cannot be part of the proposed Combined Authority
- However the SoS has reassured that this is not a closed door:
 - once the Mayoral Combined Authority is formed, further authorities are able to join (as constituent or non-constituent members).
 - This would require the Combined Authority to publish and consult on a new governance review and scheme, which would then need to be reflected in a further Parliamentary Order.
- Leaders of the 4 councils are invited to attend meetings

4

Combined Authority Membership

Scheme

4 MEMBERSHIP

4.1 The Combined Authority shall consist of the Members as set out below:

4.1.1 The Mayor elected for the Combined Authority;

4.1.2 An elected member appointed by each of the Constituent Authorities;

4.1.3 A nominee of the New Anglia LEP; and

4.1.4 Such other non-voting Non-Constituent Members as may be admitted to the Combined Authority from time to time by the full Constituent Authority Membership.

4.2 The expression "Member" shall include all of the above.

4.3 Each organisation entitled to appoint a Member shall be entitled to appoint a Substitute Member, who shall have the same decision-making authority and voting rights as the person in whose place they are acting.

Principles

- All Members have a seat on the CA
- One member one vote
- Each Council chooses its own appointee
- Quorum of 7

Practice (Order)

- 14 Members (12 LA, 1 LEP, Mayor)
- Key decisions by consensus, all members voting
- Boards/committees to develop plans and strategies
- Quorum to include County and District member from each of Norfolk and Suffolk

5

Mayor

Scheme

5 DIRECTLY ELECTED MAYOR

5.1 There shall be a directly elected Mayor for the area of the Combined Authority pursuant to section 107A of the LDECA ("the Mayor"). The Mayor will be elected in May 2017. The provisions of Schedule 5B of LDECA shall apply subject to paragraph 5.2 below.

5.2 The term of office of the Mayor elected in May 2017 shall be four years. Each subsequent election shall take place in each fourth year thereafter on the same day of ordinary election and the term of office of the elected Mayor shall be four years.

5.3 The Mayor shall appoint one of the Members of the Combined Authority to be the Deputy Mayor in accordance with section 107C of LDECA and the Deputy Mayor shall: a) hold office until the end of the term of office of the Mayor subject to paragraph (b) below; b) cease to be Deputy Mayor if at any time the Mayor removes him or her from office; he or she resigns as Deputy Mayor or ceases to be a Member of the Combined Authority; c) act in the place of the Mayor if for any reason the Mayor is unable to act or the office of Mayor is vacant.

5.4 If a vacancy arises in the office of Deputy Mayor, the Mayor must appoint another Member of the Combined Authority to be the Deputy Mayor.

5.5 If for any reason the Mayor is unable to act or the office of Deputy Mayor is vacant, the other Members of the Combined Authority must act together in place of the Mayor, taking decisions by a simple majority.

Principles

- Mayor directly accountable to the public
- Elections to coincide with County elections
- Mayor's office and Combined Authority – cost-effective, add value and deliver benefits that exceed their cost of operation

Practice (Order)

- 1st mayoral election 4 May 2017
- Mayoral elections every 4 years – 2021, 2025 etc
- Deputy mayor appointed from CA members
- Costs (in constitution) – mayor's remuneration proposed by independent panel and agreed by CA; other costs in first 3 years by loan to CA.

6

Constitution-Generic provisions

Scheme

7 CONDUCT OF MEMBERS

7.1 Members will at all times observe the Code of Conduct for Members which will be set out in the Constitution of the Combined Authority.

10 EXPENSES

10.1 LEP and Constituent Authority Members of the Combined Authority shall not be entitled to remuneration but may be reimbursed for reasonable travel, subsistence and out of pocket expenses by the appointing organisation from time to time.

16 PROCEEDINGS OF THE COMBINED AUTHORITY

16.1 Sections 101 and 102 of the Local Government Act 1972 apply to the Combined Authority in the exercise of its functions so that the Combined Authority shall have the power to delegate its functions to a committee or sub-committee of the Combined Authority or to an officer or another authority.

25 ADDITIONAL CONSTITUTIONAL DOCUMENTS

25.1 The Combined Authority shall adopt a Constitution that comprises, as a minimum: Scheme of Delegation; Meeting Procedure Rules; Access to Information Procedure Rules; Financial Management Procedure Rules; Procurement and Contract Procedure Rules; Officer Employment Procedure Rules; Members' Code of Conduct; Officers' Code of Conduct;

Principles

- Members to uphold Nolan principles
- Principles of openness and transparency to apply
- Functions to be delivered by existing entities
- Authorities impacted to be involved in shaping recommendations

Practice (Constitution)

- Adopt code of conduct – members and officers
- Publication of reports, meetings in public
- Constitution and standing orders to be unanimously agreed by LA constituent members by 1 March 2017
- Establish boards/committees with relevant membership

Decision making

Scheme

11 DECISION MAKING

11.1 The discharge of the functions of the Combined Authority will be subject to the constitutional arrangements and the overview and scrutiny arrangements set out below. The Combined Authority will operate through thematic, geographic and/or district clusters, to be determined by the Combined Authority through its Constitution in due course. The formation of such clusters is to ensure that the delivery of functions exercisable by the Mayor and/or Combined Authority will be exercised at the appropriate local

geographies primarily based on functional economic areas and travel to work areas. Existing delivery bodies, for example relating to the Greater Norwich and Greater Ipswich City Deal areas, will be utilised rather than create new bodies.

11.2 The Combined Authority may delegate functions other than those reserved to it under paragraph 16.2 to a committee or sub-committee of the Combined Authority (or to officers or another authority) to be established under the Constitution, reflecting the clusters referred to in paragraph 11.1.

11.3 The Mayor and the other Members of the Combined Authority will be required to work closely together.

Principles

- Decisions made and delivered at the appropriate level by the appropriate people
- Votes weighted in favour of those who manage the impact of a decision
- Double devolution – supporting appropriate local participation and delivery
- Optimise existing structures, accountabilities and partnerships

Practice (Order)

- Key decisions – strategy, borrowing, budget – unanimous
- Consensus approach
- Thematic geographic boards/committees using existing structures
- Mayor's advisory board of chairs/portfolio holders
- CA powers held concurrently with LAs
- Establishment of boards and terms of reference through constitution

Mayoral functions

Scheme

14 EXERCISE OF THE MAYORAL FUNCTIONS

14.3 Before a decision is taken ... the Mayor shall consult the Combined Authority and:-

- The spatial framework and any supplementary planning documents referred to in paragraph 2.1 of Appendix A shall require the unanimous approval of the Constituent Authority Members of the Combined Authority;
- the Transport Plan and any spending plans or plans for the allocation of transport-related funding shall be treated as rejected if a two thirds majority of the Constituent Authority Members of the Combined Authority vote to modify or reject the Transport Plan and associated spending, provided that any decision to reject or modify the Transport Plan or budget includes the Combined Authority Members from each of Norfolk and Suffolk County Councils; and
- any other strategy or spending plans shall be treated as rejected if a two thirds majority of the Constituent Authority Members of the Combined Authority vote to reject such a plan provided that any Constituent Authority directly affected by such a strategy or plan and present and able to vote at the meeting must be part of the deciding vote's majority for that rejection decision to carry (unless they abstain).

Principles

- Consensus approach
- Decisions made and delivered at the appropriate level by the appropriate people
- Votes weighted in favour of those who manage the impact of a decision

Practice (Order)

- Strategies and plans developed by Boards/committees with relevant members
- Mayor's advisory board of board chairs/portfolio holders
- CA powers held concurrently
- Involvement of effected authorities in decision-making

Combined Authority functions

Scheme

15 FUNCTIONS OF THE COMBINED AUTHORITY

15.2 Chapter 1 of Part 1 of the Localism Act 2011 (which confers a general power of competence on local authorities) shall be applied to the Combined Authority by order of the Secretary of State pursuant to section 113D LDEDCA.

15.5 The Combined Authority shall exercise the Combined Authority's functions concurrently with the Secretary of State (as regards transport functions) and the relevant public authority (as defined in section 105A(9) of LDEDCA) as regards other functions.

15.6 The Combined Authority shall have the power to borrow for a purpose relevant to any of its functions as contained in sections 1 and 23(5) of the Local Government Act 2003 as amended by section 9(5) of the Cities and Local Government Devolution Act 2016.

APPENDIX B

Functions include: management of the single pot; flood defence and coastal management; Learning and skills, education, apprentices and employment; improve life chances; career and pay progression; business support; health and social care; and public service reform

Principles

- Consensus approach
- Functions to be delivered by existing entities
- Optimise existing structures, accountabilities and partnerships
- Mayor's office and Combined Authority – cost-effective, add value and deliver benefits that exceed their cost of operation

Practice (Order)

- Mayoral powers held concurrently
- Transport powers held concurrently with Local Authorities
- Involvement of effected authorities in decision-making
- Ability to borrow

Overview & Scrutiny

Scheme

17 OVERVIEW AND SCRUTINY

17.1 There shall be an Overview & Scrutiny Committee of the Combined Authority pursuant to Schedule 5A of LDEDCA to exercise scrutiny functions over the Combined Authority.

17.2 Each Constituent Authority shall appoint one elected member to the Overview & Scrutiny Committee.

17.3 Overview & Scrutiny Committee membership shall not include a Combined Authority Member (including the Mayor and the Deputy Mayor). The Combined Authority shall appoint as Chair of the Overview and Scrutiny Committee an elected member of one of the Constituent Authorities who is not a member of a registered political party of which the Mayor is a member (if the Mayor is a member of a registered political party).

17.4 Each member on the Overview and Scrutiny Committee shall have one vote and there shall be no casting vote.

Principles

- Mayor and CA to be held to account through Scrutiny and Audit arrangements
- Processes for effective challenge

Practice (Regulations)

- O&S Committee of 16 members (1 from each district 3 from each county) who don't sit on the CA, politically balanced
- Chair may not be from the same registered political party as the mayor

Audit

Scheme

18 AUDIT

18.1 The Combined Authority shall establish an Audit Committee pursuant to Schedule 5A of LDEDCA to fulfil the functions set out in paragraph 18.3.

18.2 The membership of the Audit Committee shall be determined by the Combined Authority but one member of the Committee shall be independent.

18.3 The Audit Committee will have the power to:

- Review and scrutinise the Office of the Mayor and Combined Authority's financial affairs;
- Review and assess the Mayor and Combined Authority's risk management, internal control and corporate governance arrangements;
- Review and assess the economy, efficiency and effectiveness with which resources have been used in discharging the Combined Authority's functions and the Mayoral Functions;
- Make reports and recommendations to the Combined Authority and/or the Mayor in relation to any reviews carried out in relation to the matters stated above;
- Receive any external audit report; consider the report and make recommendations to the Combined Authority or the Mayor, as appropriate; and
- Approve the annual accounts of the Combined Authority.

Principles

- Mayor and CA to be held to account through Scrutiny and Audit arrangements
- Processes for effective audit and monitoring

Practice (Regulations and Constitution)

- Membership determined by CA through Constitution
- At least one independent member

Funding

Scheme

20 FUNDING OF THE EXERCISE OF COMBINED AUTHORITY FUNCTIONS

20.1 The expenses of the Combined Authority that are reasonably attributable to the exercise of its functions (excluding Mayoral Functions) will be met by the Constituent Authorities;

20.2 The Combined Authority shall be a levying body under section 74 of the Local Government Finance Act 1988 and shall have the power to issue a levy to its Constituent Authorities in respect of the expenses referred to in paragraph 20.1

20.3 The Constituent Authorities have agreed the principle that the Combined Authority costs will be met as far as possible from existing resources. The Constitution will set out a process for agreeing how these will be met.

20.4 The Combined Authority shall agree an annual budget identifying its expenditure and sources of income including any amount payable by the Constituent Authorities under paragraph 20.1.

Principles

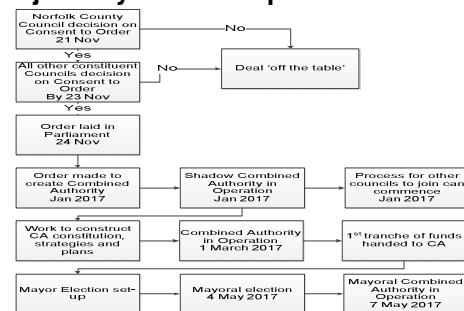
- Mayor's office and Combined Authority –cost-effective, add value and deliver benefits that exceed their cost of operation
- Optimise existing structures, accountabilities and partnerships

Practice

- Existing premises will be utilised
- Existing staff and organisational arrangements will be utilised
- Any contribution from constituent authorities in first 3 years by way of loan to CA
- Budget requires unanimous agreement

13

The journey to be completed



Notice of Motions

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

1. Proposed by Ms A. Kemp

This Council lost £34 million in extricating Norfolk from a costly and insufficiently scrutinised contract for an incinerator in South Lynn but unfortunately and ill-advisedly voted not to complete the Revell Enquiry so that lessons could be learnt to prevent a repetition of the same costly errors in the future.

This Council therefore recognises that the right option and legacy to leave to the new Council in May is a Council committed and resourced to deliver as priority an amendment to the Council's Waste Plan to embed its commitment to eliminate all forms of waste treatment involving Incineration on the Willows site.

2. Proposed by Mr J. Mooney, seconded by Mrs A. Thomas

I was recently approached by one of my local residents whose husband had died from Motor Neurone Disease. Her personal story persuaded me that I should do all I can to raise awareness of MND. As part of that process I am asking Norfolk County Council to consider supporting the MND Charter. The Charter is made up of 5 key points and these are listed below.

1. The right to an early diagnosis and information
2. The right to access quality care and treatments
3. The right to be treated as individuals and with dignity and respect
4. The right to maximise their quality of life
5. Carers of people with MND have the right to be valued, respected, listened to and well-supported.

By supporting the MND Charter (www.mndassociation.org/mndcharter), the council agrees to promote the Charter and to make it available to all councillors, council staff, partner organisations and health and social care professionals who deliver services for the council.

I propose that this Council supports the Motor Neurone Disease (MND) Charter, which sets out the care and support that people living with MND and their carers deserve and should expect.

3. Proposed by Mr T. Coke

Following the motion agreed by Council in July 2015 which stated:

“That this Council reviews the governance options set out under the Cities and Local Government Devolution Bill, at both county and district levels, with a view to identifying significant savings, improving efficiency, democracy and accountability”

and further to the Secretary of State’s decision to abandon Devolution for Norfolk and Suffolk last month and in consideration of the report recently sent to members, to move the process to the next stage:

‘This council resolves to ask officers to prepare detailed options with a view to submitting proposals to the Secretary of State for an alternative governance structure for Norfolk. Officers will provide a breakdown of the savings, efficiencies and implementation costs that each option would provide in a coherent business plan.

The governance structure options will include but will not be limited to:

- Current two tier system
- Single unitary council
- 2 unitary councils
- 3 unitary councils’

4. Proposed by Mr J. Childs, seconded by Mr D. Crawford

Norfolk County Council will look into whether empty council buildings could be used to shelter those who are sleeping rough over the coming winter months to ensure there is a safe, warm place for every Norfolk resident this winter.

5. Proposed by Mr J. Childs, seconded by Mr F. Agnew

Norfolk County Council affirms its commitment to champion for our children and young people’s right to an excellent education by supporting the governments proposed policy for a new generation of grammar schools.’

6. Proposed by Mr R. Bird, seconded by Mr J. Childs

Members of the Council to encourage and work in partnership with their parish and district councils to look into the work being done by our reparation teams based across the county as possible sources of labour to help offset the funding cuts being made by the central government.

7. Proposed by Mr R. Bearman, seconded by Dr A. Boswell

Reducing single-use plastic (SUP) use in Norfolk

According to recent research, eight million metric tons of plastic waste ends up in the world's oceans each year, endangering marine life. There is also a growing understanding of the risks posed to human health by toxic chemicals present in plastics.

Seven months after the introduction of the 5p bag charge, use of single-use plastic bags had already dropped by 85%, while the TV programme Hugh's War on Waste has raised public awareness of the problems of our throwaway culture. It is time for us to take a lead on this issue.

This Council RESOLVES to:

1. request officers to develop a robust strategy to move towards making Norfolk County Council workplaces 'single-use-plastic-free' by the end of 2017 and encourage other institutions, businesses and citizens to adopt similar measures;
2. end the sale and provision of SUP products such as bottles, cups, cutlery and drinking straws in council buildings by the end of 2017, by using reusable or fully recyclable alternatives.
3. investigate the possibility of requiring pop-up food and drink vendors at council events to avoid SUPs as a condition of their contract; and to replace with reusable or fully recyclable alternatives.
4. work with tenants in commercial properties owned by Norfolk County Council to encourage the phasing out of SUP cups, bottles, cutlery and straws, by using reusable or fully recyclable alternatives.

8. Proposed by Councillor Martin Wilby, seconded by Councillor Alison Thomas

This Council recognises the vital importance of improving our transport infrastructure and that this will help to deliver the new jobs and economic growth that is needed in the years ahead.

This Council also recognises the importance of giving a clear message of its infrastructure priorities to the government and its agencies, and so ensure that there is universal recognition of their importance to the people of Norfolk. We need to consistently project this clear message and build and maintain the necessary momentum until we have eliminated this infrastructure deficit.

Therefore, the council agrees the following projects as its priorities for the coming years:

- Norwich western link
- Long Stratton bypass
- Great Yarmouth 3rd River Crossing

In addition, this Council notes the commitment of government to various A47 improvements, but is concerned that Highways England will not make any substantial start on construction until 2020.

The Council therefore urges government to commit to:

- timely improvement of all the A47 (from Peterborough to Lowestoft)
- a full dual carriageway standard, with appropriate grade separated junctions.
- in particular, early government confirmation of the Acle Straight and Tilney to East Winch dualling projects.

9. Proposed by Mr P. Smyth

As the Fire Authority for Norfolk this Council has a legal obligation to fulfil the requirements of the Fire & Rescue Services Act 2004 and the Secretary of State's Fire & Rescue National Framework. Yet repeated cuts to the Norfolk Fire and Rescue Service (NFRS), mean the Service receives about the same money today as it did in 2004-5, and NCC currently invests less money per head of the population in Fire & Rescue safety than any other Fire Authority in England at a time when the NFRS faces significant and increasing difficulties. For example, some 71% of its retained duty stations are short of staff, tenders routinely respond to incidents with a crew of 4 instead of 5 fire-fighters, it has not met its station availability target since 2011-12 and it lacks a permanent Chief Fire Officer.

This Council recognises the commitment and bravery of NFRS staff, the life-saving work they do, but also the increasingly precarious situation the Service is in. It therefore resolves to protect the professional viability of the NFRS and its ability to provide emergency cover for the people of Norfolk and their homes, its businesses and infrastructure, by reversing the repeated under-investment NFRS has experienced this century and the damaging cuts still expected of the Service. It therefore endorses the Communities Committee recommendation of 11 May to use a small part (c. 12%) of the extra £7.7M transitional and Rural Services funding the government awarded this Council in February to remove the £900K of cuts demanded of NFRS over the next three years, without prejudice to the Committee's budget.

This Fire Authority must take action to preserve the operational effectiveness of the NFRS and to protect its staff from unnecessary risks. To choose not to do so would be a dereliction of its duty.

10. Proposed by Mr P. Smyth

This Council has chosen to:

1. not relieve the sustained and increasing pressure undermining the future viability of the Norfolk Fire and Rescue Service (NFRS);
2. put the operational effectiveness of NFRS at greater risk, with potential consequences for public safety in the county;
3. ignore the recommendation of the Service Committee with lead responsibility for overseeing the performance of NFRS;

For years NCC has limited the funding it provides NFRS, and it now spends less per head of the population on Fire and Rescue services than any other Fire Authority in the country. The Service is already experiencing serious difficulties. With Norfolk's growing and significantly ageing population, more traffic on its roads and plans for tens of thousands of new homes in the county, NFRS is facing an increasingly precarious situation.

As NCC is demanding further cuts to NFRS it evidently cannot afford to provide the Service with the funding it needs to meet the growing demands being placed on it. The additional £7.7M of Rural Services Delivery Grant (RSDG)/Transitional funding awarded to NCC in February provided it with options. As it has chosen not to allocate a small portion of this money to preserve the operational viability of NFRS and alleviate the damaging strain the Service is under, this Council resolves to explore options to transfer responsibility for the NFRS to the Norfolk Police and Crime Commissioner.

11. Proposed by Mr J. Dobson

Consequent upon the Council's decision at its last routine meeting not to resurrect the abandoned Revell Inquiry into the Incinerator Project fiasco (£34m loss of tax payers' money) and to avoid further accusations of a cover-up, this Council needs to provide for the benefit of Norfolk taxpayers a formal, final statement in order to bring closure on the subject within its municipal term. We therefore have only until April 2017 to finalise the matter. This motion comprises a text for Council's approval or otherwise, which goes as far as is possible in the present circumstances to indicate where the key processes are recorded and can be publicly accessed by which the flawed decision to sign the contract was made, outline what in consequence of the major lessons learned has already been changed, and propose a final piece of work on the apparently unsatisfactory audit and risk aspects of the matter.

The decision to proceed with the contract to build and operate an industrial-scale, mass-burn incinerator immediately upwind of King's Lynn to dispose of Norfolk's residual household waste was taken by the Cabinet at a time when the Council operated under a "Strong Leader and Cabinet" form of governance. The Cabinet took the decision despite the fact that planning

permission for the Project had not been received, the credits of £169m were not necessarily secure and substantial penalties were enforceable if planning permission was not received within the laid-down time-scale. The circumstances of the complex and prolonged series of meetings held at the time are all reported in detail on the Council web site and the names of those Councillors and officers involved, in particular the then Council Leader, the Portfolio holder and Director of ETD, to whom authority to proceed with the final implementation stages of the contract had been delegated, are included. By way of avoiding any recurrence of such a major disaster in future, early in the term of the present Council, it was decided, in major measure because of many of the processes and individual behaviours evidenced during the implementation stages of the project, that the "Strong Leader and Cabinet" system, should be changed immediately to a "Committee" system of governance, whereby individual Councillors cannot make decisions on their own and there is no Cabinet. Under this changed system matters of major policy have to be decided on by full Council. This should go a long way to ensure that the publicly damaging criticisms of "democratic deficit" in the Incinerator Project pronounced at the time cannot be repeated in future large-scale procurement projects, nor can such projects be undertaken without full Council involvement and hopefully a less disastrous outcome.

The crucial issue of audit and risk surrounding the failed contract, however, has not been pronounced upon and requires further examination. We have time to do this and inform the public before the Council stands down. The issue primarily concerns the actions of the relevant senior officers comprising the Chief Officers Group at the time (all since gone). The function of corporate risk on the Council at the time was in the "ownership" of the Chief Officers Group. We have since learned from a National Audit Office report that the Council was officially advised by DEFRA at the time that the time-scale allowed for securing planning permission was too short, given the draconian penalties for not achieving it. What we now need is a report from the Managing Director (who was not in post then) to explain why the Chief Officers at the time had apparently ignored the warning and continued to advise that the project should go ahead. We also need to know whether the measures which have since been taken to ensure that the Chief Officer Group's successor body would heed such a warning in future are adequate; also how and why the Audit Committee, its staff, as well as the Council's external auditor, did not see fit to pass any criticism in their annual reports on the processes involved or those members/officers exercising the relevant functions at the time. This should be presented to the Council in time for its (final) 10 April 2017 meeting."

Recommendations of the Policy and Resources Committee meetings held on 31 October 2016 and 28 November 2016

Item from the meeting of 31 October 2016

- 1 Finance Monitoring Period 5, August 2016**
- 1.1 An extract from a report by the Executive Director of Finance that was presented to the Committee is enclosed as Appendix A.
- 1.2 **The Committee RESOLVED to RECOMMEND:**

Additions of £4.710m to the 2016-17 capital programme for ICT projects, library books and capital project support, as set out in Appendix A to this report.

Items from the meeting of 28 November 2016

- 2 Finance Monitoring Report Period 6 September 2016**
- 2.1 The Committee received a report by the Executive Director of Finance that gave details of the forecast position for the 2016-17 Revenue and Capital Budgets, General Balances, and the forecast Reserves at 31 March 2017, together with related financial information. The report also provided a brief commentary on Resources and Finance budgets which were the responsibility of this Committee.
- 2.2 The Committee **RESOLVED:**
 - 1. To note the period 6 forecast Revenue overspend of £20.746m (Period 5 £21.393m);**
 - 2. To endorse and recommend to County Council for approval reserves use in 2016-17 as set out in Appendix 1, paragraph 3.6, table 3d, or as explained in paragraphs 3.11 to 3.15 of the report that can be found at Appendix B to this report:**
 - a. Adult Social Services £0.651m**
 - b. Community and Environmental Services £6.987m**
 - c. Finance and Property £0.115m**
(note only the Adult Social Services proposed use of reserves will reduce the forecast overspend as the proposed use by other services is already reflected in the forecast)
 - 1. To note the forecast General Balances at 31 March 2017 of £19.252m, before taking into account any over/under spends;**
 - 2. To note the forecast financial information in respect of**

Resources and Finance budgets which are the responsibility of this Committee, as set out in Appendix 2;

- 3. To note the revised expenditure and funding of the 2016-20 capital programme as set out in Appendix 3 of the report;**
- 4. To 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 Capital Annex 2.**

3 Mid-Year Treasury Management Monitoring Report 2016-17

- 3.1 The Committee received a report by the Executive Director of Finance that provided information on the treasury management activities of the County Council for the period 1st April 2016 to 30th September 2016.

3.2 **The Committee RESOLVED to RECOMMEND:**

That Council agree the Mid-Year Treasury Management Monitoring Report 2016-17 detailed in Appendix C to this report.

4 Appointment of Directors in NCC related Companies – Supplement

- 4.1 The Committee received a report by the Executive Director of Finance that set out details of a clarification in the appointment of a Director of a company in which the County Council had an interest and sought approval for amendments to a number of existing appointments that had been agreed by the County Council on 17 October 2016.

4.2 **The Committee RESOLVED to RECOMMEND:**

- 1. That Full Council confirm the Directors of Norse Care Limited and Norse Care Services Limited as set out in Table 1 of the report at Appendix D to this report.**
- 2. That Full Council appoint Joel Hull as a Director of Norfolk Energy Futures Limited, replacing Paul Borrett.**
- 3. That Full Council agree to the Director appointments in respect of Norfolk Safety CIC as set out in Table 3 of the report at Appendix D to this report.**

5 Recommendations from the Constitution Advisory Group

- 5.1 The Committee received the report at Appendix D to this report from the Constitution Advisory Group.

5.2 **The Committee RESOLVED to RECOMMEND:**

The recommendations contained in the report at Appendix E to this report subject to addition of the following posts in whose appointment members are formally involved:

Head of Law
Head of Democratic Services
Head of ICT and Information Management
Head of Programme Management Office
Head of Procurement

Cliff Jordan,
Chairman, Policy and Resources Committee

Appendix A: Extract from report presented to Policy and Resources Committee

1 Proposed additions to the 2016-17 capital programme – total £4.710m

- 1.1 In certain circumstances revenue expenditure has historically been used to fund projects and assets which can properly be classed as capital. This use of revenue funding while allowable is no longer appropriate in the context of pressures on the Council's revenue budget.
- 1.2 Subject to the agreement of this committee, the following areas of capital spend will be capitalised subject to the existing capital expenditure rules. Funding will initially be through prudential borrowing, and transferred to other external funding sources, for example grant funding, whenever possible.
- 1.3 **ICT - new Voice & Data, server infrastructure and other improvements – additional £3.000m in 2016-17**

Voice and Data: An amount of £1.5m was approved as part of the 2015-16 capital programme in order to commission new Voice and Data assets. As the project has progressed it is estimated that a further £0.6m of spend can be capitalised in 2016-17.

Server infrastructure: The authority's server infrastructure is now 5 years old and has reached the end of economic life. Replacement servers will be able to meet enhanced storage and recovery standards. The estimated cost of server replacements and licencing is £3.4m, of which £1m is forecast to be spent in 2016-17.

Licencing and generic capital improvements: A number of ICT projects have been proposed to enhance services throughout NCC, principally through the development of a range of self-service portals. As much as £3m will be required in total, with £1.2m capital expenditure in 2016-17. An additional £0.2m has been identified as capital spend in 2016-17 for long term licences. It is likely that a further £0.3m will be proposed for the 2017-18 capital programme.

1.4 Library books - £1.300m

The majority of expenditure on library books has previously been treated as revenue expenditure within the Council's accounts. However, with spend between £1.2m - £1.3m per annum, library books form a class of "non-current assets" which can be capitalised.

1.5 Capital project and procurement support - £0.410m

The Council spends over £100m each year on its capital programme. Included in this cost can be staff time where it relates to specific projects and assets. The cost of a number of staff providing support and advice to various elements of the capital programme, previously funded from the revenue

budget (up to £0.300m), plus associated extended licence costs (including Budget Manager £0.110m) will be charged to future assets as applicable.

APPENDIX B

Report title:	Finance monitoring report P6 September 2016
Date of meeting:	28 November 2016
Responsible Chief Officer:	Executive Director of Finance
Strategic impact The Annexes to this report summarise the Period 6 (September 2016) forecast financial outturn position for 2016-17, to assist members to maintain an overview of the overall financial position of the Council, including the budgets for which this committee is directly responsible.	

Executive summary

This report gives details of the forecast position for the 2016-17 Revenue and Capital Budgets, General Balances, and the forecast Council's Reserves at 31 March 2017, together with related financial information. The report also provides a brief commentary on Resources and Finance budgets which are the responsibility of this Committee.

Members are asked to:

- **note the period 6 forecast Revenue overspend of £20.746m (P5 £21.393m);**
- **endorse and recommend to County Council for approval reserves use in 2016-17 as set out in Appendix 1, paragraph 3.6, table 3d, or as explained in paragraphs 3.11 to 3.15:**
 - **Adult Social Services** **£0.651m**
 - **Community and Environmental Services** **£6.987m**
 - **Finance and Property** **£0.115m**

(note: only the Adult Social Services proposed use of reserves will reduce the forecast overspend as the proposed use by other services is already reflected in the forecast).
- **note the forecast General Balances at 31 March 2017 of £19.252m, before taking into account any over/under spends;**
- **note the forecast financial information in respect of Resources and Finance budgets which are the responsibility of this Committee, as set out in Appendix 2;**
- **note the revised expenditure and funding of the 2016-20 capital programme as set out in Appendix 3;**

- **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 Capital Annex 2.**

1. Introduction

1.1 On 22 February 2016, the County Council agreed a net revenue budget of £338.960m. At the end of each month, officers prepare financial forecasts for each service including forecast expenditure and the planned impact on earmarked reserves.

2. Evidence

2.1 Three appendices are attached to this report:

Appendix 1 summarises the forecast revenue outturn position, including:

- Forecast over and under spends within each Service
- Forecast reserves balances
- Changes to the approved budget
- Treasury management
- Payments and debt performance

Appendix 2 summarises the forecast outturn for budgets which are the responsibility of the Policy and Resources Committee, including forecasts and other information relating to:

- Resources budgets
- Finance and property budgets
- Finance General budgets.

Appendix 3 summarises the forecast capital outturn position, and includes

- Changes to the capital programme
- Future years capital programmes
- Capital programme funding
- Forecast and actual income from property sales

3. Financial Implications

3.1 As stated above, the forecast revenue outturn for 2016-17 is an overspend of **£20.746m** (previously reported P5 overspend £21.393m). Chief Officers have responsibility for managing their budgets within the amounts approved by County Council. Chief Officers are responsible for taking measures to reduce or eliminate potential over-spends in-year.

3.2 As approved at the July meeting of this Committee, the forecast assumes full use of the Corporate Business Risk Reserve to fund Adult Social Care cost pressures in 2016-17.

3.4 The Council's capital programme incorporates new schemes approved by County Council on 22 February 2016, amounts brought forward from previous years' programmes, and any changes in this financial year.

4. Issues, risks and innovation

Risk implications

4.1 The Council's Corporate Risk Register provides a full description of corporate risks, including corporate level financial risks, mitigating actions and the progress made in managing the level of risk.

4.2 Risk management reports which include the corporate risk register are presented regularly to this Committee. A majority of risks, if not managed, could have significant financial consequences. The risks addressed include finance specific risks, for example of failing to generate income or to realise savings.

4.3 Chief Officers have responsibility for managing their budgets within the amounts approved by County Council. Chief Officers will take measures throughout the year to reduce or eliminate potential over-spends.

5. Background

5.1 Having set a revenue and capital budget at the start of the financial year, the Council needs to ensure service delivery within allocated and available resources, which in turn underpins the financial stability of the Council. Consequently there is a requirement to regularly monitor progress so that corrective action can be taken when required.

5.2 The monthly forecasts in this report are based on detailed cost centre level data supplied by responsible budget officers after the end of each financial period. Moderation by chief officers are completed approximately 18-20 days after each month end. These forecasts form the basis of finance reports over the service committee reporting cycle, and the forecasts in this report are consistent with the most recent service committee reports.

Officer Contact:

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

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Appendix 1: 2016-17 Revenue Finance Monitoring Report Month 6

Report by the Executive Director of Finance

1 Introduction

This report gives details of:

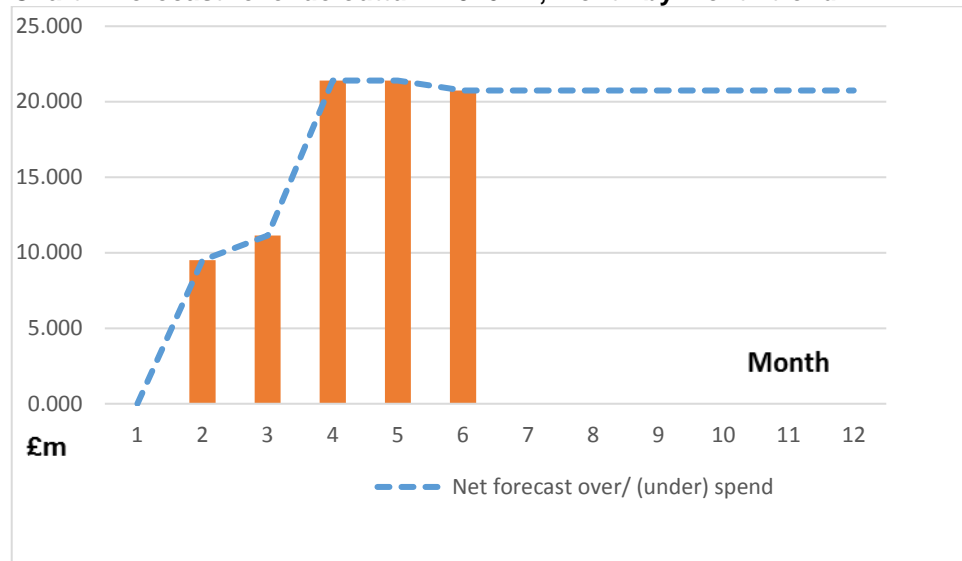
- the latest monitoring position for the 2016-17 Revenue Budget
- forecast General Balances and Reserves at 31 March 2017 and
- other key information relating to the overall financial position of the Council.

2 Summary of financial monitoring position

At the end of September 2016 (month 6):

An overspend of **£20.746m** (P5 £21.393m) is forecast on a net budget of £338.960m.

Chart 1: forecast revenue outturn 2016-17, month by month trend:



2.1 As in previous years, the main areas for the forecast service overspend are as follows:

- Adult Social Services: the net cost of services to users (Purchase of Care and hired transport), and risks associated with the delivery of recurrent savings
- Children's Services: Looked After Children numbers are still not reducing as planned. Children's Services Committee intends to review the use of reserves including the dedicated schools grant at its January meeting, the result of which may have an impact on the overspend and forecast reserves balances shown in this report.

- 2.2 The forecast overspends in Adults and Children's Services have been partly mitigated by a Public Health contribution of £2.750m to services that deliver a public health outcome.
- 2.3 General Balances are forecast to be £19.252m at 31 March 2017, before taking into account any forecast under/overspends.
- 2.4 Reserves balances are shown in section 3, and can be summarised as follows.

Table 1: Reserves and provisions summary

Reserves and provisions	Opening balance 1 April 2016	Latest P6 forecast balances March 2017
Total reserves and provisions (exl LMS)	108.793	77.739
LMS balances	21.333	13.705
Total reserves and provisions	130.126	91.444

Agreed budget, changes and variations

- 2.5 The 2016-17 budget was agreed by Council on 22 February 2016 and is summarised in the Council's Budget Book 2016-19. A summary of the budget by service is as follows:

Table 2: 2016-17 original and revised net budget by service

Service	Approved net base budget	Revised budget P5	Changes in P5	Revised budget P5
	£m		£m	£m
Adult Social Services	246.852	247.369	-	247.369
Children's Services	167.290	167.290	-	167.290
Community and Environmental Services	199.650	198.322	-	198.322
Resources	20.407	21.775	0.021	21.796
Finance and Property	16.050	16.009	-	16.009
Finance General	-311.289	-311.805	-0.021	-311.826
Total	338.960	338.960	-	338.960

- 2.6 There have been no material net budget movements between services in period 6. The small adjustment shown above relates to a budget movement for costs associated with the Norfolk Rewards scheme.
- 2.7 **Savings targets:** The key savings targets required for the delivery of a balanced 2016-17 budget are addressed in separate reports to P&R committee.

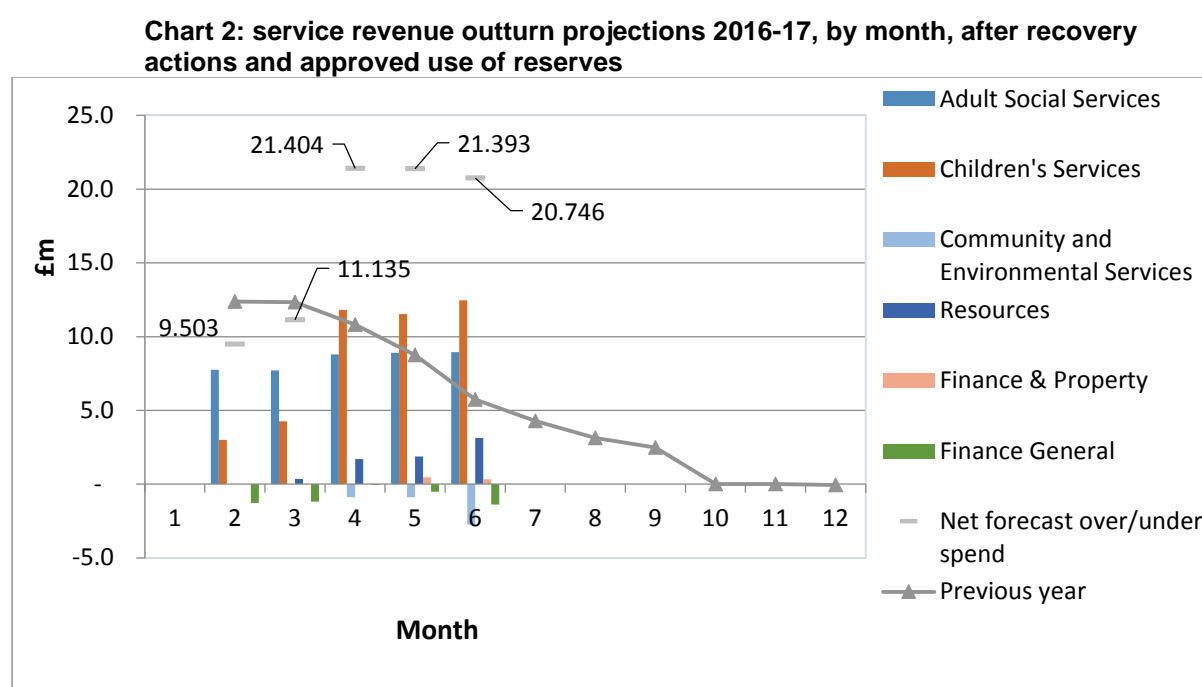
Revenue outturn – forecast over/underspends

- 2.8 Chief Officers have responsibility for managing their budgets within the amounts approved by County Council. They have been charged with reviewing all of their cost centres to ensure that, where an overspend is identified, action is taken to ensure that a balanced budget is achieved for the year.
- 2.9 Details of all projected under and over spends for each service, together with details of areas where mitigating action is being taken, are shown in the final section of this report, and are summarised in the following table:

Table 3: 2016-17 projected budget variations by service

Service	Revised Budget £m	Projected net (under)/ over spend £m	%	RAG
Adult Social Services	247.369	8.953	3.6%	R
Children's Services	167.290	12.456	7.4%	R
Community and Environmental Services	198.322	-2.750	-1.4%	G
Resources	21.796	3.131	14.4%	A
Finance and Property	16.009	0.345	2.2%	G
Finance General	-311.826	-1.389	0.4%	G
Totals	338.960	20.746	6.1%	R

2.10 The following chart shows service outturn projections by month:



2.11 The main reasons for the forecast service under and overspends are as follows:

- Adult Social Services:** The overspend is primarily due to the net cost of Services to Users (purchase of care) and risks associated with the delivery of this and other savings, including savings associated with packages of care for people with learning disabilities and physical disabilities. Further details are given in the 7 November 2016 Adult Social Care Committee Finance Monitoring Report.
- Children's Services:** The number of looked after children placements and the cost of agency placements related to placement mix have not reduced as quickly as planned. Further details of over and underspends are given in the 15 November 2016 Children's Services Committee Integrated Performance and Finance Monitoring Report. Children's Services Committee intend to review the use of reserves including the dedicated schools grant at its January meeting, the result of which may have a significant impact on the overspend and forecast reserves balances shown in this report.
- CES:** An underspend has been identified in CES, due to a Public Health one-off contribution to fund, on a non-recurrent basis, existing Council services that contribute to a public health outcomes to the value of £2.75m public health related work across services. This is likely to be within services provided by Children's and Adults Services (for example Early Help in Children's Services).

- **Resources:** the forecast Resources overspend is related to potential non delivery of Resources savings associated with cost reductions and revenue generation, mitigated by planned use of reserves and a forecast nplaw underspend.

Remedial actions include vacancy management and cost control, along with capitalisation of activity where it relates to the capital programme.

- **Finance and Property, and Finance General:** A detailed breakdown of the Finance position is included in Appendix 2:
 - No over or underspends are forecast in Finance and Property Service delivery.
 - There have been no material changes to the Finance General forecast under and over-spends since P5 apart from the recognition of the use of reserves.
 - Use of £0.115m of a new Corporate Property Team One Public Estate reserve.is forecast. Latest forecasts for Finance General reserves suggest that the call on the Organisation Change and Redundancy will exceed the amounts predicted prior to the start of the year, although overall balances remain higher than planned.

3 General balances and reserves

General balances

- 3.1 On 22 February 2016 Council agreed the recommendation from the Executive Director of Finance for a minimum level of General Balances of £19.200m through 2016-17. The balance at 1 April 2016 was £19.252m, and the forecast at 31 March 2017 is unchanged at £19.252m. This forecast assumes a balance budget will be achieved.

Earmarked reserves and provisions balances and forecasts

- 3.2 A reserve is an amount set aside for a specific purpose in one financial year and carried forward to meet expenditure in future years. The Council carries a number of reserves and provisions with forecasts as follows:
- 3.3 Budget planning for 2016-17 anticipated net reserves and provisions use of £11.176m in addition to full use of the Business Risk reserve, giving a total use of over £21m as shown below:

Table 4a: Budget book planned use of Reserves and provisions by service

Reserves and provisions use by service	Use of reserves (budget book)	Business Risk reserve	Planned use of reserves	Use of provisions & schools reserves (budget book)	Use of reserves and provisions (budget book)
	£m	£m	£m	£m	
Adult Social Services	1.074	10.157	11.231		11.231
Children's Services (including DSG)	3.437		3.437	0.003 0.809	4.249
Community and Environmental Services	4.642		4.642	0.059	4.701
Resources	0.605		0.605		0.605
Finance & Property	1.418		1.418	2.000	3.418
	11.176	10.157	21.333	2.871	24.204
LMS	3.220		3.220		3.220
	14.396	10.157	24.553	2.871	27.424

Notes:

- the table above may contain small rounding differences
- an adjustment has been made to the use of reserves (budget book) to reflect £1.5m planned use of Public Health reserves, originally under Resources now in CES.

- 3.4 However, as can be seen below, actual reserves were significantly higher at 31 March 2016 than had been anticipated at the time of budget setting. Net additions arose from monies being carried forward from 2015-16 into 2016-17, including grants and contributions received later during the year.

Table 4b: Net additions to reserves between budget setting and financial year end

Reserves and provisions by service	Budget book, forecast balance at 31 March 2016	Net additions to reserves and provisions between budget setting and year end	Opening balance 1 April 2016
	£m	£m	£m
Adult Social Services	3.357	2.618	5.975
Children's Services (excl LMS)	15.370	1.900	17.270
Community and Environmental Services	29.696	12.182	41.878
Resources	5.146	1.630	6.776
Finance & Property	22.527	3.689	26.216
Business risk reserve	10.157	0.521	10.678
Total reserves and provisions (excl LMS)	86.253	22.540	108.793
LMS balances	19.220	2.113	21.333
Total reserves and provisions	105.473	24.653	130.126

- 3.5 Services have re-analysed their forecast reserves use for 2016-17, on the basis that reserves should not be used simply to address a budget overspend, but there may be legitimate reasons for use, for example the use of grants carried over from 2015-16. Current forecast reserves use is shown in the following table.

Table 4c: P6 Forecast reserves use

Reserves and provisions by service	Opening balance 1 April 2016	Latest P6 forecast balances March 2017	Forecast reserves use
	£m	£m	£m
Adult Social Services (excl Business risk reserve, see below)	5.975	5.422	0.553
Children's Services (excl LMS)	17.270	13.021	4.249
Community and Environmental Services	41.878	30.190	11.688
Resources	6.776	5.776	1.000
Finance & Property	26.216	23.330	2.886
Business risk reserve	10.678	-	10.678
Total reserves and provisions (excl LMS)	108.793	77.739	31.054
LMS balances	21.333	13.705	7.628
Total reserves and provisions	130.126	91.444	38.682

3.6 Forecast reserves use over and above planned use is as follows.

Table 4d: Forecast reserves use over and above planned use

Reserves and provisions by service	Forecast reserves use	Planned reserves use (budget book)	Forecast use over and above planned
	£m	£m	
Adult Social Services (incl Business Risk Reserve)	11.231	11.231	-
Children's Services (excl LMS)	4.249	4.249	-
Community and Environmental Services	11.688	4.701	6.987
Resources	1.000	0.605	0.395
Finance & Property	2.886	3.418	- 0.532
Total reserves and provisions (excl LMS)	31.054	24.204	6.850
LMS balances	7.628	3.220	4.408
Total reserves and provisions	38.682	27.424	11.258

3.7 Actual forecast reserves use is higher than anticipated at the time of budget setting. The increase in forecast use is more than off-set by the increase in opening balances, and the forecast balance of £91.444m at 31 March 2017 is higher than the forecast at the time of the budget.

Table 4e: Demonstration that additional reserves use is more than offset by increased opening balances

Reserves and provisions (excluding LMS)	Planned (budget book)	Forecast P6	Difference
	£m	£m	£m
Increase in opening balances 1 April 2016	86.253	108.793	22.540
Less increase in forecast use	24.204	31.054	6.850
Excess of forecast reserves over planned			15.690
LMS balances			-2.295
Excess of forecast reserves over planned			13.395

- 3.8 After the additional use of reserves, the forecast reserves (excluding LMS reserves) at 31 March 2017 remain over £15m higher than anticipated in February 2016 when the budget was set.

Table 4f: Forecast reserves balances compared to forecast 2016-17

Reserves and provisions by service	Forecast balances March 2017 at time of budget setting	Latest P6 forecast balances March 2017	Forecast balance - excess compared to budget
	£m	£m	£m
Adult Social Services	2.283	5.422	3.139
Children's Services (excl LMS)	11.121	13.021	1.900
Community and Environmental Services	24.995	30.190	5.195
Resources	4.541	5.776	1.235
Finance & Property	19.109	23.330	4.221
Business risk reserve	-	-	
Total reserves and provisions (excl LMS)	62.049	77.739	15.690
LMS balances	16.000	13.705	-2.295
Total reserves and provisions	78.049	91.444	13.395

- 3.9 At the time of budget setting, net withdrawals totalling of £21.333m were anticipated from a number of project and service specific reserves across all services, including full use of the Business Risk reserve. This figure rises to £27.424m when provisions, schools reserves and LMS reserves are taken into account. Although the forecast movement in reserves is significantly higher than anticipated at the time of budget setting, this is more than accounted for by the higher than expected balances brought forward. Total reserves (excluding LMS balances) are forecast to be over £13m higher than planned, even taking into account the increased use.
- 3.10 The largest forecast reserves movement is full use of the Business Risk reserve which was set up as part of the budget proposals agreed at 22 February 2016 County Council following a change in MRP policy. The reserve is being used to manage considerable Adult Social Care cost pressures and a reduction in contributions from the Better Care Fund, as approved by this Committee at its meeting on 18 July 2016.

Use of reserves compared to planned use

- 3.11 It is common practice to use reserves for purposes which span financial years, and where the reserves may be carried over a financial year end for spend in the subsequent year. This is particularly relevant in the case of external grants and project reserves, where the timing of scheme delivery can be unpredictable – for example monies set aside for gritting. As a result reserves use can be higher than anticipated at the time of budget setting. The implications of this are set out in table 4d above.

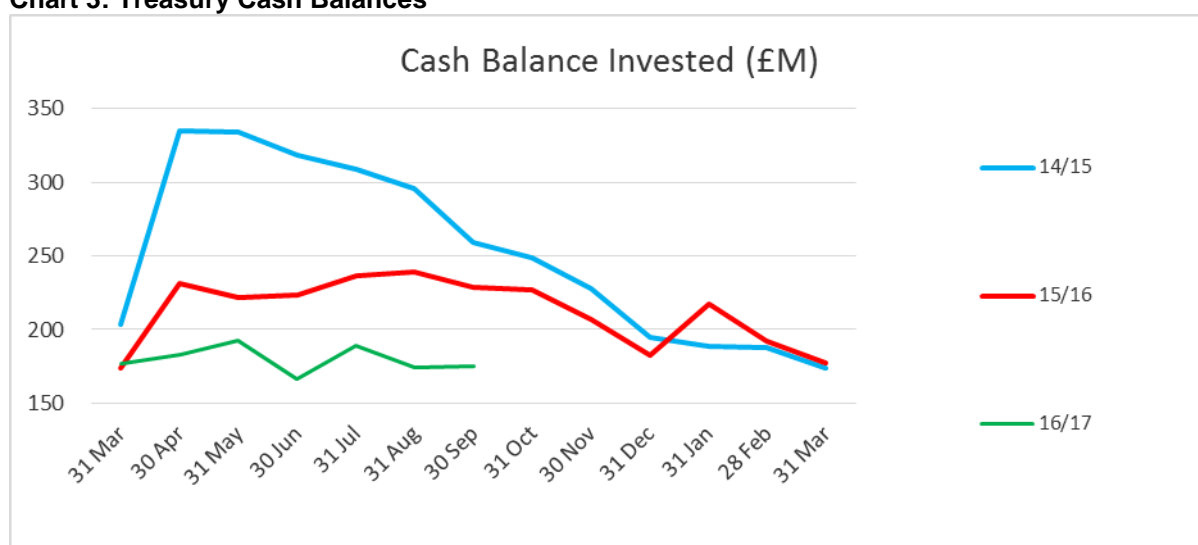
- 3.12 Adult Social Services reserves use is in line with planned useage. At the point that the budget was set in February 2016, the Council agreed to £1.073m use of Adult Social Services reserves in 2016/17. An increase in reserves at the year end have resulted in in-year plans to use an additional £0.651m. This reflects the use of £0.521m from the Corporate Business Risk reserve not anticipated at the time of budget setting, relating to funding towards the Better Care Fund within the Norwich locality, plus the use of £0.112m unspent grants and contributions and £0.015 from the prevention fund. The year-end position on reserves was £0.838m higher than at budget so this expenditure does not reduce reserves to a level below the forecast at budget setting time.
- 3.13 The Children's Services Reserves and Provisions shown above include the assumed use at the time of budget setting. Children's Services Committee intend to review the use of reserves including the dedicated schools grant at its January meeting, the result of which may have an impact on the reserves balances shown in this report.
- 3.14 CES reserves use is forecast to be £6.987m higher than was anticipated at the time of budget setting. The main elements in this figure are: £4.284m use of the Street Lighting PFI sinking fund, which was originally planned to take place in 2015-16 and has been carried forward to 2016-17; use of £2.789m from the Public Health reserve relating to the £2.5m underspend previously reported to this committee (against planned use of £1.5m); and use of various brought forward unspent grants. Even with the increased use, forecast CES reserves balances at 31 March 2017 are over £5m higher than anticipated at the time of budget setting.
- 3.15 Resources reserves use of £1m is forecast, with details shown in Appendix 2. The largest reserve is the £2.7m ICT reserve. At this stage, no use of this reserve has been approved. A request is likely to be made at a future meeting to make use of this reserve.
- 3.16 Within Finance and Property, use of £0.115m use of a new Corporate Property Team One Public Estate reserve is forecast.
- 3.17 LMS balances are forecast to reduce by over £7m, of which approximately £3m is due to the impact of schools becoming academies, with the balance being the general use of balances projected by schools.
- 3.18 **Provisions:** The Council's accounting provisions total £27m. No significant movement on provisions is currently forecast in 2016-17. The main provisions are:
- Insurance provision £13m
 - Closed Landfill site accounting provision (non cash-backed) £9m
 - Bad debts provisions £3m
 - Pension, redundancy and pay provisions £2m.

- 3.19 More details of forecast reserves use can be found in the latest Service Committee finance monitoring reports, and in Appendix 2 to this report.

4 Treasury management summary

- 4.1 The corporate treasury management function ensures the efficient management of all the authority's cash balances.
- 4.2 The graph below shows the level of cash balances over the last 3 years. The high balance in April 2014 reflected the front loading of Business Rates Retention and Revenue Support Grant. Since then, receipts have been more evenly distributed.

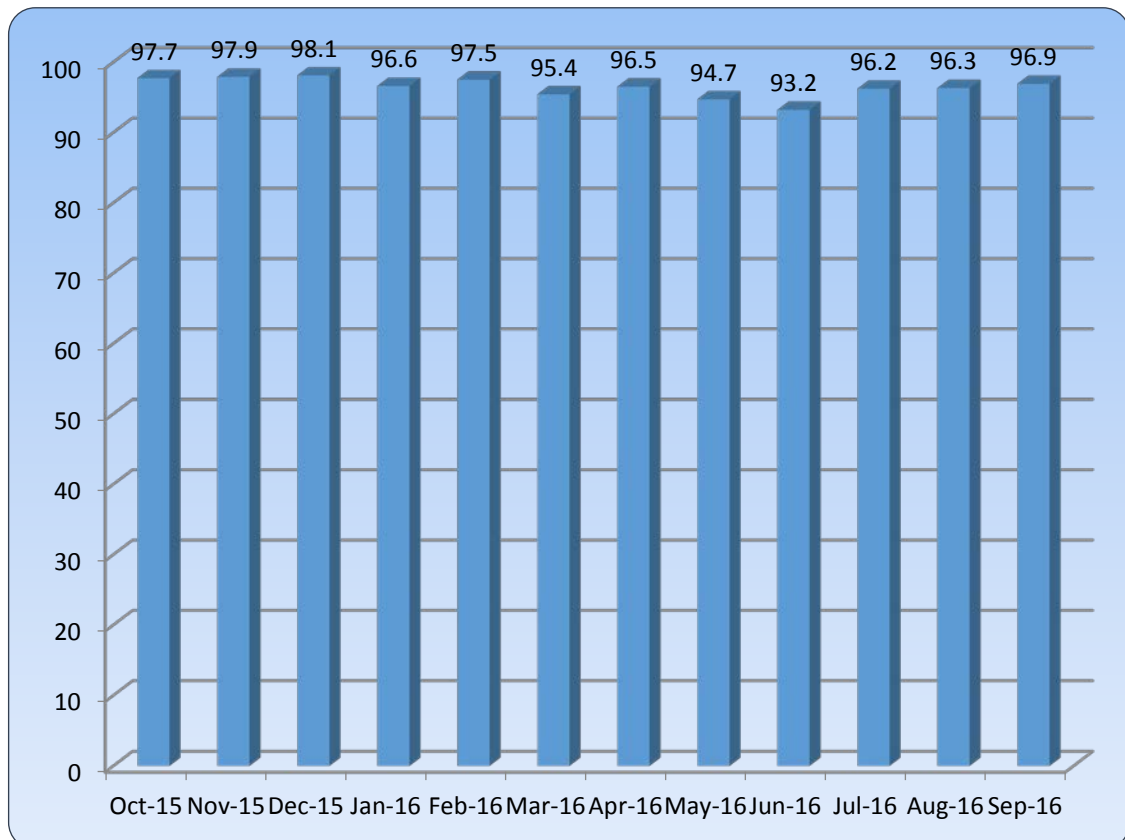
Chart 3: Treasury Cash Balances



- 4.3 Gross interest earned for the period 1 April 2016 to 30 September 2016 is £0.926m.
- 4.4 On 4 August 2016 the Bank of England reduced bank base rate to 0.25% from the previous rate of 0.5% which had stood since March 2009.
- 4.5 In accordance with the approved 2016-17 Investment Strategy, the County Council continues to delay new borrowing for the majority of 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.
- 4.6 In July and August of this year £17m was borrowed on behalf of the Greater Norwich Growth Board as part of the Northern Distributor Road project.

5 Payment performance

- 5.1 Approximately 420,000 invoices are paid annually. In September 2016, 96.9% (August 96.3%) were paid within a target of 30 days from receipt, against a target of 90%. The percentage has not dropped below 93% in the last 12 months, as shown in the graph below.



*Note: The figures include an allowance for disputes/exclusions.

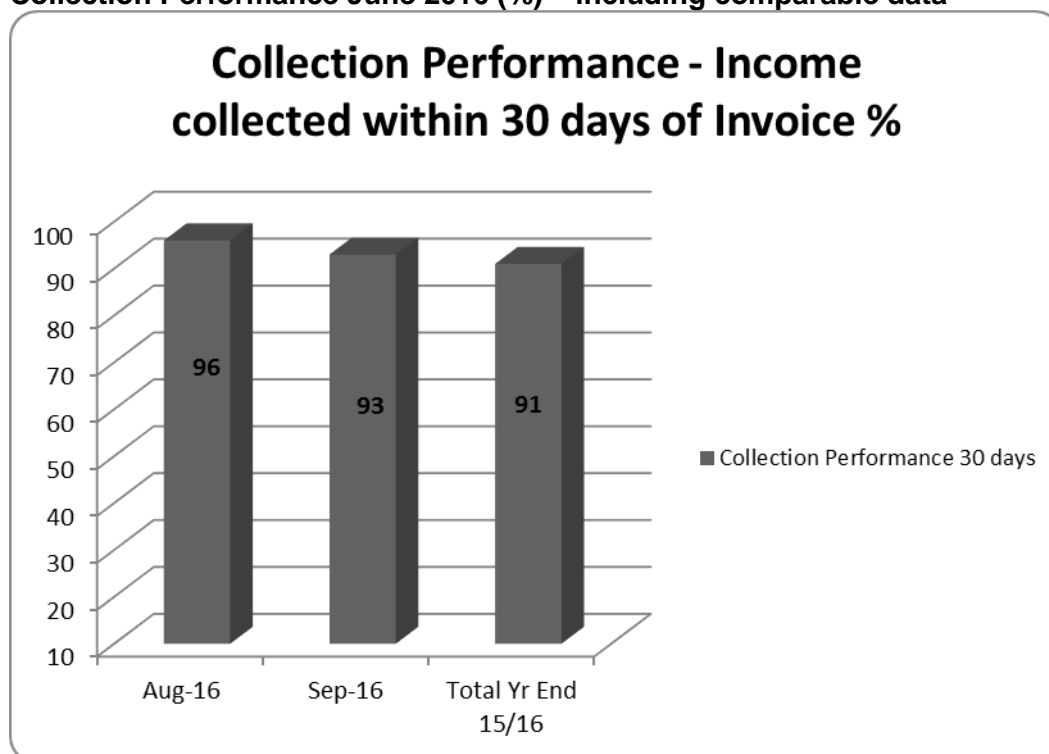
6 Debt recovery

6.1 **Introduction:** Each year the County Council raises over 130,000 invoices for statutory and non-statutory services totalling over £762m. The value of outstanding debt is continuously monitored and recovery procedures are in place to ensure that action is taken to recover all money due to Norfolk County Council. In 2015-16 91% of all invoiced income was collected within 30 days of issuing an invoice, and 96% was collected overall.

6.2 Debt collection performance measures

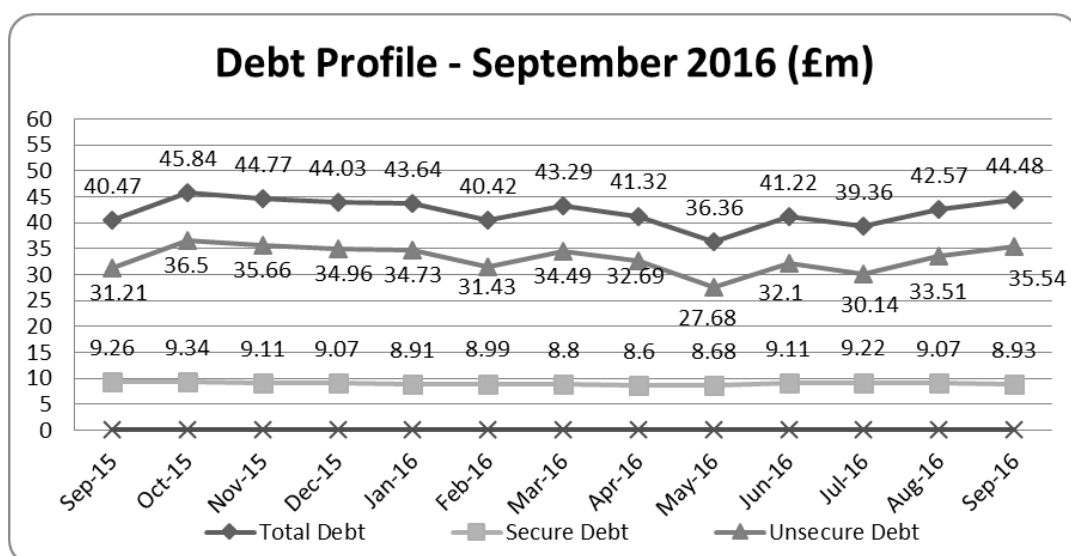
93% of invoiced income was collected within 30 days for the month of September 2016 (August 96%). The percentage is the proportion of income collected within 30 days for invoices raised in the previous month – measured by value.

Collection Performance June 2016 (%) – including comparable data



6.3 The value of outstanding debt is continuously monitored and recovery procedures are in place to ensure that action is taken to recover all money due to Norfolk County Council. The level of debt is shown in the following table:

Debt Profile (Total)



The largest area of unsecure debt relates to charges for social care. The overall level of unsecure debt for social care has increased by £2.22m in this period. Of the £25.39m unsecure social care debt £12.62m is debt with the CCG's, the majority of which is for shared care, Better Care Pooled Fund, continuing care and free nursing care.

- 6.4 **Debt write-offs:** In accordance with Financial Regulation and Financial Procedures, the Policy & Resources Committee is required to approve the write-off of debts over £10,000. The Executive Director of Finance approves the write off of all debts up to £10,000.
- 6.5 Before writing off any debt all appropriate credit control procedures are followed. Where economically practical the County Council's legal position is protected by court proceedings being issued and judgment being entered. For a variety of reasons, such as being unable to locate the debtor, it is sometimes not appropriate to commence legal action.
- 6.6 Service departments are responsible for funding their debt write offs. Once the debt is written off the amount of the write off is reflected a) in the service department's budget through the reversal of the income from the transaction or b) where a service has set up a bad debt provision (for example Adult Social Services) the provision is used to fund the write-off.
- 6.7 For the period 1 April to 30 September 2016, 304 debts less than £10,000 were approved to be written off following approval from the Executive Director of Finance. These debts totalled £135,306.38.
- 6.8 No debts over £10,000 have been written off.

Revenue Annex 1

Projected revenue outturn by service analysis

The latest projection for the 2016-17 revenue budget shows a net projected overall variance as follows:

Table A1a: projected revenue over and (under) spends by service

Service	Revised Budget	Net total over / (under) spend	%	Forecast net spend
	£m	£m		
Adult Social Services	247.369	8.953	3.62%	256.322
Children's Services	167.290	12.456	7.45%	179.746
Community and Environmental Services	198.322	-2.750	-1.39%	195.572
Resources	21.796	3.131	14.37%	24.927
Finance and Property	16.009	0.345	2.16%	16.354
Finance General	-311.826	-1.389	0.45%	-313.22
Totals current month – P6	338.960	20.746	6.12%	359.706
Totals previous month – P5	338.960	21.393	6.31%	360.353

Reconciliation between current and previously reported underspend

Table A1b: monthly reconciliation of over / (under) spends

	£m
Forecast overspend brought forward – P5	21.393
Movements in September 2016 - summary	
Adult Social Services	0.039
Children's Services	0.934
Community and Environmental Services	-1.881
Resources	1.258
Finance and Property	-0.115
Finance General	-0.882
Forecast over / (under) spend – P6	20.746

Corporate resources spend as a proportion of “front line” net expenditure

Table A1c: Corporate resources spend as a proportion

Service	Budget	Forecast
	£m	£m
Total “front line” services	612.988	631.640
Total corporate resources	37.780	41.281
Corporate resources as %age	6.2%	6.5%
Corporate resources as ratio	1:16	1:15

For the purposes of this table, corporate resources totals combine Resources plus Finance and Property. “Front line” services are the total of Adult Social Services, Children’s Services and Community and Environmental Services.

Revenue Annex 1 continued

The net over / underspend is a result of a range of underlying forecast over and underspends which are listed below and which are the subject of detailed monthly monitoring within services.

Projected revenue budget outturn by service – detail

	Projected over spend	Projected under spend	Change P5
	£m	£m	£m
Adult Social Services			
Business Development		-0.157	0.007
Commissioned Services	2.381		-0.124
Early Help & Prevention		-0.525	-0.153
Services to Users (excluding income)	18.536		1.296
Income from Service users		-6.095	-0.698
Management, Finance & HR		-5.839	-0.290
Rounding	0.001		0.001
Reversal of unplanned use of reserves reported to September Service Committee but not yet approved	0.651		
Over / (under) spend before recovery actions	21.569	-12.616	0.039
	8.953		

Children's Services	Projected over spend	Projected under spend	Change P5
Spending increases and reductions	£m	£m	£m
LAC agency residential costs	5.246		0.543
LAC agency fostering	1.946		
In-house LAC fostering	0.070		
Staying-put fostering	0.235		
Residence/kinship payments	0.570		0.070
Mainstream Home to School/College transport	0.500		
Post 16 Home to School transport – reduced income	0.167		
Cost of agency social workers	0.910		
Independent Reviewing Officers	0.260		
LAC OFSTED unregulated accommodation (16/17 y/o)	0.780		
Social Care legal costs	0.259		
Adoption Support	0.130		0.130
School Crossing Patrol staff	0.140		
Additional Troubled Families grant		-0.400	
School Improvement		-0.898	-0.409
Early Years Services		-0.435	
Early Help support		-0.411	-0.207

Early Help Service Level Agreements		-0.313	
CWD Short Term Breaks		-0.060	
Other small savings		-0.030	
Additional Education Services Grant due to slippage in academy school conversions		-0.465	-0.250
Use of conditional grants and reserves			-0.370
Dedicated schools grant			
Independent and non-maintained education	2.348		0.100
Post 16 FE High Needs	0.719		
Short Stay School For Norfolk & Alternative Education	0.285		0.285
Inter- authority recoupment		-0.090	-0.090
Suspended Schools Staff		-0.235	-0.036
School Staff Maternity	0.060		
Dedicated Schools Grant reserve		-3.087	-3.087
Reserves adjustment			
P6 forecast use of reserves in excess of budget book planned use: Children's Services Committee to consider reserves use at its January 2017 meeting.	4.255		4.255
Forecast outturn for Children's Services	18.880	-6.424	0.934
	12.456		

Community and Environmental Services	Projected over spend	Projected under spend	Change P5
Public Health one-off contribution to public health related work across services		-2.750	-
Reversal of P4 unplanned use of reserves but not yet approved			-1.881
Forecast outturn for CES		-2.750	-1.881

Resources, Finance and Finance General	Projected over spend	Projected under spend	Change P5
	£m	£m	£m
Resources			
Director of Resources	0.399		0.016
Human Resources	0.202		
Communications		-0.011	-0.011
Corporate Programme Office			-0.001
Nplaw		-0.214	-0.076
Adjustment to reverse unplanned use of reserves forecasts	2.755		1.330
Net forecast outturn for Resources	3.356	-0.225	1.258
	3.131		

Finance and property			
Adjustment to reverse unplanned use of reserves (property element)	0.345		-0.115
Finance General			
Adjustment to forecast interest on balances (see Appendix 2)		-0.736	0.031
Adjustment to minimum revenue provision to reflect re-profiling of capital schemes to be funded from borrowing		-0.455	-0.148
Release of provision previously set aside to address the potential impact of employment legislation		-0.780	
Additional costs arising from Norse pension liabilities	0.712		0.090
Norse NIAA loan arrangement fee		-0.130	
Adjustment to reverse unplanned use of reserves			-0.855
Net forecast outturn for Finance General	0.712	-2.101	-0.882
		-1.389	

Norfolk County Council

Appendix 2: Resources and Finance commentary

Report by the Executive Director of Finance

1 Introduction

The Policy and Resources Committee is responsible for the oversight of the Council's Resources and Finance budgets (including the Finance and Corporate Property service, and Finance General, excluding Consultation unit and Public Health). This appendix is designed to give a brief overview of the financial performance of each of these service areas.

The table below summarises the forecast outturn position as at the end of September 2016 (Period 6).

2 Resources

2016 / 17	Current Budget Net Expenditure / (income)	Actual to date	Over / (Under) spend after reserves use	Use of reserves	Forecast reserves closing balance
	£m	£m	£m		£m
Managing Director's Office	0.424	0.164	-		-
Director of Resources	-0.594	-0.232	0.399		
CIPPS & BPPS	1.388	0.827	0.000	-0.029	0.687
Corporate Programme Office	0.740	0.550	-	-0.388	0.576
Procurement	1.236	1.873	-	-0.024	0.275
Human Resources	3.627	3.419	0.202	-	0.940
Communications	0.585	0.391	-0.011	-0.288	-0.019
nplaw	-0.444	0.329	-0.214		0.324
Democratic Services	2.367	1.266	0.000	-0.271	0.238
ICT	12.233	13.447	2.755	-	2.755
Total Resources – P&R	21.561	22.035	3.131	-1.000	5.776
Communities Committee – Consultation and Community Relations	0.234				
Total Resources	21.796				

Where expenditure year to date is in excess of the profiled net budget, it is generally accounted for by expenditure having been committed, where related income has not been received or re-charges have yet to be made.

Resources Reserves

Resources reserves balances and forecast use is as follows subject to the approval of unplanned reserves use assumed in the latest under and overspend forecasts:

Resources Reserves	Opening balances	Planned movement	Forecast use in year	Forecast carried forward
Business Intelligence & Performance Strategy	0.716		-0.029	0.687
Corporate Programme Office	0.964		-0.388	0.576
Procurement	0.299		-0.024	0.275
Human Resources	0.940		-	0.940
Communications	0.269	-0.475	-0.288	-0.019
Nplaw	0.324			0.324
Democratic Services	0.509	-0.130	-0.271	0.238
ICT	2.755		-	2.755
Total Resources	6.776	-0.605	-1.000	5.776

The planned movement/use of the reserves is the use anticipated when budgets were set in February 2016. The actual use is likely to be different for a number of reasons: for example actual opening balances may be higher or lower than anticipated (for example the Communications reserve was lower which will mean that its maximum use will be capped), and in the case of Public Health the services has moved to CES.

Resources reserves are forecast to reduce by £1.0m to £5.8m representing use across the majority of Resources services.

3 Finance and Property, and Finance General

2016 / 17	Current Budget	Expenditure Year to Date	Full Year Forecast	Overspend / (Underspend)
	£m	£m	£m	£m
Finance	6.455	4.733	6.455	-
Property	9.554	4.269	9.554	-
Finance & Property	16.009	9.002	16.009	-
Finance General	-311.826		-313.215	-1.389
Total Finance before reserves adjustment	-295.817	9.002	-297.206	-1.389

At the end of month 6, there is no forecast net over or under-spend within either the Finance Service or Property function subject to potential approval of £0.345m unplanned building maintenance reserves use.

Reserves: Finance and Finance General reserves and provision at 1 April 2016 totalled £36.9m. The majority are corporate in nature, being made up of the Business Risk reserve £10.7m, the Insurance provision and reserve totalling £15.9m, the Organisational Change and Redundancy reserves and provisions £7.2m, Building Maintenance £1.2m, the Norfolk Infrastructure Fund £1.1m, and other provisions and reserves totalling £0.8m.

Use of reserves: The forecast use of reserves includes £2m use of the Insurance reserve and £0.6m use of the Organisational Change and Redundancy Reserves as detailed in the Council's budget book. In addition, of the Finance and Property Reserves, use of brought forward grants of £0.115m will be used in respect of the One Public Estate project. Latest forecasts for Finance General reserves suggest that the call on the Organisation Change and Redundancy will exceed the amounts predicted prior to the start of the year. Forecast balances at 31 March 2017 total £23.3m, which will result in a reduction of £13.6m (including full use of the business risk reserve).

4 Finance General over and underspends

A table showing forecast under and over spends is included in Annex 1 to Appendix 1. Explanations for Finance General forecasts are as follows:

Interest on balances due to reduced borrowing (forecast underspend £0.736m)

The 2016-17 interest payable/receivable budget was prepared on the basis of a number of assumptions at the time of budget preparation. Actual net borrowing costs to support the capital programme is likely to be lower than anticipated, resulting in a forecast underspend.

Forecast Minimum Revenue Provision to reflect re-profiling of capital schemes (forecast underspend £0.455m)

Every year the Council has to set aside an amount which represents the minimum contribution to the repayment of borrowing. The MRP underspend is an adjustment which reflects capital spend which was budgeted to be spent in 2015-16, but which is now forecast to be incurred in 2016-17 and beyond.

Release of provision (forecast underspend £0.780m)

Following a review, a large proportion of a provision previously set aside is no longer required. The provision related to potential costs of legislative changes in respect of retained fire fighters and part time workers. Releasing a proportion of the provision has resulted in a forecast net underspend of £0.780m.

Norse pension liabilities (forecast overspend £0.712m)

This adjustment relates to additional costs arising from a 2013-14 transfer of Norse Group pension liabilities to Norfolk County Council. The transfer has enabled the Norse Group to pay dividends to Norfolk County Council. A shortfall has arisen due primarily to a decrease in the number of NPS employees in the LGPS with a shortfall relating to the level of volume discount expected to be received from the Norse Group.

Norse NIAA loan arrangement fee (forecast underspend £0.130m)

The Council has entered into a loan agreement with the Norse Group for the construction of the Norfolk International Aviation Academy (as agreed at 20 July 2015 Policy and Resources Committee). Part of agreement is an arrangement fee of approximately 2% of the value of the loan.

Norfolk County Council

Appendix 3: 2016-17 Capital Finance Monitoring Report

Report by the Executive Director of Finance

1 Capital Programme 2016-17

- 1.1 On 22 February 2016, the County Council agreed a 2016-17 capital programme of £237.549m with a further £166.627m allocated to future years', giving a total of £404.176m.
- 1.2 Slippage and re-profiling from 2015-16 increased the overall capital programme at 1 April 2016 to £497.616m, as shown in the 2015-16 finance outturn report presented to this committee.
- 1.3 Movements in the programme are set out in Capital Annex 1. Changes to the current year's programme are due mainly to the reprofiling of schemes into 2017-18.

Table 1: Capital Programme budget

	2016-17 budget	Future years
	£m	£m
New schemes approved February 2016	22.717	27.764
Previously approved schemes brought forward	244.774	139.863
Totals in 2016-20 Budget Book (total £434.118m)	267.491	166.627
Schemes re-profiled after budget setting	39.551	13.490
Other Adjustments, including additional grants and re-allocation of underspends	10.457	-
Capital Programme Opening Position (total £497.616m)	317.499	180.117
Re-profiling since start of year	-55.136	55.136
Other movements	6.284	-0.813
Additions to programme approve 31 October 2016	4.710	
Capital programme budget current (total £503.135m)	273.357	234.442

Note: this table and the tables below contain rounding differences

New 2016-17 capital expenditure totalling £4.710m was approved by this Committee on 31 October 2016 and comprised:

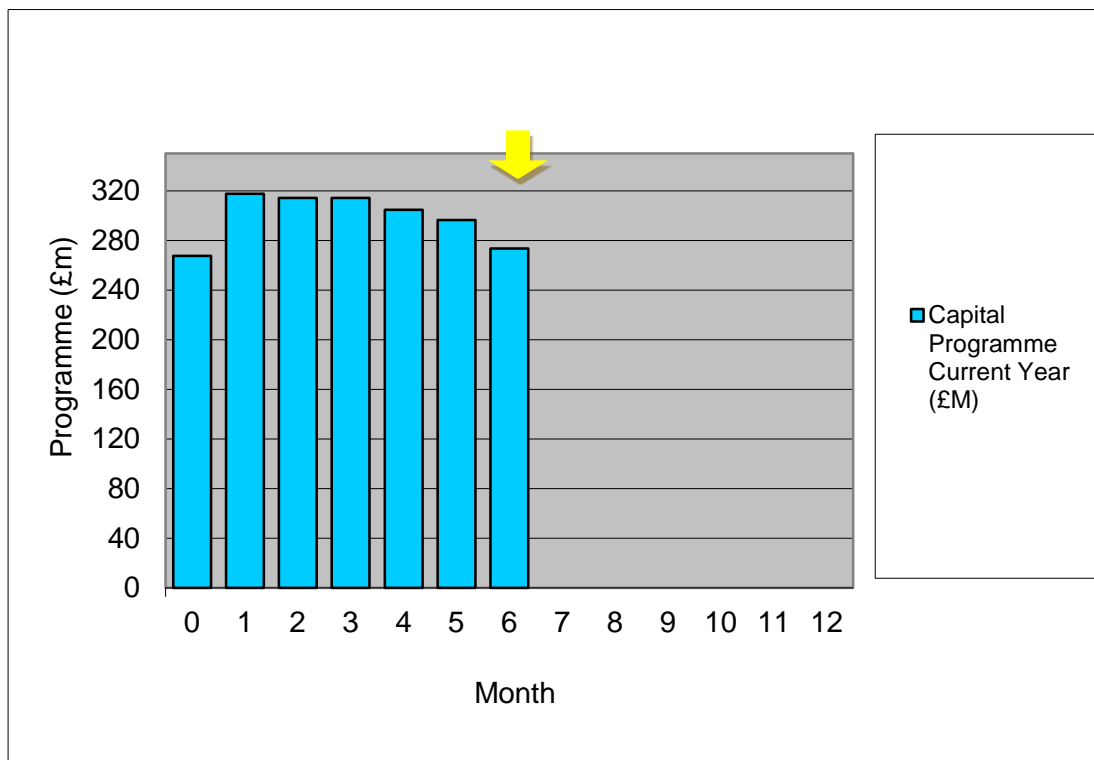
- ICT - new Voice & Data, server infrastructure and other improvements – additional £3.000m
- Library books - £1.300m
- Capital project and procurement support - £0.410m.

- 1.4 The 2017-20 capital programme is in development, and an early list of potential new schemes is included in Capital Appendix 2E, preceded by a draft capital strategy and prioritisation scoring methodology:

Changes to the Capital Programme

- 1.5 The following chart shows changes to the 2016-17 capital programme through the year.

Chart 1: Current year capital programme through 2016-17



- 1.6 Month "0" represents the approved capital programme, and month one the revised opening position after re-profiling of unspent budget from 2015-16. The arrow shows the latest position.

- 1.7 The capital budget for each service is set out in the table below:

Table 2: Service capital budgets and movements 2016-17

Service	Opening Capital Programme 2016-17 £m	Cumulative Changes To Date £m	Reprofiling since last report £m	Other Changes since last report £m	2016-17 Current Capital Budget £m
Children's Services	104.079	-43.662	-27.807	-0.064	60.418
Adult Social Care	16.354	-3.904			12.450
Community & Environmental Services	166.145	-0.935		1.316	165.210
Resources	1.500	3.596		3.000	5.096
Finance	29.420	0.764		0.410	30.184
Total	317.499	-44.142	-27.807	4.662	273.357
		0		-23.145	

Note: this table and the tables below contain rounding differences

- 1.8 Reprofiting and other changes to schemes are identified in further detail in Capital Annex 1.
- 1.9 The forecasts will be used to ensure that budgets are more accurately allocated between years, and that changes are accurately reflected. This can be done at any time, but particular attention will be given to this in advance of the November monitoring report, which will form the basis of future years approved capital programmes.
- 1.10 The revised programme for future years (2017-18 to 2019-20) is as follows:

Table 3: Future years capital programme 2017-20

Service	Previously reported (P5) 2017-20 capital budget	April / May Reprofiting (from 2016-17 to future years)	Other Movements	Future years 2017-20 £m
	£m	£m	£m	
Children's Services	77.015	27.807		104.822
Adult Social Care	10.023	0.000	0.000	10.023
Community & Environmental Services	99.297	0.000		99.297
Resources	-			0
Finance & Property	20.300			20.300
Total	206.635	27.807	0.000	234.442

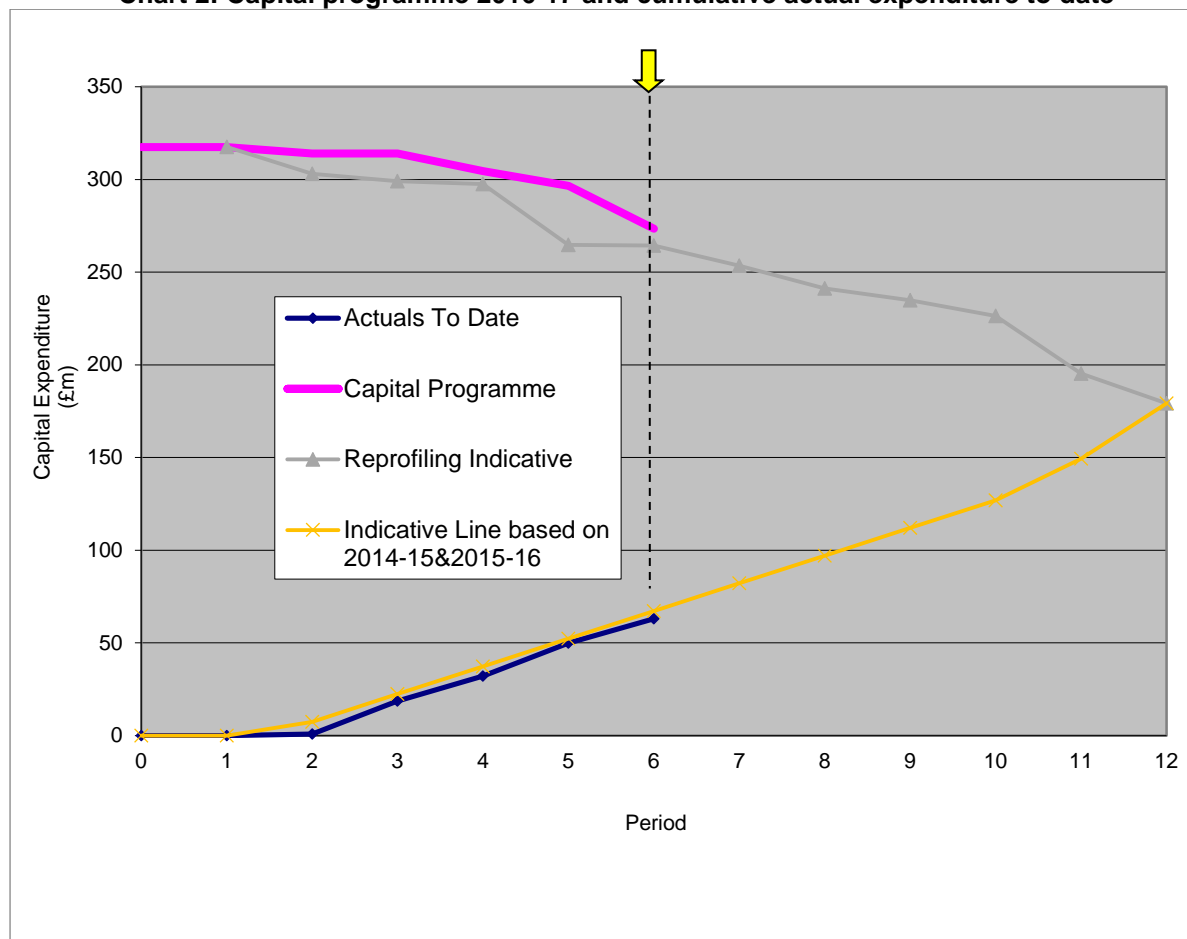
Notes:

- a) this table may contain rounding differences.
- b) The ASC and CES lines have been adjusted for an IT project (social care IT systems replacement). In the 2015-16 outturn report these were allocated to ICT under CES, but are now allocated to the ASC capital programme.

Actual Spend and Progress on Capital Programme

1.11 Progress on the overall capital programme is as follows:

Chart 2: Capital programme 2016-17 and cumulative actual expenditure to date



- 1.12 Total accounting expenditure on the 2016-17 capital programme to P6 is £63.032m, excluding accruals brought forward from 2015-16, and capital loans which are retained on the balance sheet. Expenses accrued from 2015-16 accounted for the majority of spend in periods 1 and 2. Taking this into account, the graph shows that expenditure has been in line with forecast.
- 1.13 To match the Council's statutory accounts, the expenditure in the graph above does not include loans to companies.
- 1.14 Significant re-profiling took place for Children's Services projects in period 6, bringing the overall programme back in line with the indicative line shown in the graph above.

2 Progress during 2016-17

Schools: Eighteen significant extension or expansion projects were underway on Norfolk school sites over the summer. Projects which were completed, or largely completed include:

- St Martha's VA Primary expansion from 210 to 420 places (in partnership with RC Diocese)
- Mulbarton Infant and Junior removal of undersized classrooms
- Henderson Green Primary expansion to 210 places
- Pulham Market Primary additional reception classroom
- Browick Road completion of works to reorganise from infant to primary school.

County Hall: Following completion of refurbishment work on the County Hall tower project planning is underway in relation to upgrading accommodation in the North and South wings, and additional car parking.

Great Yarmouth Third River Crossing: the Department for Transport has agreed to make available a funding contribution of £1.080m for development work on the Great Yarmouth Third River Crossing, up to and including the production of an outline business case.

NDR: The major project is the Norwich Northern Distributor Road. The budget for this project has not changed since the 2015-16 outturn report presented to the May 2016 meeting of this committee:

As reported to EDT Committee, there are a number of risks that could impact on the cost of delivery. If the risks are realised this would lead to £6.8m of additional cost.

3 Financing The Programme

3.1 Funding for the capital programme comes primarily from grants and contributions provided by central government. These are augmented by capital receipts, developer contributions, prudential borrowing, and contributions from revenue budgets and reserves.

3.2 The table below identifies the planned funding of the revised capital programme:

Table 5: Financing of the capital programme

Funding Stream	2016-17 Programme	Future Years Forecast
	£m	£m
Prudential Borrowing	84.947	47.663
Capital Receipts	3.902	17.395
Revenue & Reserves	6.112	2.000
Grants and Contributions:		167.383
DfE	44.728	
DfT	88.263	
DoH	10.420	
DCLG	2.509	
DCMS	5.554	
Developer Contributions	14.511	
Other Local Authorities	8.777	
Other	3.635	
Total	273.356	234.441

Note: this table may contain rounding differences

3.3 Significant funding from capital receipts has been anticipated over the 4 years of the programme, which as and when realised will be used either to re-pay debt as it falls due, or to reduce the call on future prudential borrowing.

3.4 The most significant sources of funding continue to be the major government capital grants for transport and schools, and the authority's prudential borrowing.

3.5 Developer contributions are funding held in relation to planning applications. Section 106 (Town and Country Planning Act 1990) contributions are held in relation to specific projects: primarily primarily schools, with smaller amounts for libraries and highways. The majority of highways developer contributions are a result of section 278 agreements (Highways Act 1980).

3.6 Contributions from other local authorities relate mainly to projects undertaken with Norfolk districts, including the Norwich Cycle Ambition project funded through Norwich City Council, and major highway/housing developments in King's Lynn.

4 Capital Receipts

- 4.1 The Council's property portfolio has latent value and the estate needs to be challenged rigorously to ensure assets are only held where necessary so that capital release or liability reduction is maximised. This in turn will reduce revenue costs of the operational property portfolio.
- 4.2 The capital programme, approved in February 2016, demonstrated how asset management would support capital expenditure through generating capital receipts through property disposals, in the context of a longer term disposals programme.
- 4.3 Since then, there have been changes to the draft disposal schedule, in particular relating to the timing of projected receipts relating to development land within the County Farms and general estates.
- 4.4 The current revised schedule for disposals is:

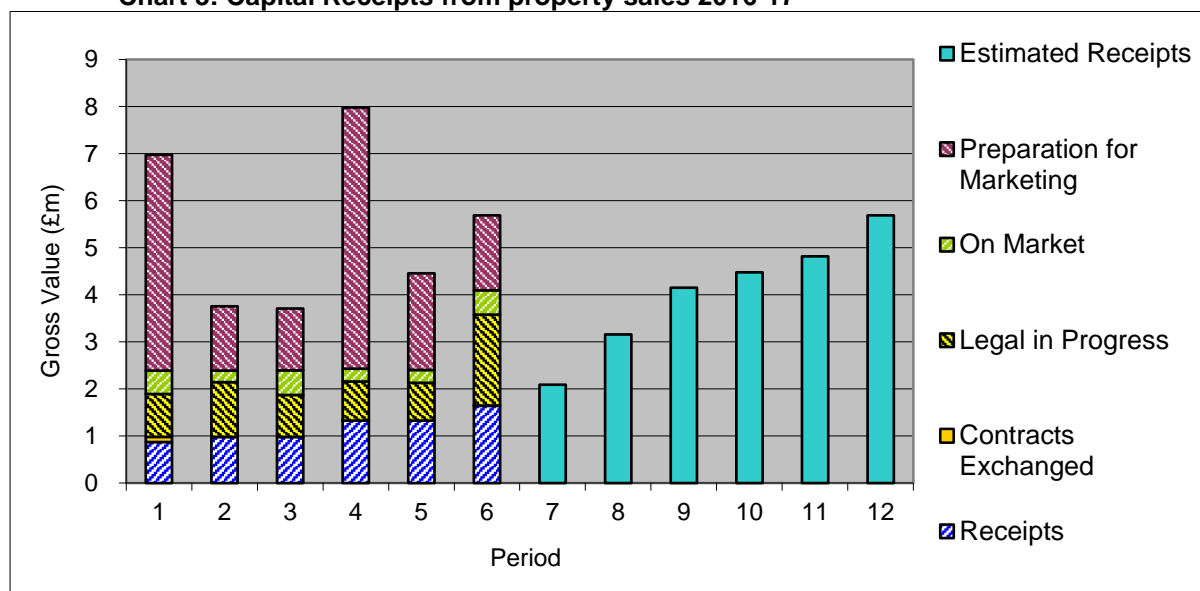
Table 6: Revised disposal schedule £m

	2016-17 Approved £m	Latest forecast £m	Movement in forecast £m
General Capital Receipts	2.825	3.269	0.444
County Farms Capital Receipts	4.153	2.483	-1.670
Estimated Total Capital Receipts	6.978	5.752	-1.226

- 4.5 The main reasons for the reduction in expected receipts for the current year is the net effect putting back to 2017-18 of a number of sales, primarily development land at Acle.
- 4.6 The property information underpinning the table above will be closely reviewed in advance of the new capital programme. Although the sales process is active, the review is likely to result in some cash receipts being pushed back to 2017-18.

- 4.7 The chart below shows the progress on realisation of the forecast capital receipts for 2016-17. The total in period 1 show potential 2016-17 sales identified at the time of budget setting. Development land at Acle is not likely to be sold in 2016-17 as anticipated in P4, and later forecasts have been amended as a result.

Chart 3: Capital Receipts from property sales 2016-17



- 4.8 Where unallocated capital receipts are generated the Council uses these to support its general capital programme. Anywhere capital receipts have been allocated as part of a financial package, but are still to be used, they are retained in the capital receipts reserve to fund future projects. The table below identifies expected movements on the capital receipts reserve:

Table 7: Capital receipts reserve 2016-17

	General	Financial Packages	County Farms	Total
	£m	£m	£m	£m
Opening Balance	0.000	1.059	0.517	1.576
Receipts from sales of properties	3.207	0.000	2.483	5.690
Receipts from sales of assets to leasing companies	0.000	0.000	0.000	0.000
Other capital receipts	0.062	0.000	0.000	0.062
Receipts generated in year	3.270	0.000	2.483	5.753
Sales expenses	-0.300	0.000	0.000	-0.300
Receipts repayable to third parties	0.000	0.000	0.000	0.000
Net receipts available for funding	2.970	1.059	3.000	7.029
Use to fund incomplete leases	0.000	0.000	0.000	0.000
Use to fund programme and reduce borrowing or to repay debt	-2.970	-0.633	-1.461	-5.064
Closing Balance	0.000	0.425	1.540	1.965

Note: this table may contain rounding differences

- 4.9 Financial packages exist where the Council has agreed to link receipts from the sale of an asset with the funding of a specific project. Balances on financial packages exist where these projects remain incomplete.
- 4.10 The opening balance relates to residual monies from sales of Highway's Depots, ASC receipts reserved for Housing with Care schemes, and a balance of £0.7m remaining from approximately £3m sales of former school properties. Financial package funding for specific schemes no longer takes place, with schemes justified against a broader set of priorities. The outstanding balances relate to previously agreed arrangements.
- 4.11 Other capital receipts include loan repayments from subsidiary companies.
- 4.12 Capital receipts may be used for a very limited number of purposes specified in The Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 s23, including:
- To meet capital expenditure
 - To repay the principal of any amount borrowed.
- 4.13 Traditionally the Council has used general capital receipts to fund capital expenditure, and therefore reduce the future borrowing requirement. Applying general and other capital receipts directly to fund the repayment of principal can reduce the amount of minimum revenue provision required from revenue to ensure that each debt maturity is met, and officers are exploring this option.

Capital Annex 1

Reprofiling and Other Changes to the 2016-17 Capital Programme

Service	Project	Funding Type	Change (£m)	REPROFILE	Change (£m)	REPROFILE	Reason
Children's Services							
A1 Major Growth							
	Poringland Primary phase 2	Grants and Contributions		-1.000		1.000	Reprofiled need for places determined, project proceeding summer 17 - developer contributions funding
	Attleborough New School	Grants and Contributions		-5.000		5.000	Reprofiled as only just going out to Tender
	Attleborough Junior Reorg	Grants and Contributions		-1.000		1.000	Reprofiled about to go to planning , work to begin expected next year 2017-18.
	Hillcrest Primary, modular installation	Grants and Contributions		-1.200		1.200	Need for interim mobile accommodation pending major phase project under consideration
	Edward Worlledge new build			-0.467		0.467	
	Hearsease Primary 2 yr project (Acad)	Grants and Contributions		-0.398		0.398	Reprofiled agreement with stakeholders reached, project to commence Feb 17.
	Land Purchase	Grants and Contributions		-0.723		0.723	VC-Brooke land acquisition moved allocation back to land pot (£0.350m) as land not as much as expected & reprofiled to future years.
A2 - Master Planning	Suffield Park	Grants and Contributions		-2.600		2.600	Reprofiled due to delay concerning site access issues
A3 - Area Growth & R	Growth & Reorganisation schemes	Grants and Contributions		-2.545		2.545	
	Growth - Minor Adjustments	Grants and Contributions		-1.727		1.727	
	Chapel Road Complex Needs	Grants and Contributions		-5.746		5.746	Reprofiled due to delay in pre commencement planning conditions
B4 - Early years	Early years programme	Mixed Funding		-1.344		1.344	Reprofiled funds earmarked for EY developments across GY reorganisation area
C1 - Efficiency	Schools Energy Savings programme	Grants and Contributions		-1.352		1.352	
							Agreement with stakeholders reached, brief for works issued (Swaffham Sports hall re roofing, VC - Taverham Junior Mobile replacement, Barford Primary mobile replacement
C2 - Major Capital Ma	Capital renovations to schools	Mixed Funding		-2.298		2.298	
D - Other schemes	Other Schemes	Grants and Contributions	-0.064	-0.407		0.407	
Total Children's services			-27.871	-0.064	-27.807	0.000	27.807

CES							
	Library	Borrowing & Capital receipts	1.300				Funding approved for Library books in October 20106
		Grants and Contributions	0.015				New developer contribution Brandon Road, Swaff
	Museum	Borrowing & Capital receipts	0.001				Adjustment to funding
Total CES			1.316	0.000	0.000	0.000	
Resources							
	ICT - new Voice & Data Server	Borrowing & Capital receipts	3.000				Funding approved for new Voice & Data server and Software Licences in October 20106 P&R committee meeting
Total Resources			3.000	0.000	0.000	0.000	
Finance							
	Capital Programme Management	Borrowing & Capital receipts	0.410				Funding approved for Capital project & procurement support
Total Finance			0.410				
Total			4.662	-27.807	0.000	27.807	

Norfolk County Council

Capital Annex 2: Capital programme planning 2017-20

Introduction

This annex sets out a framework for a Council-wide approach to the Capital Programme.

The three main objectives are to

- develop a capital programme which can be delivered to plan,
- minimise unaffordable revenue costs, mainly by avoiding unsupported expenditure and
- prioritise schemes to provide a Council-wide comparison and to ensure the best use of scarce resources.

Context

The capital programme is agreed by County Council as part of budget preparation in February each year. The programme, which complements the Council's Asset Management Plans, consists of schemes improving and augmenting the Council's existing assets, including the provision of extra school places, maintenance and development of the County's highways network and improvement of the Council's office accommodation.

The progress on the capital programme and the associated sources of funding is monitored on a monthly basis throughout the year and reported regularly to Members.

Funding is limited so it is important that any system is able to demonstrate that projects are being prioritised on a council-wide basis with a clear focus on deliverability and maximising the use of limited funding.

Projects are considered at a high "programme" level to reflect the major external funding streams, the significant planning and prioritisation work already undertaken within Services, and the thousands of individual projects within major capital maintenance programmes for which Council-wide prioritisation would be impractical.

Contents

The following pages summarises the elements capital programme prioritisation:

Capital Annex 2A – Capital programme 2017-20 compilation

Capital Annex 2B – Marking scheme – with enhanced marking guide

Capital Annex 2C – Existing schemes and scores

Capital Annex 2D – Draft capital strategy

Norfolk County Council
Capital programme prioritisation 2017-20
Capital Annex 2A - Capital programme 2017-20 compilation

The three main objectives in compiling an affordable capital programme are:

- to provide an ambitious and deliverable programme
- to minimise unaffordable revenue costs, mainly by avoiding unsupported expenditure

Funding for capital schemes comes from a variety of sources. Significant capital grants are received annually from the departments for Transport and Education, in the expectation that they will be spend on maintaining and improving the schools and highways estates. Other funding, often relating to specific projects, comes from a variety of sources. Capital receipts can be used to fund capital expenditure, but where there are no unallocated capital receipts borrowing might be necessary.

Funding unsupported schemes puts additional pressure on what is already a very tight revenue budget, so it is important where possible that if borrowing is required, that a source of income is identified to fund the future borrowing costs.

In developing the capital programme the following are taken into account:

1. Existing schemes and funding sources: a large part of the capital programme relates to schemes started in previous years or where funding has been received in previous years and will be carried forward.
2. Capital schemes approved during the year, including for example additional funding for the NDR and the Aviation Academy outside the annual capital prioritisation round.
3. Prioritising new and on-going schemes on a Council-wide basis to ensure the best outcomes for residents. The prioritisation model is based on the model adopted last year, and has been strengthened with a detailed scoring matrix.
4. A pro-forma summarising each new scheme will be used to inform the prioritisation process.
5. The prioritisation process will give a high weighting to schemes which have funding secured. Where non-ringfenced capital grants are received there will be an initial assumption that they will allocated to their natural home: for example DfT grants to highways, DfE grants to the schools capital programme, and DoH grants to ASC
 - a. Where a scheme does not have a funding source, priority is given to schemes which can provide their own funding. Where revenue or reserves cannot be identified, then it may be possible to identify future revenue savings or income streams which can be used to re-pay borrowing costs;
 - b. If there are unallocated capital receipts, these will be used to provide funding for higher priority unfunded schemes.
6. A capital project marking guide has been produced based on the suggestions made last year, and with an enhanced scoring guide.

Appendix B
Norfolk County Council
Capital programme prioritisation 2017-20
Capital Annex 2B – DRAFT Marking scheme – with enhanced marking guide

Marking scheme – with enhanced marking guidance

Allocation of resources will be based on ranking. Schemes will be included up to the point that funding is available. This might mean that projects are banded into different funding categories.

	Heading	Reason		Scoring guide - Enhanced	Weighting
1	Statutory or Regulatory Duty	Is there a clearly identifiable requirement to meet statutory or regulatory obligations?	5 4 3 2 1 0	Specific and immediate statutory duty Statutory duty – but flexibility in its application Implied / indirect duty Project may enhance statutory provision Non NCC statutory duty No statutory duty addressed	10%
2	County Council priorities	Does the scheme directly contribute to the Council's priorities? - Good infrastructure and/or - Excellence in education and/or - Real jobs - Supporting vulnerable people	5 4 3 2 1 0	One or more priorities very strong, or strong & covering a significant area of Norfolk Strong for one or more priorities Direct contribution, limited area Indirect contribution to more than one priority Indirect contribution to one priority No contribution to priorities	20%
3	Cross-service working	Will the scheme fulfil the objectives of more than one departmental service plan?	5 4 3 2 1 0	All Council Services involved in project delivery More than one service driving project Multi-agency (inc Non-NCC) working Direct enabler for other services/capital projects Indirect enabler to enhance cross-service working Single service project	10%
4	Impact on Council borrowing / contribution to revenue budget	Is prudential borrowing / capital receipt required (assume for this purpose that non-ring-fenced grants are applied to the natural recipient)?	5 4 3 2 1 0	No prudential borrowing required 100% : <i>Invest to save return</i> :or direct >75% : <i>or percentage not</i> :benefit >50% : <i>requiring prudential</i> :to revenue >25% : <i>borrowing</i> :budget No income generated / revenue benefit	25%
5	Leverage Value	Does the scheme generate funding from external grants or contributions (excluding non ring-fenced government grants)?	5 4 3	100% and frees up other funds >80% : <i>percentage of total</i> >50% : <i>project cost met by</i>	15%

		The score is based on the percentage of total cost met by external resources.	2 1 0	>20% : <i>funds generated from</i> >5% : <i>external sources</i> No external funding generated	
6	Flexibility / Scalability	Extent to which scheme can be flexed to a) provide alternative lower cost solutions and/or b) accommodate future short term changes in the capital programme priorities.	5 4 3 2 1 0	Fully scalable and flexible, timing and budget Partial scalable (budget but not timing) Partial flexibility (timing only) Very limited flexibility No flexibility	10%
7	Avoidance of risk to service delivery	Will not doing the scheme result in a significant drop in the level of service that the Council provides?	5 4 3 2 1 0	Immediate / definite risk to service delivery Medium term risk to statutory service delivery Probable / medium term risk to service delivery Minor effect on statutory service delivery Minor effect on non-statutory service delivery No risk to current service delivery.	10%

Norfolk County Council
Capital programme prioritisation 2016-19
Capital Annex 2C – existing schemes and scores

	Stat or Regulatory duty	CC Priorities	Cross-service Working	Impact on Council borrowing	Leverage Value	Flexibility and Scalability	Avoidance of risk to service delivery	Total Score
	1	2	3	4	5	6	7	
Weighting	10	20	10	25	15	10	10	100
Scheme Title	Score	Score	Score	Score	Score	Score	Score	
<i>On-going schemes in the 2016-20 capital programme</i>								
Highways Capital Improvements	3	5	2	5	5	2	5	84
Highways Structural Maintenance	4	4	2	5	2	2	5	73
City Deal Local infrastructure	2	3	4	4	4	4	3	70
Temporary Classrooms	4	4	1	5	0	3	5	67
Northern Distributor Road	3	5	1	2	4	1	5	66
Schools Capital Maintenance	3	4	1	5	0	3	5	65
Elm Road, Thetford – Community Hub	4	4	1	5	0	3	4	65
Better Broadband	0	5	3	4	4	0	3	64
School Basic Need	4	4	1	5	0	3	3	63
Customer Service Strategy	2	4	4	2	0	3	5	54
NEFL Borrowing Facility	0	3	2	4	2	5	0	52
County Hall Nth & Sth Wings	2	2	3	3	2	3	3	51
Social Care System	4	5	4	1	0	1	4	51
Scottow Enterprise Park capital	0	5	4	2	0	3	3	50
Norse, additional loan facility	0	1	1	4	3	5	2	49
Farm property capital maintenance	2	1	0	5	0	3	4	47
Libraries Open+	2	2	1	3	0	4	5	47
Corporate offices capital maint	2	2	5	1	0	5	4	45
Voice and data contract – capital	2	2	4	1	2	2	4	43
Whitlingham capital repairs	1	2	3	2	0	2	4	38
Managing Asbestos Exposure	5	1	1	0	0	5	5	36
Repay Debt (Dummy reference bid)	0	0	0	5	0	5	0	35

Norfolk County Council
Capital programme prioritisation 2017-20
Capital Annex 2D – DRAFT capital strategy

1 Purpose and aims of the Capital Strategy

1.1 The Capital Strategy has been developed as a key document that determines the council's approach to capital. It is an integral aspect of the Council's medium term service and financial planning process as reflected in the Medium Term Financial Strategy (MTFS).

1.2 The Capital Strategy is concerned with, and sets the framework for:

- all aspects of the Council's capital expenditure for the period covered by the Council's medium term financial strategy
- planning, prioritisation, management and funding.

It is closely related to, and informed by

- the Council's priorities
- the Council's Asset Management Plans and
- capital funding grants and debt facilities provided by central government and other external funding sources.

1.3 The Capital Strategy is reviewed on an annual basis to ensure it continues to reflect the changing needs and priorities of the Council, and its partners throughout Norfolk and the region.

1.4 The key aims of the Capital Strategy are:

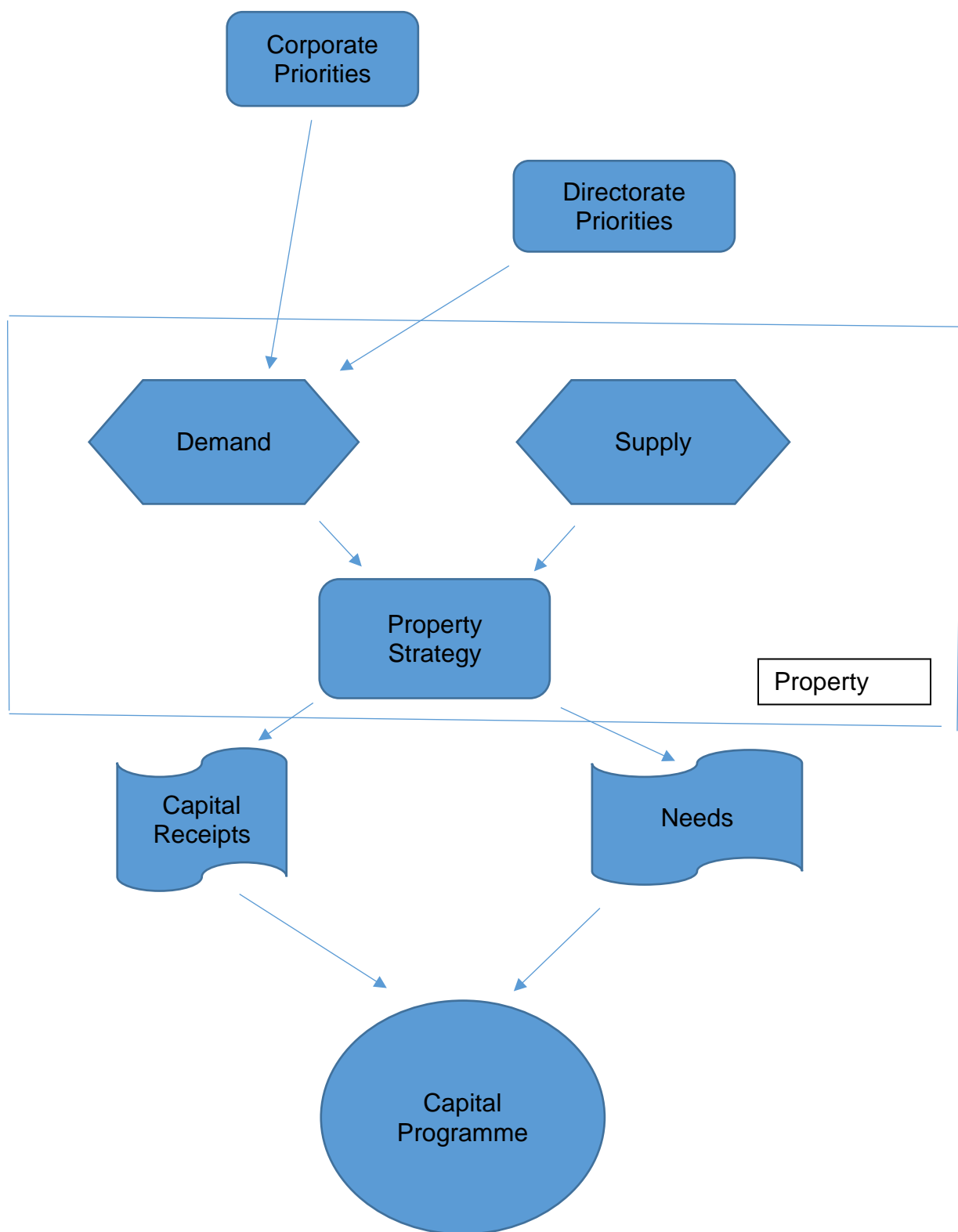
- to identify capital projects and programmes;
- to prioritise capital requirements and proposals;
- to provide a clear context within which proposals are evaluated to ensure that all capital investment is targeted at meeting the Council's priorities;
- to consider options available to maximise funding for capital expenditure whilst minimising the impact on future revenue budgets;
- to identify the resources available for capital investment over the medium term planning period.

1.5 The Capital Strategy provides a framework for the allocation of resources. The approval of new capital schemes and the allocation of available funding is undertaken when the capital programme is approved as part of the wider budget setting process.

2 Influences on the capital strategy

- 2.1 The Council continues to be faced with significant changes and challenges which affects all of the public sector and the following are some of the major influences on our Capital Strategy.
- 2.2 For a number of years there have been stringent reductions in revenue and capital grant funding for public services, with a strong drive towards austerity and value for money. Local authorities are facing rising demand and expectations for Council services. The Council is seeking creative new ways of providing services which may require capital investment to deliver best value for our communities and taxpayers.
- 2.3 The success of any Capital Programme is delivery to anticipated timescales and budgets. Failure to achieve either results in increases in capital costs and additional revenue pressures.
- In a challenging financial environment, effective procurement, robust contract management and constant oversight are essential to manage costs and ensure all spend delivers the intended outcomes.
- 2.4 Formation and delivery of asset management plans are vital to the implementation of the Capital Strategy and to the delivery of the Capital Programme. The Council's primary asset management plan is supplemented by its:
- Transport Asset Management Plan, and
 - Children's Services Capital Priorities Group assessment of growth pressures.
- 2.5 In order to minimise the impact of additional borrowing on future revenue budgets, and to reduce the cost of maintaining under-used or inefficient properties, the Council has a programme of asset disposals. The asset rationalisation and disposals policy is now a key element of delivering funding for future capital schemes.
- 2.5 The relationship between the asset management plan and the capital programme is shown below:

The fit between the Capital Programme and the Asset Management Strategy



3 Capital Expenditure

3.1 Capital expenditure and investment is vital for a number of reasons:

- As a key component in the transformation of service delivery and flexible ways of working
- A catalyst for economic growth
- To maintain or increase the life of existing assets
- To address the issues resulting from increasing numbers of service users
- As a lever to generate further government or regional capital investment in Norfolk

3.2 With a challenging financial environment for the foreseeable future that is influenced by a variety of external factors, there will only ever be a limited amount of capital resources available. Therefore, it is vital that we target limited resources to maximum effect with a new focus on our strategic and financial priorities.

3.3 Capital funding is limited. External capital grants can only be spent on capital. Projects funded from revenue, revenue reserves or borrowing all affect revenue budgets. Borrowing in particular has long term revenue consequences. Two costs are incurred when a capital scheme is funded from borrowing:

- A Minimum Revenue Provision (MRP) – the amount we have to set aside each year to repay the loan and this is determined by the life of the asset associated with the capital expenditure; and
- Interest costs for the period of the actual loan.

3.4 On present long term borrowing interest rates every £1 million of prudential borrowing costs as much as £0.090m pa in ongoing revenue financing costs for an asset with an assumed life of 25 years, or up to £0.250m pa for an asset with a 5 year life. This is in addition to any ongoing maintenance and running costs associated with the investment.

3.5 Although the principles behind the calculation of MRP do not change, the method is set each year in the Council's MRP policy. A separate paper suggesting a change to the method of calculation is on this agenda.

3.6 Given the revenue cost pressures shown in the Council's Medium Term Financial Strategy the scope for unsupported capital expenditure (capital expenditure that generates net revenue costs in the short or medium term) is limited.

3.7 The budget planning process is designed to reflect both capital and revenue proposals such that the revenue consequence of capital decisions, particularly as a result of increased borrowing, are reflected in future revenue budgets such that any capital investments are prudent, affordable and sustainable for the Council.

4 Capital project prioritisation

4.1 The Council has to manage demands for investment within the financial constraints which result from:

- The limited availability of capital grants
- The potential impact on revenue budgets of additional borrowing and
- The level of capital receipts generated.

As a result, prioritisation criteria have been developed to assess any capital bids that ensure the Programme is targeted to Council priorities.

The criteria will be initially applied by a group of officers representing major service areas and appropriate support skills such as property management and finance. Results will be discussed and moderated by Chief Officers and through discussions with relevant members before the capital programme is proposed to the County Council.

4.2 All capital bids that require support must be supported by a Business Case that demonstrates

- Purpose and Nature of scheme
- Contribution to Council's priorities & service objectives
- Other corporate/political/legal issues
- Options for addressing the problem/need
- Risks, risk mitigation, uncertainties & sensitivities
- Financial summary including amounts, funding and timing

4.3 The prioritisation criteria are reviewed annually to ensure they continue to reflect the changing needs and priorities of the Council.

4.4 Development of the prioritisation model

The corporate capital prioritisation model is based on the model first used for the 2015-18 capital programme.

The financial measure used in the model has been updated to be able to add weight to schemes which reduce immediate pressure on the Council's revenue budget.

This model operates at a corporate level which looks at capital programmes rather than individual schemes, except where schemes are not externally funded. Most schemes are prioritised within the two major capital programme areas of transport and schools.

Schemes are considered by the appropriate team to ensure that the capital programme integrates with business and service planning, with revenue implications taken into account. Highways schemes are prioritised within ETD and presented in detail to the EDT committee. Schools schemes are prioritised through the Children's Services Capital Priorities Group. Non-school property schemes are presented through the Council's Corporate Property team. Other schemes not covered by the major headings above are developed by the relevant chief officer, and where corporate funding is required are considered by the Executive Director of Finance, who considers the overall affordability of the programme.

The Council's three year capital programme is formed by bringing the various capital programmes together, and ensuring that sufficient funding is available before seeking Council approval.

4.5 Funding and the scoring threshold

Irrespective of scores, schemes can only be included in the County Council approved capital budget up to the point that funding is available taking into account limitations associated with different funding sources.

For schemes with no funding source, a benchmark of 35 has been applied, being the score for a dummy project of simply re-paying debt. For funded schemes, this also provides a useful benchmark against which to ask the question as to whether the Council should be undertaking projects which do not, for example, fulfil the Council's objectives.

Although the prioritisation model has been broadly applied, it is primarily applicable to new projects and projects requiring the use of borrowing and/or capital receipts to provide funding.

5 Capital Programme overview

5.1 The Capital Programme should support the overall objectives of the Council and act as an enabler for transformation in order to address its priorities.

5.2 Over the last three years Norfolk County Council's capital expenditure has been as follows:

Financial year	2013-14	2014-15	2015-16
	£m	£m	£m
Capital expenditure	115.5	140.9	129.1

The Council's 2015-16 capital programme was split by funding type as follows:

Funding type	£m	%
Capital grants and contributions	100	78%
Revenue and reserves	2	2%
Capital receipts	4	3%
Borrowing	23	18%
Total	129	100%

6 Capital expenditure

6.1 Capital expenditure is defined under the Financial Reporting Standard (FRS) 15 as expenditure which falls into one of two categories

- The acquisition, creation or installation of a new tangible or intangible asset.
- Increasing the service potential of an asset for at least one year by:
 - Lengthening substantially its life and/or market value or
 - Increasing substantially either the extent to which an asset can be used or the quality of its output.

A de-minimis level is applied when accounting for a new asset as capital – for Norfolk County Council this is £40,000, although capital funding can be applied to assets with lower value.

7 Capital Funding Sources

7.1 There are a variety of different sources of capital funding, each having different advantages, opportunity costs and risks attached.

Borrowing

7.2 The Prudential Capital Finance system allows local authorities to borrow for capital expenditure without Government consent, provided it is affordable. Local Authorities must manage their debt responsibly and decisions about debt repayment should be made through the consideration of prudent treasury management practice.

7.3 As a guide, borrowing incurs a revenue cost of approximately 8-9% of the loan each year for an asset with a life of 25 years, comprising interest charges and the repayment of the debt (known as the Minimum Revenue Provision or MRP). The Council needs to be satisfied that it can afford this annual revenue cost i.e. for every £1 million of borrowing our revenue borrowing costs are as much as £0.090 million pa, or as much as £0.250m pa for an asset with a 5 year life.

7.4 Local Authorities have to earmark sufficient revenue budget each year as provision for repaying debts incurred on capital projects.

Grants

7.5 The challenging financial environment means that national government grants are reducing, or changing in nature. A large proportion of this funding is currently un-ringfenced which means it is not tied to particular projects. However, capital grants are allocated by Government departments which clearly intend that the grants should be certain area such as education or highways. So although technically the grants are un-ringfenced, the political reality is not as clear cut.

7.6 Sometimes grant funding is not sufficient to meet legislative obligations and other sources of funding will be sought to fund the gap.

Capital Receipts

7.7 Capital receipts are estimated and are based upon the likely sales of assets as identified under the developing Asset Management Plan. These include development sites, former school sites and other properties and land no longer needed for operational purposes. Receipts are critical to delivering our capital programme and reducing the level of borrowing.

Revenue / Other Contributions

7.8 The Prudential Code allows for the use of additional revenue resources within agreed parameters. Contributions are received from other organisations to support the delivery of schemes with the main area being within the education programme with contributions made by individual schools and by developers.

8 Capital Programme Management

8.1 The Capital Programme is kept under continual review during the year.

Each scheme is allocated a project officer whose responsibility is to ensure the project is delivered on time, within budget and achieves the desired outcomes.

8.2 Capital finance monitoring reports are prepared monthly, and Service Committees receive financial reports relevant to their area. The Policy and Resources Committee takes an overview of the overall capital programme. This includes recommendations to change the Programme to reflect movements in resources and variations from planned spending on schemes, and to introduce new schemes not anticipated at the time of setting the annual programme.

8.3 Various Capital Working Groups oversee the co-ordination and management of the Capital Programmes. These groups include:

Group / Programme	Role
The Council's Corporate Property Team	Responsible for managing the Council's property portfolio and to maximise Capital Receipts from the sale of surplus property assets. A new structure for the team has been in place since April 2015. Roles include <ul style="list-style-type: none">- reviewing policies relating to property.- co-ordinating the Council's asset management plan- corporate property scheme prioritisation
The Children's Services Capital Priorities Group	A member and officer group which oversees the development and delivery of the Schools capital programme.
Highways	EDT Committee
County Farms member working group	A member working group was set up in 2014 to oversee County Farms strategy and policy.

Service Area	Title	2017-18 £m	2018-19 £m	2019-20 £m	Summary of Bid
CES					
Waste	Replacement HWRC Norwich		2.750		Provision of new recycling centre for Norwich as a replacement for the existing Mile Cross site, provided on a design build and operate contract that expires in September 2021 and cannot be extended.
Customer services (potential joint bid with Finance/ ICT)	E-commerce digital development	0.173			This capital bid is for the development of a holistic e-commerce programme being run in collaboration with NCC Finance and ICT, The digital front end required for the ecommerce offer will be the customer view in to the organisation, and will primarily be used to promote, describe and sell events, activities and products on behalf of all relevant NCC services.
Customer services	Single Employee Portal	0.320			<p>The current employee digital offer is disjointed and does not provide an optimal experience for staff and managers within NCC. In addition, the current content management platform (Oracle) for iNet and PeopleNet is out of support and needs to be replaced. It has been agreed that Sitecore will be used for the new employee digital platform, as for the externally facing customer offer. In designing and developing the new employee offer the following objectives need to be achieved</p> <ul style="list-style-type: none"> • Overall cost to serve is reduced • Employee satisfaction is increased by seamless journeys and easy to use processes (workflow) • Management processes and performance information are enabled through self service • All internal customers fully utilise self-service where it is available • Professional resources are deployed effectively and where they add value
Highways	Development of Ketteringham Site	1.000			Potential development of a joint base as part of the OPE.
Highways	Flood Mitigation measures	1.500			Market town drainage improvements and flood alleviation
Highways	DfT Challenge Fund	1.000			Match funding – Outline bids to be submitted Jan 2017.
Highways	North Area – new depot	0.050			Development of a new site
Scottow Enterprise Park	Scottow Enterprise Park development	3.952			Scottow Enterprise Park has 122 units totalling over 510,000 square feet of lettable space, and is currently 67% occupied by 61 businesses. In line with a report to 14 July 2016 Economic Development Committee, in order to facilitate the growth and economic development of the site relative to the current level of

Service Area	Title	2017-18 £m	2018-19 £m	2019-20 £m	Summary of Bid
					demand and enquiries, a total of capital budget of £9.500m is required. This is a further £3.952m over the current capital programme allocation for Scottow. Of the total £9.500m, £5.238m is required to make essential infrastructure improvements for existing and future tenants, including £3.900m to ensure a potable water supply exists throughout the site, the remainder covering adequate drainage, heating and safe asbestos removal. Building requirements comprise £2.700m to bring hangar buildings into a condition whereby prospective tenants can take up space, and a further £1.562m on other buildings to meet current demand.
Public safety	Fire Premises :	0.150			Premises: Downham Market (non-insured shortfall in funding) Attleborough – Fire share of new joint building Stand-by power generators Fitting of NCC swipe card access to our fire stations to allow NCC staff access sites to aid mobile working. Potential contribution from insurance fund.
Public Safety	ICT – Control systems relocation from Hethersett to Wymondham	0.210			Move of NFRS Fire Control Room to Norfolk Constabulary Control Room to facilitate greater operational effectiveness.
Public Safety	Fire station fire detection systems	0.150			Installation of Fire Detection and Monitoring for all NFRS sites that currently have no provision
Public Safety	Live fire unit	0.080			To maintain Operational Firefighter training and to mitigate changes required by NNDC Environmental Health team: <ul style="list-style-type: none"> • Provision of gas fire units • Additional Fire Behaviour unit.
Public Safety	Replacement fire engines		0.950		Replacement of four fire engines.
Public Safety	Aerial Appliance	0.300			Replacement of current aerial appliance
Public Safety	Operational equipment	0.060	0.070	0.070	Capital fund for replacement of critical equipment replacement, (working at height, hose, airbags).
Cultural services - museums	Norwich Castle Keep		1.950		Norfolk Museums Service will deliver a major project to redevelop the medieval Keep at Norwich Castle Museum & Art Gallery. This £13m project will re-create the 12th century Norman royal palace and will develop a new British Museum

Service Area	Title	2017-18 £m	2018-19 £m	2019-20 £m	Summary of Bid
	development match funding				Gallery of the Medieval Period, creating the first permanent presence for the British Museum in the East of England. This project is one of the highest profile heritage projects in the UK, delivering strongly against all four of the Norfolk County Council strategic priorities, with a bid to the Heritage Lottery Fund accounting for the majority of funding.
Cultural services - museums	Norwich Castle museum business critical M&E services	0.150		0.750	The ability to deliver services and programming at NCM is currently threatened by significant failures affecting two critical elements of site M&E infrastructure including the critical M&E systems that control RH and temperature in exhibition galleries, and the external lift.
Cultural services - Libraries	Replacement of Self Service Kiosks in Libraries		0.800		Norfolk Library and Information Service have 106 self-service kiosks in libraries that customers use for around 90% of standard transactions. Originally introduced in 2008, the kiosks were refreshed in 2013/14 and have an effective life expectancy of 6 years. This bid is for 106 replacement kiosks in 2018-19, 50 of which will accept coins/notes and 56 of which will accept money and electronic payments.
Cultural services - Libraries	Capitalisation of library books	1.000	1.000	1.000	The majority of expenditure on library books has previously been treated as revenue expenditure within the Council's accounts. To the extent that library books form a class of "non-current assets" with a life of more than one year they can be capitalised. The actual amount capitalised and impact on the revenue budget will depend on the exact mix of library purchases in any one year.
Finance and property					
Corporate Property Team (CPT)	Norfolk One Public Estate programme	0.250	0.250	0.250	NCC are a partner in Norfolk One Public Estate (OPE) programme This bid enables the County Council to fully participate in the programme through small capital schemes combining buildings and releasing sites from the portfolio thereby producing capital receipts and making revenue savings. Decisions on which projects to support will be made by Corporate Property Strategy Group, supported by the Corporate Property Team based on business cases detailing the benefits to NCC services and Norfolk citizens and service users.
CPT	Basement/Lower Ground	3.700			Proposed refurbishment of the lower ground and basement at County Hall to form maximum occupation office accommodation including a number of meeting rooms and storage space, Together with the refurbishment of the North Wing work this will allow the release of the Annexe and Vantage House. To be commissioned same time a North Wing. Further work is required to refine the cost estimate.
CPT	County Hall North Wing	3.300			Refurbishment of the North Wing at County Hall to form maximum occupation office accommodation including a number of meeting rooms allowing decant

Service Area	Title	2017-18 £m	2018-19 £m	2019-20 £m	Summary of Bid
					from The Annexe & Carrow House subject to final location plans. The project includes the re-siting of the ITS control room. Total cost £4.300m, office accommodation plus provisional £0.500m for democratic spaces, less £1.500m already committed.
CPT	Replacement room booking system	0.050			Replacement room booking system to enable better control of available venues reducing costs associated with hire and lost time.
Finance	Capitalisation of corporate capital staff costs where applicable	0.300	0.300	0.300	The Council spends over £100m each year on its capital programme. Included in this cost can be staff time where it relates to specific projects and assets. This budget represents the cost of a number of staff providing support and advice to various elements of the capital programme, previously funded from the revenue budget.
Resources					
ICT	Member ICT refresh	0.420			Member ICT refresh [details tbc]
ICT	Server infrastructure	2.400			The authority's server infrastructure is now 5 years old and has reached the end of economic life. Replacement servers will be able to meet enhanced storage and recovery standards. The estimated cost of server replacements and licencing is £3.4m, of which £1m is forecast to be spent in 2016-17.
ICT	Technology and investment programme (transformation)	2.600			This bid is for a number of transformation projects to improve ICT services, including: <ul style="list-style-type: none"> • further development of online self-service portals for residents, staff and partners (£1.1m) • refresh of the corporate mobile phone estate (£0.5m) • Improvements to corporate Wi-Fi (£0.5m) • mobile and flexible working technologies to improve the effectiveness and efficiency of front line Social Care workers (£0.5m).
ICT	Licencing and generic capital improvements	1.200	0.900		A number of ICT projects have been proposed to enhance services throughout NCC, principally through the development of a range of self-service portals. As much as £3m will be required in total, including £1.2m approved in 2016-17. In addition, it is likely that a further £0.3m will be required in respect of long term licences in 2017-18.
		24.315	8.970	2.370	

Other projects

Highways Capital Programme Targeted Improvements: as and when government infrastructure funding is made available, experience suggests that government would be looking for 'shovel-ready' projects. Officers are developing strategic schemes (with partners where applicable) which may attract funding, and whether up-front capital funding could act as a lever for government support. Examples of schemes being considered are:

- A47 Acle Straight dualling, Tilney to East Winch dualling, Longwater Junction improvements
- Great Yarmouth Third River Crossing (the DfT has made £1.080m available for development work up to and including the production of an outline business case)
- A11 Thetford junction and other improvements
- A140 Long Stratton bypass
- Rail enhancements in the area to accommodate planned passenger and freight services
- Rail halt at Broadland Business Park
- Great Yarmouth Flood Defence Infrastructure
- Better Broadband
- Great Yarmouth Port development

Shrublands site, Great Yarmouth: discussions with the PCT are taking place which may result in a potential bid relating to the development of health centre on site. This will be subject to an outline proposal from the PCT and acceptable commercial terms. In addition, NCC is considering how the remainder of the site can be best developed.

Whitlingham Outdoor Education Centre: while capital money has been approved to reduce future maintenance costs by addressing immediate capital maintenance concerns (currently subject to discussion with the relevant planning authorities), officers are considering capital improvements which will improve the medium and long term financial sustainability of the centre.

Norfolk Children and Young People in Care Sufficiency Strategy 2016 – 2019: A report to the 15 November 2016 Children's Services Committee set out a strategy part of which is a proposal to develop a capital fund of £5 million to purchase properties to become children's homes.

Schools projects (to be funded through existing grants and developer contributions)

Project	Description	Project Delivery (subject to minimising disruption to education provision)
New primary school building for St Edmund's Primary School, King's Lynn on Lynnsport site	Building for 2FE primary school building on Lynnsport land offered in lieu of S106 contributions. Scheme will assist delivery of alternative provision in King's Lynn.	2019/20
Costessey Infant and Junior	Amalgamation onto single site 3FE primary and second phase to expand to 4 forms of entry.	2017/18
Dersingham Infant and Junior	Amalgamation onto single site. Funding to include disposal of infant school site.	2017/18 onwards
Aylsham Primary growth and reorganisation	Accommodation for St Michael's CE VA Infant School to reorganise to 150 place primary. Expansion of John of Gaunt Infant school site to accommodate further 1 form of entry.	2017/18
Sprowston area growth	Expansion of existing primary schools to west of Sprowston to absorb housing growth prior to new primary schools in Beeston Park	2016/17 onwards
Temporary Classrooms 2017/18	Placement of modular temporary accommodation at school sites experiencing either a bulge year of entry or the first year/continuing years of sustained pupil number growth.	Target delivery by Sept 2017 / 2018
Scarning CE VC Primary	Additional classrooms to provide additional 0.5 form of entry for Dereham cluster. S106 developer contributions form part of funding.	2017/18
Downham Market Hillcrest Primary	Expansion to 3 forms of entry in response to housing growth S106 developer contributions form part of funding.	2017 /18
Poringland Primary	Project to expand school to 2 forms of entry. Costs as yet unknown. S106 developer contribution collected.	2017 /18
Land costs for new schools	Part funding required for land available through housing developments. Funding through Basic Need grant.	2016/17 onwards
Capital Maintenance and Academy transfer funds	Projects of approximately £500,000 not covered by schools' devolved formula capital based on assessment by NPS surveyors.	2016/17

APPENDIX C

Report title:	Mid Year Treasury Management Monitoring Report 2016-17
Date of meeting:	28th November 2016
Responsible Chief Officer:	Executive Director of Finance
Strategic impact 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 st April 2016 to 30 th September 2016.	

Executive summary

The regulatory framework for treasury management requires full Council to receive a mid year monitoring report on treasury activities.

This report provides information on the treasury management activities of the County Council for the period 1st April 2016 to 30th September 2016.

On the 4th August 2016 the Bank of England reduced the bank base rate from 0.5% to 0.25%. The previous rate had stood since March 2009.

At the 30th September 2016, the Council's external debt was £484M and its investments totalled £175M.

Members are asked to:

- **endorse and recommend to County Council, the Mid Year Treasury Management Monitoring Report 2016-17.**

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) 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.”

- 1.2 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.
- 1.3 In addition to regular monitoring, 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.

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 1st April 2016 to 30th September 2016. 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 annex to this report sets out the treasury management activities of the County Council for the six month period from 1st April 2016 to 30th September 2016.

Officer Contact

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

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Mid Year Treasury Management Monitoring Report 2016-17**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 (2016-17) was approved by County Council on the 22nd February 2016.
- 1.2 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.
- 1.3 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 This mid year review provides commentary on economic conditions (produced by Capita, the Council's external treasury advisors) and details treasury activities for the period 1st April 2016 to 30th September 2016 including; cash balances and cash flow management, investment performance, counterparty management, long term borrowing/debt management and prudential indicators.

2. Capita's Economic Overview - October 2016

Economic performance year to date

UK

- 2.1.1 Growth fell back to +0.4% (2.0% year on year) in quarter 1 of 2016 before bouncing back again to +0.7% (2.1% year on year) in quarter 2 of 2016. During this time the economy faced headwinds for exporters from the appreciation of sterling against the Euro, and weak growth in the European Union, China and emerging markets, plus the dampening effect of the Government's continuing austerity programme. The referendum vote for Brexit in June of this year delivered an immediate shock fall in confidence, with business surveys pointing to an impending sharp slowdown in the economy. However, subsequent surveys have shown a sharp recovery in confidence and business surveys, though it is generally expected that although the economy will now avoid flat lining, growth will be weak through the second half of 2016 and in 2017.
- 2.1.2 The Bank of England meeting on August 4th addressed this expected slowdown in growth by a package of measures including a cut in Bank Rate from 0.50% to 0.25%. The Inflation Report included an unchanged forecast for growth for 2016 of 2.0% but cut the forecast for 2017 from 2.3% to just 0.8%. The Governor of the Bank of England, Mark Carney, had warned that a vote for Brexit would be likely to cause a slowing in growth, particularly from a reduction in business investment, due to the uncertainty of whether the UK would have continuing full access, (i.e. without tariffs), to the EU single market. He also warned that the Bank could not do all the heavy lifting and suggested that the Government will need to help growth by increasing investment expenditure and possibly by using fiscal policy tools (taxation). The new Chancellor Phillip Hammond announced after the referendum result, that the target of achieving a budget surplus in 2020 will be eased in the Autumn Statement on 23rd November.

U.S.

- 2.1.3 At the end of 2015 forward indicators were pointing towards a pickup in growth during 2016, at which point the United States Federal Reserve embarked on its long anticipated first increase in interest rates at its December 2015 meeting. At that point, confidence was high that there would then be further increases to come in 2016. Since then, more downbeat news on the international scene and then the Brexit vote, have caused a delay in the timing of the second increase which is now strongly expected in December this year.

Eurozone

- 2.1.4 In 2015 the European Central Bank (ECB) commenced its massive €1.1 trillion programme of quantitative easing to buy high credit quality government and other debt of selected Eurozone countries at a rate of €60bn per month; this was intended to run initially to September 2016 but was extended to March 2017. At recent meetings the ECB has cut its deposit facility rate to reach -0.4% and its main refinancing rate from 0.05% to zero. It also increased its monthly asset purchases to €80bn. These measures have struggled to make a significant impact in boosting economic growth and in helping inflation to rise from around zero towards the target of 2%. This has added to comments from many forecasters that central banks around the world are running out of ammunition to stimulate economic growth and to boost inflation. They stress that national governments will need to do more by way of structural reforms, fiscal measures and direct investment expenditure to support demand in the their economies and economic growth.

Japan

- 2.1.5 Japan is still bogged down in weak growth and making little progress on fundamental reform of the economy while Chinese economic growth has been weakening and medium term risks have been increasing.

2.2 Capita Interest Rate Forecast

- 2.2.1 Capita forecast a further cut in Base Rate to near zero before the end of the year. The forecasts below therefore includes a further cut to 0.10% in December this year and a first increase in May 2018 to 0.25% but no further increase until a year later. The Governor of the Bank of England, Mark Carney, has repeatedly stated that increases in Bank Rate will be slow and gradual after they do start. The MPC is concerned about the impact of increases on heavily indebted consumers, especially when the growth in average disposable income is still weak and could well turn negative when inflation rises during the next two years to exceed average pay increases.
- 2.2.2 The overall longer run trend is for gilt yields and Public Works Loans Board (PWLB) rates to rise, albeit gently. An eventual world economic recovery may also see investors switching from the safe haven of bonds to equities. However, we have been experiencing exceptional levels of volatility in financial markets which have caused significant swings in PWLB rates.
- 2.2.3 The tables below provide a mid year update in respect of forecast movement in interest rates over the medium term (Capita – October 2016). The first table forecasts investment rates (London Interbank Bid Rate) for three, six and twelve month deposits. The second table details Public Works Loan Board rates for loan periods between five and fifty years.

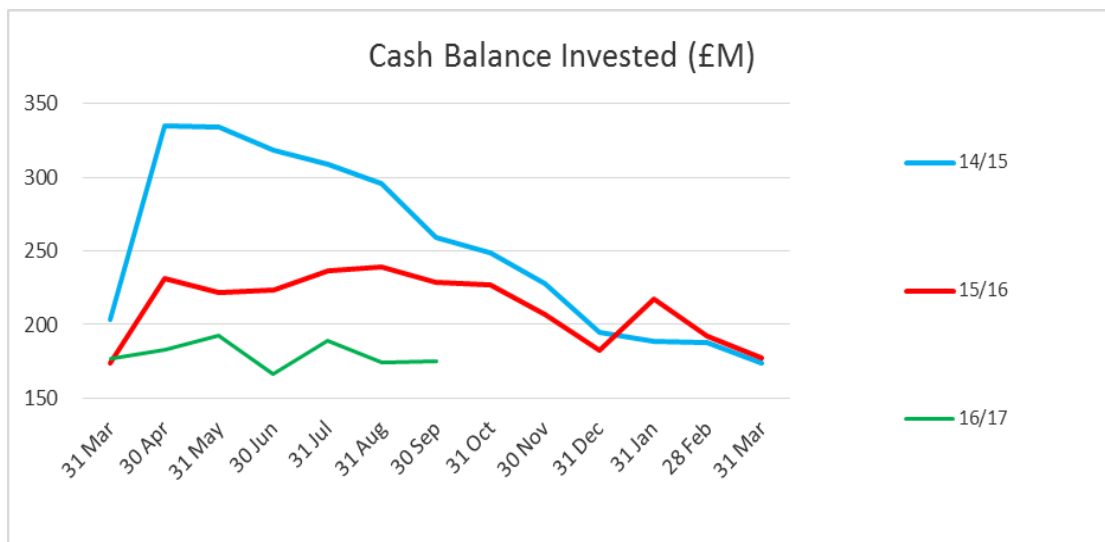
Bank Rate and Deposit Rate Forecasts (%)				
	Bank Rate	3 month LIBID	6 month LIBID	12 month LIBID
Dec-16	0.10	0.20	0.30	0.50
Mar-17	0.10	0.20	0.30	0.50
Jun-17	0.10	0.20	0.30	0.60
Sep-17	0.10	0.20	0.40	0.60
Dec-17	0.10	0.20	0.40	0.70
Mar-18	0.10	0.30	0.50	0.70
Jun-18	0.25	0.30	0.50	0.70
Sep-18	0.25	0.30	0.50	0.80
Dec-18	0.25	0.40	0.60	0.80
Mar-19	0.25	0.40	0.60	0.80

Forecast Long Term Borrowing Rates (%)				
	5 year PWLB	10 year PWLB	25 year PWLB	50 year PWLB
Dec-16	1.00	1.50	2.30	2.10
Mar-17	1.00	1.50	2.30	2.10
Jun-17	1.10	1.60	2.40	2.20
Sep-17	1.10	1.60	2.40	2.20
Dec-17	1.10	1.60	2.40	2.20
Mar-18	1.10	1.60	2.40	2.20
Jun-18	1.20	1.70	2.50	2.30
Sep-18	1.20	1.70	2.50	2.30
Dec-18	1.20	1.70	2.50	2.30
Mar-19	1.20	1.70	2.50	2.30

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 totals £179M.
- 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 in order to ensure that the maximum interest is earned.

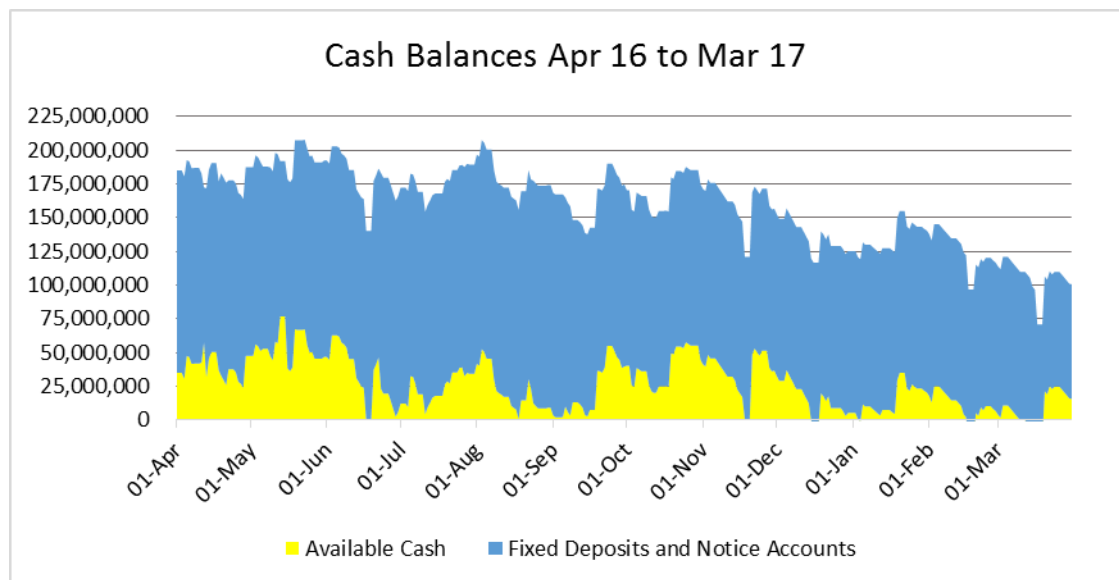
- 3.4 Of the 450 bank accounts administered by the County Council, only 3 are principal accounts (one for income collection, general expenditure and salary payments). The remaining bank accounts are service specific, for example schools locally managing their devolved budgets. The corporate treasury management function ensures the efficient management of cash balances across all 450 accounts by aggregating and investing surplus cash balances on a daily basis.
- 3.5 Year to date, income received amounts to £797M, while payments (including debt repayment) total £799M, resulting in a small decrease in cash balances of £2M. Cash balances available for investment have therefore reduced from £177M at 1st April 2016 to £175M at the 30th September 2016. The table below shows the level of cash balances over the last two and a half years. The Government's smoothing of the distribution profile of government grants is clearly visible.



- 3.6 To cover daily liquidity, the County Council may borrow short-term from the money markets. With the County Council reducing the level of liquid cash held on short-term deposit in favour of higher yielding longer term deposits, the Council has borrowed on two separate occasions during the first 6 months of this year; see table below. On both occasions short-term borrowing was only required for a few days until the scheduled payment of precept monies (from council tax) was paid over by the local District and City Councils.

Short Term Borrowing					
Borrow	Repayment	Days	Value	Interest Rate	Interest Paid
17-Jun-16	19-Jun-16	3	7,960,000	0.32%	209.36
12-Jul-16	18-Jul-16	7	10,000,000	0.28%	536.99

- 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), to the 30th September 2016. The forward forecast of daily liquidity for the remainder of this financial year to the 31st March 2017, shows the lowest levels of liquidity to be mid-month in November, December 2016 and February and March 2017 when staff salaries are paid. The current average daily liquidity level, assuming no new long term fixed deposits, is around £26M.



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 and markets benefiting from Government liquidity measures, it is a very difficult investment environment in terms of earning anything like the level of interest rates commonly seen prior to the global financial crisis.
- 4.2 At the 30th September 2016, the Council held £175M 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	39.6	0	35	15	5	70
Non-UK Banks	0	10	0	0	0	0
Building Societies	0	0	0	0	0	0
Other	0	0	0	0	0	0
Total	39.6	10	35	15	5	70

- 4.3 A more detailed investment profile at 30th September 2016 is shown at Appendix 1.

- 4.4 The average interest rate earned year to date is 1.03%. Not only does this compare very favorably with the average London Interbank Bid Rate (LIBID) – outperforming the 12 month LIBID deposit rate, the rate earned is more than 0.25% higher than last year's reported performance figure. 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.

2016/17	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 16	0.97	0.36	0.46	0.62	0.89
May 16	0.99	0.36	0.46	0.61	0.88
Jun 16	1.06	0.36	0.45	0.58	0.84
Jul 16	1.07	0.35	0.39	0.48	0.70
Aug 16	1.08	0.14	0.28	0.40	0.61
Sep 16	1.03	0.12	0.25	0.40	0.62

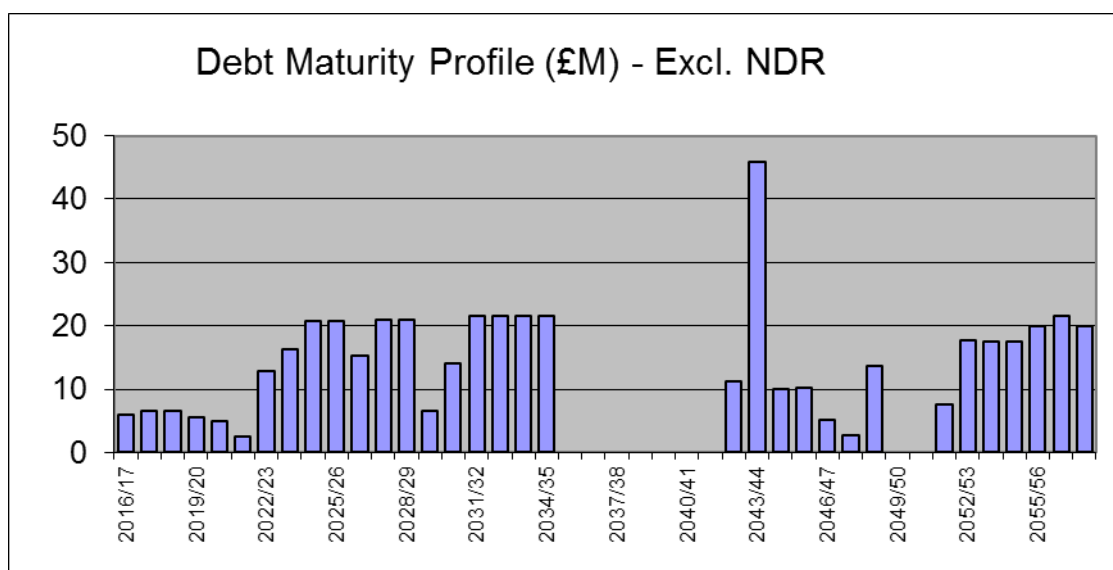
- 4.5 Gross interest earned for the period 1st April 2016 to 30th September 2016 is £0.926M.
- 4.6 In addition, the County Council has undertaken daily treasury management activities on behalf of the Norfolk Pension Fund, Norse Commercial Services Ltd, Norse Care Ltd, NPS Property Consultants Ltd and Independence Matters. Average cash balances managed on behalf of these other bodies totaled £17M, earning interest of £0.036M between 1st April 2016 and 30th September 2016.

5. Counterparty Maintenance

- 5.1 The Executive Director of Finance is responsible for maintaining an Approved Counterparty List in accordance with the criteria as set out in the approved Annual Investment and Treasury Strategy 2016-17. 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 has been no credit rating downgrades during the period 1st April 2016 to 30th September 2016 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 2016-17 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 an initial £17M for the Northern Distributor Road (NDR) project. The application to the PWLB was made in two stages the first in July 2016 securing a £8.5M 25 year loan at 1.79%, the second application was made in August again for £8.5M over 25 years at a rate of 1.74%.
- 6.4 At the 30th September 2016, the Council's external borrowing (debt outstanding) totaled £484M. The re-payment profile for debt is shown below.



- 6.5 Appendix 2 shows debt maturities during the last 3 years, including the amount of debt repaid, the rate of interest and interest savings.
- 6.6 The Council's overall borrowing requirement (excluding the NDR project) in 2016-17 is approx. £170M. This represents past capital expenditure for which the approved borrowing has not yet been drawn down. The Executive Director of Finance, 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).

- 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 in order to identify repayment opportunities.
- 6.8 The Council continues to maintain its total gross borrowing level within its Authorised Limit of £777M for 2016-17. 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 2016.
- 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'. Monitoring of the 2016-17 treasury management approved indicators has highlighted no significant deviation from expectations as at 30th September 2016.

Outstanding Deposit Profile @ 30th September 2016

Appendix 1

Counterparty Name	Deal Date	Maturity Date	Interest Rate %	Principal £M
Barclays Bank Group				
Barclays Bank Call Account	Instant Liquidity		0.40*	39.6
Barclays Bank	01-Apr-16	17-Mar-17	0.98	25
				64.6
Close Brothers Limited				
Close Brothers Limited	19-Apr-16	19-Apr-18	1.55	10
Close Brothers Limited	24-Aug-16	24-Aug-18	1.25	10
				20
Goldman Sachs Intl Bank				
Goldman Sachs Intl Bank	24-May-16	24-May-17	1.045	5
Goldman Sachs Intl Bank	23-Jun-16	17-Feb-17	0.87	10
				15
Landesbank Baden-Wuerttemberg				
Landesbank Baden-Wuerttemberg	23-Jun-16	18-Nov-16	0.65	10
				10
Lloyds Banking Group				
Lloyds TSB	13-Apr-16	13-Apr-17	1.05	5
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-May-17	1.05	5
Lloyds TSB	16-May-16	16-Nov-17	1.28	20
Lloyds TSB	27-Jul-16	27-Jul-17	1.05	5
				60
Santander UK				
Santander UK 365 Day Notice	Not yet called		1.05	5
				5
Total Deposits				174.6

* Latest rates as at 30th September 2016

In addition deposits of £12.581m 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

Debt Maturities 2013/14 to 2015/16			
Maturity Date	Amount Repaid	Rate	Full Year Interest Saving
11/04/2013	£2,000,000	4.625%	£92,500
15/06/2013	£1,000,000	4.750%	£47,500
30/09/2013	£1,000,000	4.750%	£47,500
11/10/2013	£2,000,000	4.625%	£92,500
15/12/2013	£1,025,000	6.500%	£66,625
31/03/2014	£1,500,000	4.750%	£71,250
2013/14	£8,525,000		£417,875
11/04/2014	£2,000,000	4.625%	£92,500
15/06/2014	£500,000	9.375%	£46,875
15/06/2014	£1,500,000	4.750%	£71,250
30/09/2014	£1,000,000	5.000%	£50,000
11/10/2014	£1,500,000	4.625%	£69,375
15/12/2014	£500,000	9.500%	£47,500
15/12/2014	£1,500,000	4.750%	£71,250
31/03/2015	£500,000	9.375%	£46,875
2014/15	£9,000,000		£495,625
11/04/2015	£1,000,000	4.625%	£46,250
15/06/2015	£500,000	9.375%	£46,875
30/09/2015	£1,500,000	5.000%	£75,000
11/10/2015	£500,000	9.625%	£48,125
11/10/2015	£500,000	4.625%	£23,125
15/12/2015	£500,000	9.500%	£47,500
31/03/2016	£500,000	9.375%	£46,875
31/03/2016	£1,500,000	5.000%	£75,000
2015/16	£6,500,000		£408,750
Apr 13 to Mar 16	£24,025,000		£1,322,250

APPENDIX D

Report title:	Appointment of Directors in NCC related Companies – Supplement
Date of meeting:	28 November 2016
Responsible Chief Officer:	Executive Director of Finance – Simon George
Strategic impact This report helps to ensure that there is transparency about the appointment of Directors to companies the County Council has an interest in.	

Executive summary

Financial Regulations require Full Council to approve the appointment of Directors to companies in which the County Council has an interest, taking the advice of the Executive Director of Finance. Policy and Resources Committee received a report on the appointment of Directors at its meeting 26 September 2016, which was subsequently agreed by County Council 17 October 2016.

This report sets out details of one clarification in respect of the original report and seeks approval for amendments to a number of existing Director appointments.

Policy and Resources Committee is recommended to:

- 1. Recommend to Full Council to confirm the Directors of Norse Care Limited and Norse Care Services Limited as set out in Table 1.**
- 2. Recommend to Full Council the appointment of Joel Hull as a Director of Norfolk Energy Futures Limited, replacing Paul Borrett.**
- 3. Recommend to Full Council the Director appointments in respect of Norfolk Safety CIC as set out in Table 3.**

1. Background

- 1.1. Authorisation by Norfolk County Council is required for the appointment of Directors that the County Council and / or a Norse Group company is entitled to appoint. The requirement for this authorisation is contained in Financial Regulation 5.10.6:

“The appointment of directors to companies/trusts 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.”

- 1.2. Policy and Resources Committee received a report on the appointment of Directors at its meeting 26 September 2016, which was subsequently agreed by

County Council 17 October 2016. Since that time, a clarification to the original report and one new Director appointment have been identified.

2. Clarification of Director appointments – Norse Group

- 2.1. The original report of 26 September incorrectly referred in section 2.3 to the replacement of Joanne Cooke as a Director of Norse Care Limited and Norse Care Services Limited by Ian Mackie. The report should instead have referred to Joanne Cooke being replaced by Tom McCabe. Ian Mackie is already serving as a Director of these companies. This was in any case reflected in recommendation 3 of the original report which proposed that Policy and Resources Committee: *“Recommend to Full Council that Tom McCabe be appointed to directorships previously held by Anne Gibson, including appointment as Chairperson of the Norse Group Ltd and as director of Norse Care Limited and Norse Care Services Limited.”*
- 2.2. This change serves to ensure that the boards of Norse Group Limited, Norse Care Limited, and Norse Care Services Limited are consistent and share the same Directors. For the avoidance of doubt, the Directors of Norse Care Limited and Norse Care Services Limited are set out in the table below, for Member approval.

Table 1: Norse Care Limited and Norse Care Services Limited

Company Name	Reg. Number	NCC % shares	Date of Incorp.	Directors
NORSE CARE LIMITED	7445484	100	19 Nov 10	Martin Hopkins; Michael Britch; Karen Knight; Tom McCabe; Cllr Ian Mackie
NORSE CARE (SERVICES) LIMITED	7445495	100	19 Nov 10	Martin Hopkins; Michael Britch; Karen Knight; Tom McCabe; Cllr Ian Mackie

3. Proposed Director appointments – other companies

- 3.1. Since the preparation of the 26 September report, an existing Director has resigned from the Council. It is therefore proposed that Joel Hull be appointed to replace Paul Borrett as a Director of **Norfolk Energy Futures Limited**. The Directors of Norfolk Energy Futures Limited are set out in the table below for Member approval.

Table 2: Norfolk Energy Futures Limited

Company Name	Reg. Number	NCC % shares	Date of Incorp.	Directors
NORFOLK ENERGY FUTURES LIMITED	7856300	100	22 Nov 11	Harvey Bullen; David Collinson; Joel Hull

- 3.2. Since the preparation of the 26 September report, there have been changes to the Director appointments to **Norfolk Safety CIC**. This includes a replacement for Karen Palframan, as noted in the previous report. In addition, the Chief Fire Officer, Roy Harold, retired from the County Council in November 2016. The Chief Fire Officer holds an appointment as a Director of Norfolk Safety CIC. It is proposed that David Ashworth (Acting Chief Fire Officer) be appointed to this directorship.

Table 3: Norfolk Safety Community Interest Company

Company Name	Reg. Number	NCC % shares	Date of Incorp.	Directors
NORFOLK SAFETY CIC	9384905		12 Jan 15	Glenn Floyd; Steven Aspin; David Ashworth

- 3.3. The Executive Director of Finance recommends that Policy and Resources Committee notes these appointments and forwards them on to Full Council for approval.

4. Financial Implications

- 4.1. The Council's Financial Regulations require Full Council to approve the appointment of Directors to companies in which the Council has an interest. This report ensures that there is transparency about the Director appointments made by the Council and supports compliance with Financial Regulations.
- 4.2. While there are no direct financial implications of this report, Council approval of the appointment of Directors will help to ensure that the Council's financial and other interests are effectively safeguarded by appropriate, named representatives, who are accountable to the County Council.

5. Issues, risks and innovation

- 5.1. There are no significant risks or implications beyond those set out in the financial implications section of the report.

6. Background Papers

Appointment of Directors in NCC related Companies: Shareholder consents required under Articles of Association of Norse Group Companies and Financial Regulation 5.10.6, Policy and Resources Committee, 26 September 2016, Item 13:

<http://norfolkcc.cmis.uk.com/norfolkcc/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/501/Committee/21/SelectedTab/Documents/Default.aspx>

Officer Contact

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

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APPENDIX E to report of P&R

Report title:	Recommendations from the Constitution Advisory Group
Date of meeting:	28 November 2016
Responsible Chief Officer:	Victoria McNeill, Head of Law and Monitoring Officer
Strategic impact It is important that the Council's constitution is fit for purpose and reflects the requirements of the County Council.	

Executive summary

This report sets out recommendations from the Constitution Advisory Group meeting held on 11 November 2016. The recommendations cover:

- Terms of Reference of the Personnel Committee
- Appointments and Disciplinary Action relating to Senior Officers
- Committee Responsibility for Drug and Alcohol Commissioning
- NORSE Governance – Terms of Reference of the Policy and Resources Committee
- Delegations to the Executive Director of Community and Environmental Services

Recommendations: To agree the recommendations of the Constitution Advisory Group for consideration by the Council as follows:

1. To agree the revised wording to the terms of reference of the Personnel Committee as set out in Appendix 1 to Annexe A and recommend it to the Full Council for approval and incorporation into the Council's Constitution.
2. To agree and recommend to Council for approval the revised wording of Part 6.4 of the Constitution as set out in at Appendix 1 to Annexe B.
3. To agree and recommend Council to remove responsibility for Drug and Alcohol commissioning from the Adult Social Care Committee and incorporate it into the Communities Committee's responsibilities for developing policy, reviewing performance and budget in relation to Public Health.

4. To agree and recommend to Council that Part 4.1 of the Constitution is amended to add the following to the terms of reference of the Policy and Resources Committee:

- That the Council's purposes for participation in the Norse Group companies are clearly established and reviewed annually by the Policy & Resources Committee.
- That Norse reports annually to P&R on both past performance against the council's purposes and KPIs and future business plans for the Norse Group companies, with appropriate assurances from the Executive Director of Finance and the Head of Law and Monitoring Officer. The Council has two distinct interests in Norse, as the sole shareholder in the Norse Group where its interests are ownership interests, and as a customer of some of the Norse companies where its interests are service delivery interests. As part of the business plans, that Norse commits to a range of KPIs against which it is measured, including:
 - (i) a value statement summarising the benefits accruing to NCC through ownership of Norse, including target rebate, dividend and return on any loans, provided the level of dividends, combined with rebates, should not be so large as to impact either short-term working capital or future investment requirements to meet long term spending objectives;
 - (ii) other KPIs such as the percentage of new work derived from private sector contracts, the profitability of such work and the total return to NCC.
- That, in relation to new Companies (as defined by the Articles of Association) proposed by the Norse Group, the Executive Director of Finance will establish annually business objectives including the financial return expected. Proposals for Companies meeting these business objectives will be fast-tracked for approval by the Executive Director of Finance, through the P&R Committee or via the urgent business procedures for P&R business (where commercially necessary).

5. To agree and recommend to Council the following amendment to the Delegations to the Executive Director of Community and Environmental Services - Part 6.2, B, Sub Para 2 "Responding to District Council consultations on planning applications or to development proposals by Government departments, statutory undertakers, local authorities or other decision making bodies provided that the proposal is consistent with County Council policy, is unlikely to raise controversial issues of a strategic nature and the Local Member member is in agreement has been informed of the proposed response."

1. Proposal

- 1.1 This report asks members to consider the recommendations of the Constitution Advisory Group (CAG) which met on 11th November 2016. Changes to the constitution are recommended to the Council by this Committee following their consideration by the CAG.

2. Evidence

- 2.1 **Terms of Reference of the Personnel Committee.** The Terms of Reference of the Personnel Committee are set out in the Council's Constitution, Part 4.1. The Personnel Committee has approved draft revisions to remove inconsistencies with other parts of the Constitution (report on page 11 of the Committee papers at: Personnel Committee 21/10/2016.) The report considered by the CAG is attached at Annexe A, with Appendix 1 to Annexe A showing the proposed changes and summarising the reasons, which are detailed in the Personnel Committee report. The revised terms of reference will more accurately describe the responsibilities and delegated powers of the Personnel Committee. This will bring the document up to date and so improve clarity and transparency in respect of the Council's decision-making. No change to the actual business and decision-making of the Personnel Committee will result. CAG supported these amendments.

To agree the revised wording to the terms of reference of the personnel Committee as set out in Appendix 1 to Annexe A and recommend it to the Full Council for approval and incorporation into the Council's Constitution.

- 2.2 **Appointments and disciplinary action relating to senior officers**

Personnel Committee on 21 October 2016 considered a report (see at page 17, 21/10/2016) proposing revised text and an amended list of senior posts for Member appointments. The report considered by CAG is attached at Annexe B and proposed changes to Part 6.4 of the Constitution are set out in at Appendix 1 to Annexe B. CAG agreed (by 7 votes to 1) that reducing the number of posts where Members would make appointments to 8, i.e. Managing Director (Head of Paid Service), Directors of Public Health, Adult Social Care, Children's Services, Community and Environmental Services, Finance, together with the Chief Fire Officer, and Monitoring Officer rather than the current 29 was appropriate given the current structures and put the proper accountabilities for making appointments in place. It was noted that Members would still have a role in senior appointments through involvement as stakeholders and CAG agreed to ask officers to give further consideration to reflecting this involvement in the constitution. There would be no practical change to the arrangements for taking disciplinary action against senior staff.

To agree and recommend to Council for approval the revised wording of Part 6.4 of the Constitution as set out in at Appendix 1 to Annexe B.

- 2.3 **Committee responsibility for drug and alcohol commissioning**

Part 4.1 of the Council Constitution currently states that the Adult Social Care Committee is responsible for drug and alcohol commissioning. Communities Committee has responsibility for Public Health and for the development of policy in relation to drug and alcohol services, setting the policy context for the commissioning strategy. It is also responsible for reviewing performance of drug and alcohol services and agreeing its budget. It is proposed that, in the interests of efficient governance and to preserve the link between policy and commissioning strategy, Communities Committee should be responsible for drug & alcohol commissioning, as it is for other public health commissioned services. The Chairs of both committees have been consulted and agreed to this proposal as has the Director of Adult Social Care. CAG supported this proposal.

The Committee is asked to agree and recommend Council to remove responsibility for Drug and Alcohol commissioning from the Adult Social Care Committee and incorporate it into the Communities Committee's responsibilities for developing policy, reviewing performance and budget in relation to Public Health.

2.4 NORSE Governance Review – Amendment to Terms of Reference of the Policy and Resources Committee

The review of NORSE Governance was reported to the Policy and Resources Committee in March 2016, where a number of governance recommendations were agreed. One recommendation was that the constitution be amended to clarify the purpose of the Council's participation, the process for parent company approval of business plans and strategies and the Policy & Resources Committee's role in oversight and decision-making. CAG supported the amendments which are set out in the recommendations in the Executive Summary of this report.

It is recommended that the Committee agree and recommend to Council that part 4.1 of the Constitution (Terms of Reference of the Policy and Resources Committee) be amended accordingly

2.5 Delegations to the Executive Director of Community and Environmental Services - Part 6.2, B, Sub Para 2

CAG considered the following proposed amendment regarding delegations to the Executive Director of Community and Environmental Services with regard to responding to District Council planning applications:

Set out below is the suggested change (new wording in **bold**, deleted text in underlined italics):

“Responding to District Council consultations on planning applications or to development proposals by Government departments, statutory undertakers, local authorities or other decision making bodies provided that the proposal is consistent with County Council policy, is unlikely to raise controversial issues of a strategic nature and the Local **Member member is in agreement has been informed of the proposed response.**”

The rationale behind this proposal was that the County Council’s formal response to a consultation is likely to be on a rapid turnaround timescale. “Agreement” of a Local Member is simply inappropriate as one member cannot have a veto on the response. If the Local Member is strongly opposed to the draft response he or she can ask for the delegation not to be exercised and instead the response taken to Planning Regulatory Committee (time permitting) to be settled.

CAG accepted the proposal by 5 votes to 2, with the proviso that local members had an opportunity to see the proposed response before it was submitted to the District Council.

It is recommended that the Committee agree and recommend to Council the above amendment to the Delegations to the Executive Director of Community and Environmental Services - Part 6.2, B, Sub Para 2.

3. Financial Implications

There are no financial implications

4. Issues, risks and innovation

4.1 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:

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Terms of Reference of the Personnel Committee

Report by the Managing Director

The Personnel Committee has approved draft changes to the Committee's Terms of Reference. CAG is asked to agree the revised wording at Appendix 1 and recommend it to the Policy and Resources Committee for referral to Full Council for approval and incorporation into the Council's Constitution.

1. Background

- 1.1. The Terms of Reference of the Personnel Committee are set out in the Council's Constitution, Part 4.1. The Personnel Committee has approved draft revisions to remove inconsistencies with other parts of the Constitution; see report on page 11 of the Committee papers at: [Personnel Committee 21/10/2016](#).
- 1.2. The Terms of Reference are attached at Appendix 1, showing the proposed changes and summarising the reasons, which are detailed in the Personnel Committee report.
- 1.3. The revised Terms of Reference will more accurately describe the responsibilities and delegated powers of the Personnel Committee. This will bring the document up to date and so improve clarity and transparency in respect of the Council's decision-making. No change to the actual business and decision-making of the Personnel Committee will result.

2. Recommendation

- 2.1. Members are asked to agree the revised wording at Appendix 1 and recommend it to the Policy and Resources Committee, for referral to Full Council for approval and incorporation into the Council's Constitution.


Background Papers

The Council's Constitution: [Constitution](#)

Personnel Committee report: [Personnel Committee 21/10/2016](#)

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Roger Graham-Leigh	01603 222914	roger.graham-leigh@norfolk.gov.uk
<div style="display: flex; align-items: center;"><div style="flex: 1;"></div><div style="flex: 2;"><p>If you need this report in large print, audio, Braille, alternative format or in a different language please contact 0344 800 8020 and ask for Roger Graham-Leigh or textphone 0344 800 8011 and we will do our best to help.</p></div></div>		

Norfolk County Council Constitution

PART 4.1 COMPOSITION AND TERMS OF REFERENCE OF COMMITTEES

4.1 PERSONNEL COMMITTEE

COMPOSITION:

5 Members of the Council, to include the Leader of the Council

TERMS OF REFERENCE:

[Existing wording, with change proposals in *bold italics*.]

1. Except to the extent delegated to Chief Officers in accordance with the Officer Employment Procedure Rules set out in Part 6.4 of the Constitution, to determine the terms and conditions on which staff hold office (including procedures for their dismissal).

No change proposed.

2. To be responsible for the appointment of the Head of Paid Service, statutory and non-statutory Chief Officers and Deputy Chief Officers (all as defined in the Local Government and Housing Act 1989). This power includes the establishment of ad hoc Appointment Panels to carry out this function.

Delete the words ", statutory and non-statutory Chief Officers and Deputy Chief Officers (all as defined in the Local Government and Housing Act 1989)" as the clause conflicts with the appointment process for these officers set out in Part 6.4.

3. To be responsible for taking disciplinary action in respect of the Head of Paid Service, in accordance with the procedures required by the Officer Employment Procedure Rules.

No change proposed.

4. To designate an officer as Head of Paid Service (subject to approval by the full Council) and to provide staff etc. for that officer.

Delete entire clause, as it conflicts with full Council responsibilities.

5. To designate an officer as the Monitoring Officer and to provide staff etc. for that officer.

Delete entire clause, as the Monitoring Officer is designated elsewhere in Constitution.

6. To make arrangements for the proper administration of the Council's financial affairs including the appointment of the Chief Finance Officer.

Delete entire clause, as it conflicts with remit of Chief Finance Officer, and with the appointment process set out in Part 6.4.

7. To designate the Council's "Proper Officers".

Delete entire clause, as Proper Officers are defined in Part 6.3.

NOTE: The procedures for taking disciplinary action in respect of Chief Officers, Deputy Chief Officers, the Chief Finance Officer and Monitoring Officer are set out in the Officer Employment Procedure Rules ***The Personnel Committee has no role in these matters, which fall to the Head of Paid Service. This Note is not part of the Terms of Reference and should be deleted***

Appointments and disciplinary action relating to senior officers

Report by the Managing Director

The Personnel Committee has endorsed proposed revisions to Part 6.4 of the Council's Constitution, which sets out arrangements for the appointment and discipline of officers.

CAG is asked to review the revised wording, and make recommendations to the Policy and Resources Committee for referral to Full Council for approval.

3. Background

- 3.1. Arrangements for the appointment of, and disciplinary action in respect of, the council's officers are set out in Part 6.4 of the Council's Constitution.
- 3.2. There is no statutory requirement that Members must be involved in the appointment of any officer. However Part 6.4 provides a list of posts to be appointed by Members. There are presently 29 posts in the list.
- 3.3. The text defining which posts are to be Member appointments needs revision to reflect that the organisation's structure has changed significantly, and that key responsibilities are now shared between fewer senior officers.
- 3.4. The text of Part 6.4 also needs revision to remove inconsistencies in the use of the terms 'Chief Officer' and 'Deputy Chief Officer', which carry statutory definitions but are not always used in that sense in the text.
- 3.5. Personnel Committee on 21 October considered a report (see at page 17 here: [Personnel Committee 21/10/2016](#)) proposing revised text and an amended list of senior posts for Member appointments. The revised version is at Appendix 1 of that report.
[The proposed revised version of Part 6.4 is attached at APPENDIX 1]
- 3.6. The Committee endorsed the proposed revisions for consideration by CAG.
- 3.7. CAG are recommended to review the revised wording, which gives effect to the intentions of the Personnel Committee, and recommend it to the Policy and Resources Committee, for referral to Full Council for approval.
- 3.8. Results of updated research into the practice of other county councils is attached at Appendix 2 of this report.

4. Other considerations

- 4.1. The change in terminology from using 'Chief Officer' and 'Deputy Chief Officer' except where the statutory meaning is intended, and the redefinition of which senior officers will be appointed by Members, will require consequential changes in Section 9 of Part 6.4, *Officers Delegated Powers In Respect Of Staffing Matters*. The Monitoring Officer can make such consequential amendments once the changes are approved.
- 4.2. The Council's Pay Policy Statement, which is not part of the Constitution, will also require revision to reflect the revised arrangements. This will be referred to Full Council separately as part of the annual update of the Statement.

5. Recommendation

- 5.1. Members are asked to:
 - 5.1.1. review the revised wording of Part 6.4 of the Constitution at Appendix 1 of the Personnel Committee report, and make recommendations to the Policy and Resources Committee for referral to Full Council for approval.
 - 5.1.2. authorise the Monitoring Officer to make such consequential changes to other sections of Part 6.4 as necessary, flowing from the revisions as recommended.


Background Papers

The Council's Constitution is available on the Council's website at:
<https://www.norfolk.gov.uk/what-we-do-and-how-we-work/policy-performance-and-partnerships/policies-and-strategies/corporate/norfolk-county-council-constitution>

The Personnel Committee report is at: [Personnel Committee 21/10/2016](#)

Officer Contact

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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 and ask for Roger Graham-Leigh or textphone 0344 800 8011 and we will do our best to help.		

APPENDIX 1 to Annexe B

Proposed changes to Part 6.4

Deleted text shown as double-strike-through. New text shown as bold italics.

These rules incorporate the standing orders required by Regulation 3(1) and Part ~~II~~ **IV** of Schedule 1 and Regulation 6/Schedule 3 of the Local Authorities (Standing Orders) (England) Regulations 2001.

1. RECRUITMENT AND APPOINTMENT (GENERAL)

1.1 DECLARATIONS

(i) The Council will draw up a statement requiring any candidate for appointment as an officer to state in writing whether they are the parent, grandparent, partner, child, stepchild, adopted child, grandchild, brother, sister, uncle, aunt, nephew or niece of any existing councillor or officer of the Council; or of the partner of such persons. Every member and senior officer of the Council must disclose to the Managing Director any relationship known to him/her to exist between himself/herself and any person whom he/she knows is a candidate for an appointment under the Council. The Managing Director or Chief Officer must bring any such disclosure to the attention of the Chairman of the Personnel Committee.

(ii) No candidate so related to a councillor or an officer will be appointed without the authority of the relevant chief officer or an officer nominated by him/her.

1.2 SEEKING SUPPORT FOR APPOINTMENT

(i) Subject to paragraph (iii) the Council will disqualify any applicant who directly or indirectly seeks the support of any councillor for any appointment with the Council. The content of this paragraph will be included in any recruitment information.

(ii) Subject to paragraph (iii) no councillor will seek support for any person for any appointment with the Council.

(iii) Nothing in paragraphs (i) and (ii) above will preclude a councillor from giving a written reference for a candidate for submission with an application for appointment.

2. RECRUITMENT OF HEAD OF PAID SERVICE AND ~~CHIEF~~ SENIOR OFFICERS

For the purposes of this Part of the Constitution, a list of senior officers is provided in Part A of the Appendix. The senior officers listed are those which:

- a) are statutory chief officers for the purposes of regulation 3 of Schedule 1 Part IV of the 2001 regulations, or*
- b) are non-statutory chief officers or deputy chief officers for the purposes of that regulation, and are also:*
 - i. members of the County Leadership Team, or*

ii. the Monitoring Officer.

Where the Council proposes to appoint the Head of Paid Service or a ~~chief~~ **senior** officer and it is not proposed that the appointment will be made exclusively from among their existing officers, the Head of Human Resources and Organisational Development will:-

- (a) draw up a statement specifying:
 - (i) the duties of the officer concerned; and
 - (ii) any qualification or qualities to be sought in the person to be appointed;
- (b) make arrangements for the post to be advertised in such a way as is likely to bring it to the attention of persons who are qualified to apply for it; and
- (c) make arrangements for a copy of the statement mentioned in paragraph (a) to be sent to any person on request.

3. APPOINTMENT OF HEAD OF PAID SERVICE

(a) The full Council will approve the appointment of the Head of Paid Service following the recommendation of such an appointment by an Appointment Panel appointed for this purpose by the Personnel Committee. The Appointment Panel must interview all qualified applicants for the post or select a short list of such qualified applicants and interview those included on the short list. The Panel must be politically balanced but will not count in the overall allocation of seats to political groups because of its ad-hoc nature.

4. APPOINTMENT OF ~~CHIEF OFFICERS AND DEPUTY CHIEF OFFICERS~~ SENIOR OFFICERS

(a) An Appointment Panel will appoint ~~chief officers and deputy chief officers~~ **senior officers**. The Panel will be appointed for this purpose by the Managing Director in consultation with the Group Leaders and must be politically balanced. The Panel may comprise or include some or all the members of the Personnel Committee.

~~(b) A list of Chief Officers and Deputy chief officers for the purposes of this paragraph is annexed to this Appendix.~~

5. OTHER APPOINTMENTS

(a) ~~OFFICERS BELOW DEPUTY CHIEF OFFICER~~ The appointment of officers ~~below deputy chief officer~~ **other than as provided above, and** (other than assistants to political groups), is the responsibility of the head of paid service or his/her nominee, and may not be made by councillors. In this respect ~~he~~ **she** has arranged for ~~chief officers~~ **heads of department** to exercise this function in respect of such staff within their Department (see para 12 of the table below).

It may be appropriate in some cases for Members to meet candidates in an informal environment. It may also be appropriate in limited circumstances, for the relevant Committee Chairman to speak with the ~~Chief Officers~~ **head of department** about the person specification prior to the post being advertised.

A list of posts for which such informal arrangements would be appropriate is provided in Part B of the Appendix.

(b) ~~ASSISTANTS TO POLITICAL GROUPS~~ The recruitment of assistants to political groups will be carried out in accordance with the Council's proper processes but appointments will be made in accordance with the wishes of the political group to which the post has been allocated.

6. DISCIPLINARY ACTION IN RESPECT OF THE HEAD OF PAID SERVICE, CHIEF FINANCE OFFICER AND MONITORING OFFICER:

~~(a) No disciplinary action in respect of the Council's head of paid service, its monitoring officer or its chief finance officer, except action described in paragraph (b), may be taken by the Council, or by a committee, a subcommittee, a joint committee on which the Council is represented or any other person acting on behalf of the Council, other than in accordance with a recommendation in a report made by a designated independent person under regulation 7 of the Local Authorities (Standing Orders) (England) Regulations 2001.~~

~~(b) The action mentioned in paragraph (a) is suspension of the officer for the purpose of investigating the alleged misconduct occasioning the action; and any such suspension must be on full pay and terminate no later than the expiry of two months beginning on the date on which the suspension takes effect.~~

~~(c) In paragraph (a), "chief finance officer", "disciplinary action", "head of the authority's paid service" and "monitoring officer" have the same meaning as in regulation 2 of the Local Authorities (Standing Orders) (England) Regulations 2001 and "designated independent person" has the same meaning as in regulation 7 of those Regulations.~~

~~(d) In addition, any proposal to dismiss the Head of Paid Service must (i) follow the procedure in para 7(a) below but with the substitution of the body proposing the dismissal for the reference to the Head of Paid Service and (ii) be approved by the full Council.~~

Any disciplinary action in respect of the Head of Paid Service, Chief Finance Officer and Monitoring Officer will comply with the 2001 Local Authorities (Standing Orders) (England) Regulations 2001 as amended by the Local Authorities (Standing Orders) (England) (Amendment) Regulations 2015.

7. DISCIPLINARY ACTION IN RESPECT OF ~~CHIEF OFFICERS AND DEPUTY CHIEF OFFICERS~~ SENIOR OFFICERS

(a) The Head of Paid Service will be responsible for taking disciplinary action in respect of ~~Chief Officers and deputy Chief Officers~~ **senior officers (as listed in the Appendix)** (including their dismissal).

(b) The Council's Disciplinary Procedure will apply, except in the case of disciplinary action in respect of the Chief Finance Officer or Monitoring Officer. The Head of Paid Service will consult the Head of HR and

Organisational Development and the Head of Law as to any disciplinary process or proposed disciplinary action relating to senior officers.

~~In the case of disciplinary action in respect of deputy Chief Officers he will first consult the relevant Chief Officer.~~

~~(b) Notice of dismissal of a senior officer must not be given by the Head of Paid Service until:-~~

~~(i) The Head of Paid Service has notified the Head of Human Resources and Organisational Development of the name of the person who he wishes to dismiss and any other particulars which the Head of Paid Service considers are relevant to the dismissal.~~

~~(ii) The Head of Paid Service is satisfied that any objection received within that period is not material or is not well founded.~~

8. DISCIPLINARY ACTION IN RESPECT OF OTHER STAFF

Disciplinary action against or the dismissal of other staff will only be taken by the Head of Paid Service or his nominee. In this respect he has arranged for ~~chief officers~~ **heads of department** to exercise these functions in respect of such staff within their Departments (see para 15 of the table below).

Councillors will not be involved in disciplinary action against or the dismissal of any officer below deputy chief officer except (a) where such involvement is necessary for any investigation or inquiry into alleged misconduct, through the Council's disciplinary, capability and related procedures, as adopted from time to time may allow a right of appeal to members in respect of disciplinary action or dismissals or (b) in the case of political assistants (where such action will be taken after consultation with the relevant Group Leader).

[For clarity in this Draft, Section 9 OFFICERS DELEGATED POWERS IN RESPECT OF STAFFING MATTERS is not shown, as that section is not directly affected]

Appendix to Part 6.4

Part A

Senior Officers for the purposes of Part 6.4 of the Constitution

***Executive Director of Childrens Services
Executive Director of Adults Social Services
Executive Director of Community and Environmental Services
Executive Director of Finance
Director of Public Health
Chief Fire Officer
Monitoring Officer***

This list will be updated from time to time to reflect changes to posts.

Part B

Members may be informally involved in appointments to the following posts

Lead Officers responsible for:

Adult Social Work and Health:

- *Early Help and Prevention*
- *Social Work*
- *Commissioning*
- *Service Delivery*

Children's Services:

- *Education*
- *Children's Social Work*
- *Early Help*
- *Quality and performance*

Environment and Transport:

- *Highways*
- *Transport*
- *Cultural Services*
- *Environment*
- *Planning*
- *Economic Development*

Corporate Resource Management:

- *Property*
- *Procurement*
- *Budgeting and Financial Management*
- *Information Technology and Management*
- *Pensions Management and Treasury*
- *Human Resources and Organisational Development*
- *Corporate Planning, Performance and Intelligence*
- *Communications*

~~ANNEX TO PART 6.4~~

~~PART A – CHIEF OFFICERS~~

Department	Post Title
	Managing Director
Children's Services	Executive Director of Children's Services
Community & Environmental Services	Executive Director of Community & Environmental Services
Finance	Executive Director of Finance

Adult Social Services	Executive Director of Adult Social Services
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~~PART B – (POSTS FALLING WITHIN THE DEFINITION OF DEPUTY CHIEF OFFICER AND IN WHOSE APPOINTMENT IT IS PROPOSED MEMBERS BE FORMALLY INVOLVED)~~

Department	Post Title
Community & Environmental Services	Director of Public Health
Resources	Head of Business Intelligence, Performance & Partnerships
Resources	Head of Human Resources and Organisational Development
Resources	Head of Law
Resources	Head of Democratic Services
Finance	Head of ICT & Information Management
Resources	Head of Programme Management Office
Finance	Head of Procurement
Community & Environmental Services	Assistant Director Environment & Planning
Community & Environmental Services	Assistant Director Highways & Transport
Community & Environmental Services	Assistant Director Cultural Services
Community & Environmental Services	Assistant Director Economic Development & Strategy
Community & Environmental Services	Assistant Director Community Safety & Chief Fire Officer
Community & Environmental Services	Project Director BDUK
Adult Social Services	Assistant Director Adult Social Work & Occupational Therapy
Adult Social Services	Assistant Director Early Help and Prevention
Adult Social Services	Director Integrated Health & Care
Adult Social Services	Assistant Director Integrated Commissioning
Children's Services	Assistant Director Education
Children's Services	Assistant Director Children's Social Work
Children's Services	Assistant Director Early Help & Prevention
Children's Services	Assistant Director Performance & Challenge
Finance	Head of Pensions, Investment & Treasury
Finance	Head of Budgeting & Financial Management
Finance	Head of Property

APPENDIX 2

Other County Councils' practice

Local Authority	Members involved in decision making			Notes - see below for explanation
	Head of Paid Service and Chief Officers	Deputy Chief Officers	Number	
Lancashire	Yes	No	5	(1)
West Sussex	Yes	No	6	(1)
Lincolnshire	Yes	No	7	(1)
Northamptonshire	Yes	No	7	(1)
Cornwall	Yes	No	8	(1)
Cumbria	Yes	No	9	(1)
Durham	Yes	No	8	(1)
Suffolk	Yes	No	10	(1)
Devon	Yes	Yes	14	(1)
Wiltshire	Yes	Yes	15	(2) Hierarchical structure so few posts covered
Northumberland	Yes	Yes	20+	(2) Unclear exactly how many posts are covered
Kent	Yes	Yes	21	Defined by grade.
East Sussex	Yes	Yes	22	(2)
Hertfordshire	Yes	Yes	31	(2)
Hampshire	Yes	Yes	37	(2)
Essex	Yes	Yes	41	(2)
Surrey	Yes	Yes	tbc	Numbers not clear.

(1) Statutory Chief Officers plus other Executive Directors or equivalent. Some include additional specified senior posts and the Monitoring Officer.

(2) Statutory definition of Deputy Chief Officer applies

Report of the Policy and Resources Committee meetings held on 31 October 2016 and 28 November 2016

Items from the meeting of 31 October 2016

- 1 Finance Monitoring Period 5, August 2016**
 - 1.1 The Committee received a report by the Executive Director of Finance that gave details of the forecast position for the 2016-17 Revenue and Capital Budgets, General Balances, and the forecast Reserves at 31 March 2017, together with related financial information. The report also provided a brief commentary on Resources and Finance budgets which were the responsibility of this Committee.
 - 1.2 The Committee **RESOLVED**:
 1. To note the period 5 forecast Revenue overspend of £21.393m (P4 £21.404m);
 2. To note the £21.333m forecast use of reserves in 2016-17, including:
 - a. use of £10.655m reserves anticipated as part of the budget approved at February County Council
 - b. full use of the £10.678m business risk reserve as approved at the July meeting;
 3. To note the forecast General Balances at 31 March 2017 of £19.252m, before taking into account any over/under spends;
 4. To note the forecast financial information in respect of Resources and Finance budgets which were the responsibility of this Committee, as set out in Appendix 2 to the report;
 5. To note the revised expenditure and funding of the 2016-20 capital programme as set out in Appendix 3 to the report;
- 2 Delivering Financial Savings 2016-17**
 - 2.1 The Committee received a report by the Executive Director of Finance that provided details of the forecast outturn position in respect of the delivery of the 2016-17 savings agreed by the County Council at its meeting on 22 February 2016.
 - 2.2 The Committee **RESOLVED** to note:
 1. the forecast total shortfall of £9.464m in 2016-17, which amounts to 23% of total savings, and for which alternative savings need to be identified;
 2. the budgeted value of 2016-17 savings projects rated as RED of

**£11.483m, of which £2.089m were now forecast to be delivered;
and**

3. the forecast savings shortfall on AMBER rated projects of £0.070.

3 2017-18 Budget and Medium Term Financial Planning 2017-18 to 2019-20

3.1 The Committee received a report by the Executive Director of Finance that provided an update on the Council's budget setting process, and set out details of the actions required by Service Committees to enable the Council to set a balanced budget for 2017-18.

3.2 The Committee was informed that last year's public consultation exercise remained relevant and current and was being used as part of the planning for the 2016/17 budget setting process. The public consultation undertaken in Autumn 2015 was being supplemented with additional targeted consultation with affected groups, particularly those at risk of disadvantage. The savings that required consultation would be published on the Council's consultation hub at Citizen Space (<https://norfolk.citizenspace.com/>) before they were taken to the service committees.

3.3 The Committee **RESOLVED:**

- 1. To note that the Council's budget planning includes:**
 - a. a current forecast budget gap of £4.277m for 2017-18; and**
 - b. an assumed increase in council tax of 2% for the Adult Social Care precept, and an inflationary increase of 1.8% in 2017-18.**
- 2. To recommend the use of the £4.6m 2016-17 transitional grant monies to help ameliorate the level of savings required in 2017/18 to County Council for approval as part of the budget-setting process in February 2017.**
- 3. That in order to help close the 2017-18 budget gap as set out in section 3 of the report:**
 - a. agree the proposed remedial actions for 2016-17 (detailed in paragraph 3.7 and 3.8) which would help to ensure that the 2017-18 budget was deliverable;**
 - b. agree the proposed new savings for 2017-18 for consultation where necessary; and**
 - c. note the scope there was for bringing forward the 2017-18 savings (b) above) for implementation in 2016-17.**
- 4. To note the statement regarding the robustness of budget estimates set out in paragraph 3.13 of the report.**
- 5. To note that the budget model assumed the delivery of previously agreed 2017-18 savings as set out in Table 7, after adjustment for the reversal / removal of savings as set out in the report.**
- 6. To note the new 2017-18 savings that were agreed by Service Committees as detailed in Appendix A of the report.**
- 7. To note that consultation, where appropriate, was initiated by the**

relevant Service Committee.

4 Ash Die Back (Chalara)- Management of the NCC estate

4.1 The Committee received a report by the Executive Director of Community and Environmental Services that highlighted the risks of ash dieback disease to Norfolk's public safety, economy and environment, and the potential resource implications for the County Council.

4.2 The Committee **RESOLVED:**

- 1. To approve the suggested approach to deal with the council-wide responsibilities for public safety and property set out in the report.**
- 2. To instruct officers to engage with landowners and tenants where their trees would affect NCC Estate to reduce the resource implications for NCC and streamlining the procedure to charge landowners if NCC had to undertake work on their behalf.**
- 3. To instruct officers to write to Defra to seek financial help to cope with the size of the problem.**

5 Procurement Six Monthly Update

5.1 The Committee received a report by the Head of Procurement that set out a new approach to procurement that would ensure coherent, upstream arrangements for the contract 'pipeline'; strengthen management oversight and grip on processes, and put in place a programme of improvement to ensure front line managers were equipped to manage and monitor contracts effectively to maximise impact and value.

5.2 The Committee **RESOLVED:**

- 1. To note the pipeline for the contracts mentioned in the report.**
- 2. That all Committees receive a further report on contract management when the current review was complete.**
- 3. To agree to receive a six-monthly report such as that on the pipeline, other procurement and contract management issues, and the Council's membership of the Eastern Shires Purchasing Organisation.**

6 Norfolk Business Rates Pool Annual Report 2015-16

6.1 The Committee received a report by the Executive Director of Finance that provided a summary of the financial benefits of the Business Rates Pool and the decisions taken to date in respect of allocating the Pool's resources to Economic Development projects in Norfolk.

6.2 The Committee **RESOLVED:**

- 1. To note the performance of the Norfolk Business Rates Pool and**

endorse the decisions taken in respect of the allocation of the Pool's resources.

- 2. That Policy and Resources Committee will be asked to endorse the allocation of the 2015-16 pool surplus following discussions made at Norfolk Leaders Group.**

7 Update on NCC Dormant Trusts

- 7.1 The Committee received a report by the Executive Director of Finance that set out the progress made on the transfer of the Norfolk County Council's dormant trusts, as well as the updated routes for allocation of these funds, now held by Norfolk Community Foundation, to support the Council's key priorities. In recent years there was a growing awareness that a large amount of money was trapped within Dormant Trusts and that reviving them could provide a benefit to the community.

- 7.2 The Committee **RESOLVED:**

That Policy and Resources Committee, as the Trustees for the following Dormant Trusts, agree that:

- 1. Norfolk Youth Parliament allocate the Education Dormant Trusts, held by Norfolk Community Foundation in the Norfolk Children's Fund, along with the remaining funds in the Youth Innovation Fund. In 2016/17, total £16,735.**
- 2. The Acting Adult Social Services Executive Director set up a Fund Panel to allocate all funds held in the Norfolk Community Services Fund. In 2016/17, total £56,698.**
- 3. In both funds, Committee support the flexibility in the allocation, to include donor led grants as well as through an application process.**
- 4. The Acting Adult Social Services Executive Director identify opportunities to influence the allocation of funds (from the match funding), managed by NORSE, to support adult social care priorities.**

8 Decisions Taken Under Delegated Authority

- 8.1 The Committee noted the decisions taken in relation to property matters by officers under the scheme of delegation and "hierarchy of decision making" since the last report to the Committee.

Items from the meeting of 28 November 2016

9 The highlights of the Autumn Statement

- 9.1 The Committee received a report by the Executive Director of Finance that provided an overview of the key announcements from the Government's Autumn Statement with particular reference to those announcements that should be taken into account as part of the Council's budget setting for 2017-

18.

9.2 The Committee **RESOLVED:**

1. **Note the key issues and government's policy direction as set out in the Autumn Statement; and**
2. **Note that the Council's Efficiency Plan has been accepted by the government, providing access to the four-year settlement allocations.**

10 **2017-18 Budget and Medium Term Financial Planning 2017-18 to 2019-20**

10.1 The Committee received a report by the Executive Director of Finance that formed part of the strategic and financial planning framework for the Council. The report build on the report received at the previous meeting to provide an update on the Council's budget setting process, and progress towards setting a balanced budget for 2017-18.

10.2 The Committee **RESOLVED:**

1. **To note that the Council's budget planning includes:**
 - a) **a current forecast budget gap of £3.533m for 2017-18;**
 - b) **forecast budget gaps of £9.753m in 2018-19 and £10.715m in 2019-20, resulting in a total gap of £24.001m for the period 2017-18 to 2019-20; and**
 - c) **an assumed increase in council tax of 2% for the Adult Social Care precept, and an inflationary increase of 1.8% in 2017-18.**
2. **To recommend that Service Committees continue to seek opportunities for further savings and / or to bring forward 2018-19 savings to contribute to the setting of a balanced budget in 2017-18, and note that the Executive Director of Finance will reflect on the remaining gap to be addressed following the Autumn Statement, as set out in paragraph 3.3 of the report.**
3. **To note the statements regarding the robustness of budget estimates, and risks to the 2017-18 budget, set out in section 3 of the report.**
4. **To note the recommendations from Service Committees regarding the removal or delay of savings which were agreed during previous budget rounds as set out in Section 4 of the report and summarised in Table 3 of the report.**
5. **To recommend the removal and delay of £1.375m of savings which are no longer considered to be deliverable within the budgets for which this Committee is responsible as set out in section 5 of the report.**
6. **To note the proposed areas for additional savings, and the further**

changes required to deliver a balanced budget as set out in the report, which will be presented to this Committee for recommendation to County Council in February.

11 Delivering Financial Savings 2016-17

11.1 The Committee received a report by the Executive Director of Finance that provided details of the forecast outturn position in respect of the delivery of the 2016-17 savings agreed by the County Council at its meeting on 22 February 2016.

11.2 The Committee **RESOLVED to note:**

- 1. The forecast total shortfall of £9.134m in 2016-17, which amounts to 22% of total savings, and for which alternative savings need to be identified;**
- 2. The budgeted value of 2016-17 savings projects rated as RED of £11.483m, of which £2.089m are now forecast to be delivered;**
- 3. The forecast over delivery of £0.260m on GREEN rated projects; and**
- 4. The forecast total shortfall of £13.075m of 2017-18 savings and £7.872m of 2018-19 savings reflecting planned delay and removal of savings as detailed more fully in the Budget report elsewhere on the agenda.**

12 Resources and Finance vital signs performance management report

12.1 The Committee received a report by the Head of Business Intelligence and Corporate Planning that presented up to date performance management information for Resources and Finance. The report was based on the 'vital signs' performance indicators agreed by the Committee as part of the Council's revised performance management framework introduced in April 2016.

12.2 The Committee **RESOLVED:**

To note the performance data, information and analysis presented in the vital sign report cards and agree that the recommended actions identified were appropriate.

13 Corporately significant vital signs performance management report

13.1 The Committee received a report by the Head of Business Intelligence and Corporate Planning that presented up to date performance management information for corporately significant vital signs. This was based on the corporately significant 'vital signs' performance indicators agreed by the Committee as part of the Council's revised performance management framework introduced in April 2016.

13.2 The Committee **RESOLVED:**

To note the performance data, information and analysis presented in the vital sign report cards and agree that the recommended actions identified were appropriate.

14 **Risk Monitoring report**

14.1 The Committee received a report by the Executive Director of Finance that provided the Committee with the corporate risk register as it stood at the beginning of November 2016, along with an update on the Risk Management Strategy 2016-19, and other related matters, following the latest review conducted during October 2016.

14.2 The Committee **RESOLVED to 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, presented in Appendix C of the report;**
- 3. The potential financial implications from a current risk and a potential risk as reported to Service Committees that are set out at paragraph 4.1 of the report.**

15 **Health, Safety and Well-being Mid-Year Report**

15.1 The Committee received a report by the Managing Director that provided a mid-year update on health, safety and well-being information included in the latest annual report and also made comparisons with national performance indicators.

15.2 The Committee **RESOLVED:**

To note the Health, Safety and Well-being Mid-Year report.

16 **Establishment of alternative business structure – nplaw (Norfolk Public Law)**

16.1 The Committee received a report by the Executive Director of Finance and the Head of Law that recommended the Committee agree to the formation of a company regulated by the Solicitors' Regulatory Authority (SRA). This type of company was known as an 'alternative business structure' (ABS) because it was not a traditional law firm and not owned by lawyers.

16.2 The Committee **RESOLVED:**

- 1. To agree that a wholly owned County Council company be incorporated ('the Company').**
- 2. To agree that the Executive Director of Finance and the Head of**

Law may each take all necessary steps so that the Company may be licensed by the SRA as an ABS.

3. To agree to recommend to the Constitution Advisory Group that the Constitution be amended to enable the establishment of the Company, with the County Council as sole shareholder and operating under the control of two directors who are solicitors (as required by regulation).
4. Agree that the directors of the Company will be the Practice Director and the Assistant Practice Director, nplaw to fulfil the function of being in day to day control of the Company.
5. Note that the contracts of employment of all nplaw staff will be amended to allow them to be employed by both the County Council and the Company.

17 Disposal and Acquisition of Properties

- 17.1 The Committee received a report by the Executive Director of Finance that included proposals aimed at supporting County Council priorities by exploiting properties surplus to operational requirements, pro-actively releasing assets with latent value where the operational needs could be met from elsewhere and strategically acquiring property.
- 17.2 The Committee deferred until its next meeting a proposal aimed at ensuring transparency and consistency of charging market rents and licence fees for NCC properties. More consideration will be given to the implications of such a policy change and the extent to which it may be implemented.
- 17.3 The Committee **RESOLVED:**
1. To agree to the lease of part of the Snetterton Closed Landfill Site to BioCHP for £30,000 per annum on terms agreed.
 2. To formally declare Land at Pound Lane, Thorpe St Andrew surplus to Council requirements and instruct the Head of Property to dispose of the site in accordance with established policy.
 3. To formally declare the 3 former highway landholdings mentioned in the report surplus to Council requirements and instruct the Head of Property to dispose of the site in accordance with established policy.

18 Norfolk Business Rates Pool

- 18.1 The Committee received a report by the Executive Director of Finance that appended the most recent report presented to Norfolk Leaders in November 2016 and summarised the decisions about allocation of 2015-16 pool resources taken by the Pool Board.
- 18.2 The Committee **RESOLVED:**

To endorse the allocation of the 2015-16 pool surplus to projects following the discussions held at Norfolk Leaders Group.

19 Notification of Exemptions Under Contract Standing Orders

19.1 The Committee RESOLVED:

To note the exemptions 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 presented to the Committee.

20 Devolution Update

- 20.1 The Chairman reported that the Secretary of State for Communities and Local Government had written to the Norfolk and Suffolk local authorities to take the current devolution deal off the table following its rejection by West Norfolk and Kings Lynn Borough Council. He added that the latest position on devolution would be reported to the next meeting of Full Council. The Full Council would be meeting after one further planned last meeting of Leaders of those Norfolk Local Authorities that had wanted to pursue devolution.

Cliff Jordan
Chairman, Policy and Resources Committee

Report of the Adult Social Care Committee Meetings held on 10 October 2016 and 07 November 2016.

A – Items from the meeting of 10 October 2016

1. Chairman's Update

The Chairman Updated the Committee on:

- Attendance at the Health and Wellbeing board, where the Sustainability and Transformation plan was discussed.

2. Update from Members of the Committee regarding any internal and external bodies that they sit on

2.1 Members received updates from Members of the Committee.

3. Executive Director's Update

3.1 The Acting Executive Director of Adult Social Services reported on:

- Work being carried out on the Sustainability and Transformation Plan;
- Developments on the Henderson Units, that staff from the unit would be employed elsewhere in the council;
- The Social care system re-procurement system work which continued at pace;
- A transport review being carried out, a report on which would be brought to Committee in January 2017;
- Change of supplier for meals for those in housing with care to take place at the end of November 2016.

4. Adult Social Care Finance Monitoring Report Period 5 (August) 2016-17

4.1 The Committee received the annexed report (10) by the Acting Executive Director of Adult Social Services which provided the Committee with financial monitoring information, based on information to the end of August 2016. It provided an analysis of variations from the budget and the actions being taken by the service to reduce the overspend.

4.2 The Committee **RESOLVED** to;

- a) Note the forecast outturn position at period 5 for the 2016-17 Revenue Budget of an overspend of £8.914m;
- b) Note the planned actions being taken by the service to reduce the overspend;
- c) Note the planned use of reserves and adjustments made within the Period 5 forecast;
- d) Note the forecast.

5. Budget and Medium Term Financial Planning 2017-18 to 2019-2020

- 5.1 The Committee received the report by the Acting Executive Director of Adult Social Services which provided an update on the Service Committee's detailed planning to feed into the Council's budget process for 2017-18. The report formed part of the strategic and financial planning framework for Service Committees and set out details of the actions required by Service Committees to enable the Council to set a balanced budget for 2017-18.
- 5.2 The Committee **RESOLVED** to;
1. Note that the Council's budget planning included;
 - a) An overall increase in spending on adult social care in 2017-18;
 - b) An assumed increase in council tax of 2% for the Adult Social Care precept, and an inflationary increase of 1.8% in 2017-18;
 2. Recommend to Policy and Resources the use of the £4.6m 2016/17 transitional grant monies to help ameliorate the level of savings required in 2017/18.
 3. In order to help close the 2017-18 budget gap as set out in section 2 of the report, the Committee;
 - a) Agreed the proposed remedial actions for 2016-17 which would help ensure the budget was deliverable;
 - b) Agreed the proposed new savings for 2017/18 as set out in Section 3;
 - c) Agreed to consult where necessary, on proposals to balance the budget for 2017/18.

6. Risk Management

- 6.1 The Committee received the annexed report (12) from the Acting Executive Director of Adult Social Services which provided Members with an update on the recent changes to the refreshed Adult Social Care Risk Register as well as any changes to the Corporate Risk Register that were relevant to the Committee.
- 6.2 The Committee **RESOLVED** to;
- **Note** the departmental risks since 4 July 2016;
 - **Note** the updates on the risks as detailed at 2.4.1 in the report.

7. Usual Price of Residential and Nursing Care in Norfolk

- 7.1 The Committee received the report from the Acting Executive Director of Adult Social Services which set out the steps taken since the Committee's meeting in April 2016 to arrive at the recommended usual process for residential and nursing care for older people in Norfolk for 2016/17 including the recommended fee uplift to those prices to reflect inflationary pressures having effect in 2016/17. The report also set out the previously agreed phased approach to such prices for the years 2017/18 and 2018/19, as well as giving consideration to the treatment of third party top ups.
- 7.2 The Committee **RESOLVED** to;
- **AGREE** to the usual prices for residential and nursing care for older people in Norfolk in 2016/17 which include inflationary pressures as set out in Table A of the report;
 - **AGREE** to the proposed treatment of third party top up agreements in 2016/17 as set out in the report

B – Items from the meeting of 07 November 2016

1. Chairman's Update

- 1.1 The Chairman Updated the Committee on:
- The recruitment of the new Executive Director of Adult Social Care, and thanked the Acting Executive Director of Adult Social Care for her work over the past months;
 - Attendance at a Social Services Conference;
 - A letter sent to the Minister and MPs regarding 'financial sustainability for delivery of adult social care in Norfolk'.

2. Update from Members of the Committee regarding any internal and external bodies that they sit on

- 2.1 Members received updates from Members of the Committee.

3. Executive Director's Update

- 3.1 The Acting Executive Director of Adult Social Care updated the Committee on:
- The recruitment of newly qualified social workers;
 - The first cohort of Syrian refugees who were expected to arrive in Norfolk in February 2017;
 - Decisions taken under delegated authority related to the Better Care Fund;
 - Work to develop the Terms of Reference of the Home Care Commission.

4. Appointment of Member Representative to the Governor's Council of James Paget University Hospital NHS Foundation Trust

- 4.1 The Committee **DULY APPOINTED** Cllr. R Parkinson-Hare as Norfolk County Council's Member representative to the Governor's Council of James Paget University Hospital NHS Trust.

5. Performance management report

- 5.1 The Committee received the report presenting current performance against the Committee's vital signs indicators, and **REVIEWED** the performance data, information and analysis presented in the vital signs report cards.
- 5.2 For each vital sign that had been reported on an exceptions basis, the Committee **RESOLVED TO AGREE** that the recommended actions identified were appropriate.

6. Adult Social Care Finance Monitoring Report Period 6 (September) 2016-17

- 6.1 The Committee received the report providing financial monitoring information based on information to the end of September 2016.
- 6.2.1 The Committee **NOTED**:
- a) the forecast outturn position at Period 6 for the 2016-17 Revenue Budget of an overspend of £8.953m;

- b) the planned actions being taken by the service to reduce the overspend;
- c) the planned use of reserves;
- d) the forecast outturn position at Period 6 for the 2016-17 Capital Programme;
- e) the revised risk assessment of savings for 2017/18.

6.2.2 The Committee **AGREED**

- to propose to Policy and Resources Committee that County Council approve the use of additional reserves of £0.651m in 2016-17 as set out in Section 2.11;
- to recommend to Policy and Resources Committee the proposed re-profiling of £10m of savings within 2017/18 to 2019/20 to remove the savings identified as high risk.

7. Promoting Independence – next stage delivery plan

5.1 The Committee heard the report bringing proposals for the next stages of delivery of the Promoting Independence strategy, taking into account the emerging Sustainability and Transformation Plan (STP) and the Transforming Care Programme (TCP).

7.2.1 The Committee **AGREED** the refreshed high level programme plan.

7.2.2 The Committee **AGREED** to receive updates on progress.

8. Priorities in the learning disability service

8.1 The Committee heard the report providing the requested information on the priority activities due to be undertaken within the Learning Disability service.

8.2 The Committee **RESOLVED TO AGREE** the content of the report.

Bill Borrett
Chair, Adult Social Care Committee

Report of the Children's Services Committee Meetings held on 18 October and 15 November 2016

A: Report of the Children's Services Committee meeting held on 18 October 2016

1 Items of Urgent Business

- 1.1 An announcement had been made on 4 October about Social Mobility Grant funding, although the detail and the terms of reference for spending the allocated funding was still awaited. The Executive Director would update the Committee when more information became available.

2 Integrated performance and Finance Monitoring Report 2016-17.

- 2.1 The Committee considered and **noted** the report by the Executive Director of Children's Services containing the report cards and other key performance information.

3 Children's Centre Monitoring Update Report (following Final report by Members of the Children's Centres Task and Finish Group (reconvened – 15 March 2016)).

- 3.1 The Committee considered the report from the Executive Director of Children's Services outlining the progress made across Norfolk regarding the engagement and delivery of support to families through Children's Centres. The report also provided an overview of the impact the Children's Centres were having from registration to service delivery.
- 3.2 The Committee **RESOLVED** to note the current arrangements regarding contract monitoring and performance of Children's Centres.

4 2017-18 Budget and Medium Term Financial Planning 2017-18 to 2019-20.

- 4.1 The Committee considered the report by the Executive Director of Children's Services providing an update on the Council's budget setting process and setting out details of the actions required by Service Committees to enable the Council to set a balanced budget for 2017-18.
- 4.2 The Committee **RESOLVED** to:
- 1 Note that the Council's budget planning includes:
 - a) An overall increase in spending on adult social care in 2017-18.
 - b) An assumed increase in council tax of 2% for the Adult Social Care precept, and an inflationary increase of 1.8% in 2017-18;

- c) The use of the £4.6m 2016-17 transitional grant monies to help ameliorate the level of savings required in 2017-18.
- 2 In order to help close the 2017-18 budget gap as set out in section 3 of the report:
 - a) Agree the proposed remedial actions for 2016-17 (included elsewhere on the agenda) which would help to ensure that the 2017-18 budget is deliverable;
 - b) Agree the proposed new savings for 2017-18 as set out in section 3.
 - c) Agree to consult, where necessary, on proposals to balance the budget for 2017-18.
 - d) Consider what scope there is for bringing forward the 2017-18 savings (b) above for implementation in 2016-17.
- 3 Consider the terms of representation to Government concerning funding of Children's Services to be drafted by the Executive Director and circulated to the Group spokes for comment.

5 Exclusion of the Public

- 5.1 The Committee considered and **RESOLVED** to exclude the public whilst agenda item 11 (Educator Solutions Update) was discussed and was presented with the public interest test, as required by the 2006 Access to Information Regulations for consideration by the Committee:

6 Educator Solutions Update

- 6.1 The Committee received the exempt report by the Executive Director of Children's Services and **agreed** the recommendations contained therein.

B: Report of the Children's Services Committee meeting held on 15 November 2016

1 Cassie Hill, Norfolk Care Leaver

- 1.1 The Chairman welcomed Cassie Hill, a Norfolk care leaver, who had recently returned from competing in the 10th World Martial Arts Competition in South Africa where she won a gold medal in the ladies 18-35 Creative Kata. The Committee congratulated Cassie on her achievement and wished her well in future competitions.

2 Local Member Issues/Member Questions

- 2.1 One question and a supplementary question was asked by Cllr Alexandra Kemp.

3 Norfolk Safeguarding Children's Board (NSCB) – Update

- 3.1 The Committee received and **noted** a presentation by Mr D Ashcroft, Chair of Norfolk Safeguarding Children's Board.

4 Integrated Performance and Finance Monitoring Report 2016-17.

4.1 The Committee considered the report by the Executive Director of Children's Services containing the report cards and other key performance information.

4.2 The Committee **RESOLVED** to:

- **Note** the report.
- **Approve** the Terms of Reference for the Task and Finish Group as set out in Appendix 2 of the Report).
- **Defer** the following recommendations until they had been considered at the January 2017 Committee meeting:
 1. Endorse and propose to Policy & Resources committee that County Council approve the use of reserves in 2016-17, as stated in paragraph 5.5 of the report, and
 2. Note the revised risk assessment of savings for 2017-18 and 2018-19 in respect of savings proposal CHL017 – Reduce the number of Agency Social Workers and recommend to Policy & Resources Committee for approval the re-profiling of these savings from 2017-18 and 2018-19 to 2018-19 (£0.450m) and 2019-20 (£0.535m).

5 Troubled Families Update Report.

5.1 The Committee considered and **noted** the report from the Executive Director of Children's Services setting out the positive outcomes achieved during Phase 1 of the programme, which supported in excess of 2,600 families and raised £6,649,866 grant income for the period 2012/13 to 2014/15 and set out the expectations in relation to Phase 2 of the programme between 2015/16 and 2020.

6 Progress of the Task and Finish Group established to consider a future Norfolk Youth Support Model.

6.1 The Committee considered the report by the Executive Director of Children's Services outlining the progress made by, and final recommendations of members of the Task and Finish Group established to consider a future Norfolk youth support model, as agreed at Children's Services Committee on 28 June 2016 and further directed on 13 September 2016. The group had undertaken its review and was now able to make recommendations about how available funding was utilised, taking account of statutory responsibilities, funding pressures and the council's priorities of Excellence in Education, Real Jobs and Supporting Vulnerable People.

6.2 The Committee **RESOLVED** to **agree** that:

1. Youth Advisory Boards's (YABs) should be re-focused as young people led partnerships, ideally chaired by a young person, and be supported and advised by adults representing a range of relevant local agencies and organisations.
2. There should be a more structured approach to how young people are recruited from a variety of backgrounds and life experiences, developed and enabled to operate effectively as Young Commissioners.

3. The current approach to allocating funding to each YAB should be maintained, at the current level, but with a significant proportion ring-fenced to support the development and operation of the Young Commissioner Programme and associated youth participation activities across the district. The remaining funding provided by the Council to each YAB should be directed by Young Commissioners on each YAB. The Council should provide clear guidance to Young Commissioners on how this funding can be used.
4. The re-commissioning of youth and community work to support YABs should be re-focused to support YABs to operate effectively as young people led partnerships and to enable young people to influence and shape local services in response to their needs.

7 Schools that Work for Everyone Government Consultation

- 7.1 The Committee considered the report by the Executive Director of Children's Services providing a summary of the government consultation. It summarised the proposals and case presented in 'Schools that Work for Everyone' (September 2016). It further provided a brief local context and raised questions that might be pertinent to Norfolk County Council.
- 7.2 The Committee was asked to note, discuss and comment on the proposals contained in the report, providing guidance to the Executive Director of Children's Services on the issues, to be covered in a response to the consultation if the Committee wished the Council to express a view.
- 7.3 The Committee did not consider that it could fully support the four key areas of focus that formed the consultation, and requested the Executive Director of Children's Services respond to the consultation to that effect as it felt the proposals could disadvantage some young people.
- 7.4 The Committee **RESOLVED** to:
 - **Note** the report.
 - **Request** the Executive Director to draft a response to the consultation, outlining the concerns raised by Members about the possibility that the proposals could disadvantage some young people and that transport costs could increase under the proposals. The draft response would be circulated to the Committee for comments.

8 Schools' Capital Programme 2017-2010

- 8.1 The Committee considered the report by the Executive Director of Children's Services providing a summary report on the implementation of the existing programme, including decisions taken by the Executive Director using delegated powers and identified emerging schools' capital priorities for 2017 onwards. The report also asked the Committee to recommend these for further consideration and discussion by Capital Priorities Group at its November and January meetings.
- 8.2 The Committee **RESOLVED** to:
 - Confirm the continuing capital programme based on changes to date; and

- Endorse the emerging priorities for further consideration.

9 30 hours Childcare – Market readiness in Norfolk.

- 9.1 The Committee considered the report by the Executive Director of Children's Services proposing that an action plan be established to take forward Norfolk's response, with Members informed and being able to monitor action through the Education Members Involvement Group (EMIG) based on the proposed Terms of Reference in paragraphs 4.8 to 4.10 of the report.
- 9.2 Members supported the establishment of a Task and Finish Group to understand the developing plans for a 30 hours childcare scheme in Norfolk. It was also suggested a representative from the Economic Development Sub-Committee be invited to participate in the Task and Finish Group.

The following Members expressed an interest in being a Member of the Working Group:

Jenny Chamberlin	Richard Bearman
Emma Corlett	

The Task and Finish Group would report back to Committee in March 2017.

- 9.3 The Committee **RESOLVED** to **note** the duties on the County Council in respect of the new proposals for childcare provision and their implications for Norfolk, and to endorse the proposal for a Task and Finish Group.

10 Norfolk Children and Young People in Care Sufficiency Strategy 2016-2019.

- 10.1 The Committee considered the report by the Executive Director of Children's Services setting out how the Sufficiency Strategy would enable Norfolk County Council Children's Services to fulfil its role as a Corporate Parent to provide safe, secure and appropriate accommodation that would meet the needs of children and young people in care and deliver positive outcomes so that they fulfilled their aspirations.

- 10.2 The Committee **RESOLVED** to:

- Endorse and support the implementation of the Sufficiency Strategy (set out in Appendix 1 of the report);
- Endorse and support further investigation into the marketplace for residential care in Norfolk;
- Endorse and support the use of the capital budget to stimulate placement quality and choice in Norfolk.

11 Road Crossing Patrols

- 11.1 The Committee considered the report by the Executive Director of Children's Services setting out a proposal that, from April 2017, Norfolk County Council continues to only fund those Road Crossing Patrol sites that still meet the national threshold. This would mean an additional investment into the service, the details of these costs could be found in Section 3 of the report.

11.2 The Committee **RESOLVED** to:

- **Note** the findings of the monitoring exercise and confirm the decision to continue to run the sites that meet the national threshold and give notice on those sites that do not.
- **Agree** to follow the current practice of not replacing staff who leave sites that do not meet the thresholds.
- **Agree** the proposed consultation process.

12 Locality Accommodation Strategy

12.1 The Committee considered the report by the Executive Director of Children's Services setting out the proposed Locality Accommodation Strategy and **RESOLVED** to:

- Endorse the proposed future location of the Children's Services Norwich Locality base at County Hall and recommends that Policy & Resources Committee approve the inclusion of proposed refurbishment to make the accommodation suitable.

13 Proposal for the Renewal of the council group catering contract for maintained schools.

13.1 The Committee considered the report by the Executive Director of Children's Services setting out the details for the renewal of the council group catering contract for maintained schools.

13.2 The Committee **RESOLVED** to:

- **Delegate** the agreement of detailed terms of the group catering contract with Norse Eastern Limited and the signature of the contract, to the Executive Director of Children's Services.
- **Agree** that the Catering Board continue to act as the stakeholder group for the purposes of monitoring the delivery of the contract against a set of agreed Key Performance Indicators, and report on that performance at least annually to the Finance Consultative Group, a sub-group of the Norfolk Schools' Forum.

14 CAMHS Targeted Contract Extension to September 2017 – Exemption to Contract Standing Orders Request.

14.1 The Committee considered the report by the Executive Director of Children's Services detailing a proposal to enable whole Child and Adolescent Mental Health Services (CAMHS) re-design to be a key component of the Local Transformation Plan for CAMHS as agreed by the Health and Wellbeing Board. Current commissioned services and contracts by Norfolk County Council Children's Services and Clinical Commissioning Groups (CCGs) need to be aligned to ensure that planned commissioning coherently covers all aspects of CAMHS support.

14.2 The Committee **RESOLVED** to:

1. Agree to, and approve, the exemption to Contract Standing Orders before going to the Leader of the Council, to enable the redesign of CAMHS to go ahead in collaboration with five CCGs and stakeholders.

2. Support Health and Wellbeing Board agreement to redesign of Child and Adolescent Mental Health Services (CAMHS) across Norfolk as a key part of Local Transformation Plan for CAMHS.
3. Commit to continued funding of the Point 1 contract at the current level.

15 Children's Services Improvement Plan

- 15.1 The Committee considered the report by the Executive Director of Children's Services detailing the Children's Services Improvement Plan following the publication by Ofsted of its findings on the second HMI monitoring visit.
- 15.2 The Committee **RESOLVED** to:
- Note the Improvement Plan and convene a workshop to consider the Improvement Plan in greater detail once the Ofsted report had been published.

16 Exclusion of the Public

- 16.1 The Committee considered and **RESOLVED** to exclude the public whilst agenda item 21 (Strategic Partnerships Update) was discussed and was presented with the public interest test, as required by the 2006 Access to Information Regulations for consideration by the Committee:

The Committee **RESOLVED** to exclude the public from the meeting while the report were considered.

17 Strategic Partnerships Update

- 17.1 The Committee considered the exempt report by the Executive Director of Children's Services and **RESOLVED** to agree the recommendations in the report.

Roger Smith
Chair, Children's Services Committee

Report of the Communities Committee Meetings held on 19 October 2016 and 16 November 2016

A. Items from the meeting held on 19 October 2016

1. Local Member Issues / Members Questions

- 1.1 One Local Member question was received from Ms E Corlett.

2. Finance Monitoring

- 2.1 The Committee considered the report from the Executive Director of Community and Environmental Services which provided the Committee with information on the latest budget position for the Committee for 2016-17. It provided information on any forecast over and underspends and the forecast use of reserves.

- 2.2 The Committee **RESOLVED** to note:

- the revenue budget for 2016-17.
- the current risks being managed by services.
- the capital budget for the 2016-17 capital programme.
- the balance and current forecast of reserves as shown in section 4 of the report.

3. 2017-2018 Budget and Medium Term Financial Planning 2017-2018 to 2019-2020

- 3.1 The Committee considered the report from the Executive Director of Communities and Environmental Services which provided an update on the Service Committee's detailed planning to feed into the Council's budget process for 2017-18. 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, and sets out details of the actions required by Service Committees to enable the Council to set a balanced budget for 2017-18.

- 3.2
1. The Committee **NOTED** that the Council's budget planning included;
 - a) An assumed increase in council tax of 2% for the Adult Social Care precept and an inflationary increase of 1.8% in 2017/18; and
 2. **RECOMMENDED** to Policy and Resources the use of the £4.6m 2016-17 transitional grant monies to help ameliorate the level of savings required in 2017-18 including allocating £490k to the fire service to offset their required savings in 2017/18.
 3. In order to help close the 2017-18 budget gap as set out in section 2 of the report:

- a) Agree the proposed new savings for 2017-18 for consultation where necessary.
- b) Consider what scope there is for bringing forward the 2017-18 savings above for implementation in 2016-17.

4. Update on Key Service Issues and Activities (including decisions taken under delegated authority)

- 4.1 The Committee considered and **noted** the report by the Executive Director of Community and Environmental Services which provided information about key service issues and activities supporting the Council's transparency agenda and enabled Members to keep updated on services within its remit. The report was also used to update the Committee on relevant decisions taken under delegated powers by the Executive Director within the Terms of Reference of the Committee. There were no delegated decisions to report to this meeting.

5. Review of the Enforcement Policy and the Consumer Services Policy

- 5.1 The Committee considered the report by the Executive Director of Community and Environmental Services setting out proposed changes to the Enforcement Policy.

- 5.2 The Committee **RESOLVED** to:

- Approve the Enforcement Policy (Set out in Appendix 1 of the report and its annexed documents) and to Agree to the ongoing review of the Policy on an annual basis.
- Approve the Consumer Services Policy as set out in Appendix 2 of the report.

6. Trading Standards Service – future delivery model

- 6.1 The Committee considered the report from the Executive Director of Community and Environmental Services which provided the Committee with an update on the outcomes of the project for consideration.

- 6.2 The Committee **RESOLVED** to:

- Agree the Norfolk Trading Standards Service should work more collaboratively with the Suffolk Trading Standards Service, and
- Agree that a collaborative action plan be developed to ensure that proposed service developments are further explored and implemented if appropriate.

B. Items from the meeting held on 16 November 2016

1 Urgent business: Norfolk Fire and Rescue Service

- 1.1 The Committee was informed of the interim arrangements that had been put in place following the departure from operational service of Roy Harold who had recently made the decision to retire as Chief Fire Officer. This matter was the subject of an email to Committee Members. The Chairman agreed that this matter should be taken as urgent business because the sudden nature of the decision

had meant that some Members considered themselves unsighted about the future direction of the service.

- 2.2 The Committee was informed that the former Assistant Chief Fire Officer, David Ashworth, who was present in the meeting, had been appointed interim Chief Fire Officer until June 2017. At the Committee's request, a briefing note about the temporary arrangements would be presented to the next Spokespersons meeting.

2 **Public Health Members Working Group**

- 2.1 The Committee considered the report by the Director of Public Health presenting the findings from the Public Health Working Group and **RESOLVED**:
- 2.2
- a. That the Committee support the findings contained in the report and in Appendix A to the report.
 - b. That the recommendations from the Working Group detailed at paragraph 1 of the report are incorporated into the Public Health Strategy 2016- 2020.
 - c. That Public Health is included in the Member Development Programme for May 2017.
 - d. That a revised Local Member protocol related to public health is incorporated into the Council constitution.

3 **Public Health Strategy 2016 – 2020**

- 3.1 The Committee considered the report by the Director of Public Health setting out the proposals to agree a strategy for public health which would guide the operational priorities, savings and investment plans of the service until 2020. This strategy would be subject to formal review, midway through the implementation.
- 3.2 The Committee received a PowerPoint presentation and a report by the Director of Public Health about the enormity of the issues facing public health and how the Public Health Strategy for 2016 – 2020 was developed in conjunction with elected members who had participated in the Members Working Group.
- 3.3 The Committee **RESOLVED** to agree the Public Health Strategy as set out at Appendix A of the report.

4 **Progress made in Norfolk Community Learning Services (NCLS)**

- 4.1 The Committee received a report by the Executive Director, Community and Environmental Services that updated Members on plans to improve further the NCLS and to reach a Grade1 (Outstanding) rating by July 2018, following a recent Ofsted inspection where the services were rated as 'Good'.
- 4.2 The Committee **RESOLVED** :

That the Committee approve the further improvement and development of NCLS as Norfolk's provider of 'second chance', employment/skills and leisure learning through:

- a. Completing all post Ofsted actions as set out in the service's current Quality Improvement Plan.
- b. Fully implementing the new structure and operating model for the service.

- c. Improving performance against key objectives including increasing numbers of learners from disadvantaged communities, achieving income targets for self-funded ('Leisure Stream') provision and increasing the number and quality of apprenticeships across Norfolk.
- d. Developing locality-based Community Learning Partnerships for implementation of the citizens' curriculum for empowering the most disadvantaged communities.
- e. Establishing more systematic partnerships and programmes with NCC service teams for delivering on the priorities of the County Council plan 2016-19.

5 **Norfolk Library and Information Service : Estimating the value of libraries**

- 5.1 The Committee considered a report by the Executive Director, Community and Environmental Services that looked at the impact of library staff on individuals and communities
- 5.2 The Committee **RESOLVED** that the Committee note the impact that library staff have in supporting Communities and ask for a further report to be presented to the next meeting.

6 **NLIS : Update on Police Information Service at Thetford and Gorleston Libraries**

- 6.1 The Committee considered a report by the Executive Director, Community and Environmental Services that provided an update on the pilot project between Norfolk Constabulary and Norfolk Library and Information Service to offer a Police Information Service at Gorleston and Thetford Libraries.
- 6.2 The Committee **RESOLVED** to note the progress after the first month of operation of the pilot.

7 **Norfolk Prevent Strategy 2016-19**

- 7.1 The Committee received a report by the Executive Director, Community and Environmental Services that provided an update on Norfolk County Council's responsibilities under the Counter-Terrorism and Security Act, progress so far achieved and issues to be addressed.
- 7.2 The Committee **RESOLVED** to:
 - a. Note the actions taken so far and issues to be addressed.
 - b. Note, the Community Safety Partnerships (CSP) agreed strategy will be used as a basis to establish Norfolk County Council's implementation plan.
 - c. Nominate the Chair, Vice Chair and Group Spokes of Communities. Committee to attend Norfolk's next Counter-Terrorism Local Profile briefing, to ensure there is a sound understanding of terrorism-related threats, risks and vulnerabilities for the area as detailed in Paragraph 16 of the report.
 - d. Ask for a further update report on this matter in the New Year.

9 **Risk management**

- 9.1 The Committee considered a report by the Executive Director, Community and Environmental Services that included the latest Communities Risk Register as at the beginning of November 2016, following the latest review conducted during October 2016.
- 9.2 The Committee **RESOLVED** to
- a. consider the mitigating actions identified in Appendix A of the report to be appropriate
 - b. agree to the suggested approach with regard to Risk Management improvement actions that are set out in Appendix C to the report
 - c. note the definitions of risk appetite and tolerance set out in paragraph 2.6 of the report.
- 10 **Performance Management**
- 10.1 The Committee received a report by the Executive Director, Community and Environmental Services that was the fourth performance management report to the Committee to be based upon the revised Performance Management System implemented on 1 April 2016.
- 10.2 The Committee **RESOLVED** to:
- note the performance data, information and analysis presented in the vital sign report cards and agree that the recommended actions identified in the report are appropriate.
- 11 **Finance Monitoring**
- 11.1 The Committee received a report by the Executive Director, Community and Environmental Services that provided information on the latest budget position for 2016-17. It provided information on any forecast over and underspends and the forecast use of reserves.
- 11.2 The Committee **RESOLVED** to note:
- a. The revenue budget for 2016-17.
 - b. The current risks being managed by Services.
 - c. The capital budget for the 2016-17 capital programme.
 - d. The balance and current forecast of reserves as shown in section 4 of the report and that if proposals for any further use of reserves in 2016-17 will be highlighted to this committee if the resulting forecast level of reserves falls below the 31 March 2017 balances anticipated at the time the budget was set.
 - e. Members are asked to approve the current Public Health savings plan as set out in Appendix A to the report.
- 12 **Update on key service issues and activities (including decisions taken under delegated authority).**
- 12.1 The Committee received a report by the Executive Director, Community and Environmental Services that provided regular information about key service issues

and activities and informed Members of a decision taken under delegated powers by the Executive Director within the Terms of Reference of this Committee.

12.2 The Committee **RESOLVED** to note:

- a. the latest service update at Appendix A to the report.
- b. the delegated decision set out in section 2 of the report.

Margaret Dewsbury
Chairman, Communities Committee

Report of the Environment, Development and Transport Committee Meetings held on 14 October 2016 and 11 November 2016.

A – Items from the meeting of 14 October 2016

1. Urgent Business

- 1.1 The Committee **AGREED** to delegate permission to the Chairman and Vice-Chairman of the Environment, Development and Transport Committee to sign off the County Council's response to the Breckland Local Plan.

2. Member Questions / Issues

- 2.1 Cllr Strong attended the meeting to speak in support of a petition raised by one of her constituents regarding worsening traffic problems at Cherry Tree Corner, the junction of the B1105 and A148 which linked King's Lynn and Cromer and was a main route to North Norfolk.
- 2.2 The Committee **AGREED** to support the petition.

3. Finance Monitoring

- 3.1.1 Members considered and **NOTED** the report reflecting the forecast outturn position for the services from Community and Environmental Services relevant to the Committee.
- 3.1.2 The Committee considered and **NOTED** the current risks to the budget highlighted in the report.
- 3.2 The Committee **AGREED** that the Chairman write to central Government seeking for concessionary fares to be fully funded by Government.

4. 2017-18 Budget and Medium Term Financial Planning 2017-18 to 2018-19

- 4.1 The Committee received the report providing an update on the Council's budget setting process, and details of the actions required by Service Committees to enable the Council to set a balanced budget for 2017-18.
- 4.2.1 The Committee **NOTED** that the Council's budget planning includes an assumed increase in council tax of 2% for the Adult Social Care precept, and an inflationary increase of 1.8% in 2017-18;
- 4.2.2 The Committee **RESOLVED TO AGREE** to recommend to Policy and Resources Committee the use of the £4.6m 2016/17 transitional grant monies to help ameliorate the level of savings required in 2017/18;
- 4.2.3 In order to help close the 2017-18 budget gap:
The Committee **RESOLVED TO AGREE** the proposed new savings for 2017-18, for consultation where necessary;

5. Annual Local Levy Setting for the Regional Flood and Coastal Committees

- 5.1 The Committee received the report giving background on the Regional Flood and Coastal Committees (England and Wales) Regulations 2011 and the annual Local Levy
- 5.2 The Committee **AGREED** Option C, 2% increase in Local Levy, as Norfolk County Council's preferred position on the annual Local Levy.
- 5.3 The Executive Director of Community and Environmental Services **agreed** to look into whether to invite stakeholders to a future Environment, Development and Transport Committee meeting or for a separate seminar to be arranged, to discuss and address issues related to adequacy of water supply and individual responsibilities to strengthen flood defences and flood protection in Norfolk.

6. Highway Asset Performance

- 6.1 Members received the report highlighting performance of the highway asset against service level priorities based on previous Member decisions; this covered planned capital structural maintenance of the assets.
- 6.2.1 The Committee **REVIEWED** and **APPROVED** the proposed:
 - a. Revised Asset Management Strategy and Performance framework
 - b. Stakeholder Liaison and Communications Plan
 - c. Asset Data Management Strategy
 - d. Recommendations in the Highway Maintenance Efficiency Programme (HMEP), Management of Highway Drainage Assets
- 6.2.2 The Committee **REVIEWED** and **APPROVED** the proposed changes to standards and procedures for:
 - a. Frequency of highway safety inspections
 - b. Rural grass cutting **WITH AN AMENDMENT** to replace the single swathe cut with one early cut and one late cut.
 - c. Winter service decision making for the 2016-17 season.

7. Annual Reviewed of the Enforcement Policy

- 7.1 Members **AGREED** to confirm the revised Enforcement Policy and the annex documents to this policy, for consideration for approval by the Communities Committee, the approval body for the policy.

8. Recommendations of the Greater Norwich Development Partnership Board

- 8.1 The Committee received the report giving background on actions undertaken by the Greater Norwich Development Partnership board since re-establishment at the Environment Development and Transport Committee meeting on the 8 July 2016, and progress on production of the Greater Norwich Local Plan.
- 8.2 The Committee **NOTED** progress on production of the Greater Norwich Local Plan

9. Forward Plan and decisions taken under delegated authority

9.1 The committee **AGREED** to add the following items to the forward plan:

- 9.2.1 • Update on outcomes of the petition regarding the worsening traffic problems at Cherry Tree Corner;
- 9.2.2 • Action on Flooding in Norfolk (see paragraph 5.3);
- 9.2.3 • Update and timescales regarding the wind power company Vattenfall's plans to build an onshore substation in North Norfolk within three miles of Necton as part of the Norfolk Vanguard wind farm;
- 9.2.4 • A report on street lighting, regarding progress on the capital invested in replacing existing street lighting with LED lighting, and the progress on switch offs in urban areas.

B – Items from the meeting of 11 November 2016

1. Member Questions

- 1.1 It was **agreed** for a report to be brought to the Committee in the new year regarding coordination of the Committee's budget with the CPE programme to free up resource to help address parking issues experienced by residents on Magdalen Way and Gorleston estate caused by amalgamation of surgeries by the Clinical Commissioning Group.
- 1.2 It was agreed in the meantime to see whether resource was available to deal with priority issues; it was **agreed** that the area manager would arrange to meet with Mr G Plant to review what options were available.

2. Verbal update/feedback from Members of the Committee regarding Member Working Groups or bodies that they sit on.

- 2.1 Mr East gave an update from the Norwich Western Link (NWL) Project Member Working Group.
- 2.2 It was **agreed** that a report discussing the 3 priorities around future highways schemes (the 3rd Yarmouth river crossing, the Norwich Western Link project and the Long Stratton bypass), would be brought to the next Committee meeting on the 27 January 2017, where the Committee would consider making recommendations to Full Council about new major highway infrastructure priorities. It was also **noted** that priorities should be consistent with those of the LEP (new Anglia Local Enterprise Partnership).

3. Broadband, Mobile Phones and Digital – update from Member Working Group

- 3.1 The Committee received the report from the broadband, mobile phone and digital Member Working Group giving an update on mobile phone and digital coverage.
- 3.2 The Committee:
 - **CONSIDERED** the information provided and the progress being made.
 - **AGREED** that the next update to Committee would be in April 2017.

- **ASKED** the Better Broadband for Norfolk working group if not enough progress has been made by January, to write a letter to the Minister requesting intervention in technology going in to help improve Norfolk's access to Superfast Broadband.

4. Better Broadband for Norfolk Programme update

- 4.1 The Committee received the report giving an update on progress of the rollout of Better Broadband for Norfolk against delivery of contractual commitments and exploring issues regarding take-up of superfast broadband services.
- 4.2.1 The Committee **CONSIDERED** progress to date and particularly levels of Take-up of fibre services versus levels of availability.

5. Street Lighting Update

- 5.1 The Committee received the report requested at the Committee meeting on 14 October 2016 providing an update on initiatives related to street lighting.
- 5.2 It was **agreed** that further information on Street Lighting would be brought back to the Committee in 6 months' time to review progress and look into whether the 2020 CO₂ reduction target should be reviewed.
- 5.3 The Committee:
- **NOTED** the progress made in delivering savings by introducing new technology and other initiatives;
 - **AGREED** that further de-illumination of redundant lighting on main roads was not progressed.

6. Norfolk Energy Futures

- 6.1 The Committee received the report providing an overview of Norfolk Energy Futures Ltd.'s (NEF) current performance and proposing the strategic direction for the company to meet future market demand.
- 6.2.1 The Committee **NOTED** the activities of the company to date.
- 6.2.2 With 10 votes for and 5 against, the Committee:
- **AGREED** to freeze all current projects with no more investment to take place from 11 November 2016, whilst a review takes place on the future of NEF, and for a report to come back to Environment Development and Transport Committee in 6 months' time with a business plan and options available.

7. Performance Management

- 7.1 The Committee received the performance management report based on the Committee's 15 vital sign's indicators.
- 7.2 The Committee:
- **REVIEWED** the performance data, information and analysis presented in the vital sign report cards;
 - **AGREED** the recommended actions identified were appropriate.

8. Risk Management

- 8.1 The Committee received the report providing information from the latest Environment Development and Transport Committee risk register as at October 2016 following the latest review conducted at the end of September 2016, aligned with and complementing the performance and financial reporting.
- 8.2 The Committee:
- **CONSIDERED** the changes to risks judged as exceptions and other departmental risks;
 - **AGREED** the recommended mitigating actions identified in were appropriate;
 - **CONSIDERED** the definitions of risk appetite and tolerance.

9. Finance Monitoring

- 9.1 The Committee received the report reflecting the forecast outturn position for the Services from Community and Environmental Services relevant to the Committee.
- 9.2 The Committee:
- **NOTED** the forecast out-turn position for the Environment Development and Transport Committee and the current risks to the budget as highlighted in the report;
 - **NOTED** the planned use of reserves and that proposals for any further use of reserves in 2016-17 would be highlighted to the Committee if the resulting forecast level of reserves falls below the 31 March 2017 balances anticipated at the time the budget was set.

10. Update on the following Offshore Windfarm Proposals: a) Norfolk Vanguard b) Hornsea Project Three

- 10.1 The Committee received and **NOTED** the report requested at the Committee meeting on the 14 October 2016 providing information on the Offshore windfarm proposals Norfolk Vanguard and Hornsea Project Three.

11. Forward Plan and decisions taken under delegated authority

- 11.1 The Committee received and **REVIEWED** the report setting out the forward plan for the Environment Development and Transport Committee, and **NOTED** the delegated decisions taken by officers.

Martin Wilby
Chair, Environment Development & Transport Committee

Report of the Economic Development Sub-Committee Meeting held on 24 November 2016.

A– Items from the meeting of 24 November 2016

1. Update from Outside Bodies and Member Working Groups

- 1.1 The Sub-Committee heard an update from the County Farms Advisory Board.

2. Cambridge Norwich Tech Corridor

- 2.1 A report was received discussing the Cambridge Norwich Tech Corridor and the local authorities and LEPs that have come together in partnership to raise the profile of the Corridor and attract new business investment.
- 2.2 The Sub-Committee **APPROVED** signing the Memorandum of Understanding and joining the Cambridge-Norwich Partnership.

3. Norfolk Library Information Service (NLIS) support to business

- 3.1 A report was received discussing projects the Business Library was looking to implement in partnership with the Economic Development and Strategy Group to develop its current services and provide more targeted support.
- 3.2 The Sub-Committee **RESOLVED** to **AGREE** to support the ongoing and additional work by the Business Library in partnership with the Economic Development Team.

4. Apprenticeships - update

- 4.1 A report giving an update on progress against targets for the Apprenticeships Norfolk Network since 2013 was received.
- 4.2 The Sub-Committee **NOTED**:
- The strong performance in Apprenticeship starts over the previous 3 years, since 2013;
 - That the Norfolk County Council Apprenticeships Norfolk Fund funding to support marketing and other activities apprenticeships would end in March 2017;
 - That the Norfolk County Council Apprenticeship Norfolk Fund funding to provide face to face support promoting apprenticeships would end in June 2017;
 - That alternative sources of funding were being explored to continue these activities
 - That a further report detailing options for future service delivery would be brought to the committee.
- 4.3 It was **noted** that a further report would be brought to the Sub-Committee by March 2017 to review Apprenticeships Norfolk funding, in light of the risks related to ongoing funding.

5. A47 Road Investment Strategy (RIS) - update

- 5.1 A report was received providing an update on A47 improvement schemes being developed by Highways England, and other projects being undertaken by Highways England.
- 5.2 The Sub-Committee **AGREED** to **NOTE**:
- The status and timeline for RIS1;
 - The likely timeline for RIS2 decisions and actively engage with the A47 Alliance to ensure successful approval of our priority schemes “as a matter of urgency”

6. Housing and infrastructure growth – timescales for key infrastructure improvements

- 6.1 The report requested at the meeting on the 14 July 2016 providing information on housing completions, jobs growth and the status of key infrastructure projects, along with further analysis of housing and jobs data, was received and **NOTED**
- 6.2 The Sub-Committee **noted** that a further report would be brought on this item in 2017.

7. MIPIM UK 2016: Feedback from event

- 7.1 The report providing feedback from attendance of the County Council’s inward investment team at MIPIM UK 2016 along with the Greater Norwich Growth Board, New Anglia LEP and the private sector to promote a range of development opportunities in Norfolk and raise Norfolk and Norwich’s profile to a national and international audience of property investors was received and **NOTED**

8. Annual update on the France (Channel) England Programme

- 8.1 A presentation was given by the Programme Manager for Community and Environmental Services, providing an annual update on the France (Channel) England Programme.

9. Finance Monitoring

- 9.1 A report was received providing the financial position for the service as at the end of September 2016, period 6, for the 2016-17 financial year, covering the revenue budget, capital programme and balance of reserves.
- 9.2 The Sub-Committee **NOTED** the budgets for Economic Development and Strategy for 2016-17.

10. Performance management

- 10.1 The report based on the revised performance management system was received, and the Sub-Committee **NOTED** that none of the 4 vital signs that fall within their remit had met the exception reporting criteria.

Brian Iles
Vice-Chairman, Economic Development Sub-Committee

Report of the Norfolk Health Overview and Scrutiny Committee meeting held on 13 October 2016

1. Stroke Services in Norfolk

- 1.1 The Committee received an update by the Norfolk and Waveney Stroke Network (the Network) on progress in respect of the recommendations on stroke services in Norfolk that were made by the Committee in 2014. The update followed the 'Review of Stroke Rehabilitation in the Community' made by the Network and Public Health in November 2015.
- 1.2 Representatives of the Norfolk & Waveney Stroke Network (the Network), Norfolk and Norwich University Hospitals NHS Foundation Trust (NNUH), Queen Elizabeth Hospital NHS Foundation Trust (QEH) and James Paget University Hospital NHS Foundation Trust (JPUH) were in attendance to discuss the issues.
- 1.3 The following key points were noted:
 - The Network, chaired by Dr Ian Mack, held regular bi-monthly meetings to find common solutions on stroke related issues.
 - The Committee noted that, while recruitment difficulties remained a major issue, the JPUH had taken on a new consultant with stroke specialist accreditation to work in stroke and acute medicine. This post brought the total number of stroke consultants at the JPUH up to 4. Taking account of their other work this represented 2.6 whole time equivalent posts devoted to stroke. There remained funding for another 0.5 whole time equivalent consultant post in stroke and the JPUH would be looking to advertise this again in 2017, possibly as a shared stroke and geriatrics post.
 - The Committee discussed the time that it took for specialist stroke consultants and nurses to complete their training, the work undertaken by Public Health to raise awareness of stroke prevention measures and the importance that the Network attached to the inclusion within the Sustainability Transformation Plan of issues that related to stroke services.
 - The speakers said that the Network had found it difficult to identify where delays for stroke patients in relation to NHS Continuing Health care occurred within acute and community hospitals. They said that the delay in the discharge pathway was often caused by the in-depth and complex nature of the continuing care process that meant patients had to await completion of an assessment of their needs and for a suitable placement outside of the hospital to become available. To overcome this kind of delay, there was now a drive within the Network to introduce more informal as well as formal health care assessments for stroke patients.
 - In the west Norfolk area, 7 day working for stroke consultants and 6 day working for therapists (physio; speech and language) was being sustained and 7 day working for therapists was being planned to be introduced in the future.
 - The speakers said the Network recognised that although progress had been made training on stroke related issues for those working in Norfolk's care homes should be of a more consistently high standard. With that in mind, Norfolk Community Health and care NHS Trust had produced a top 10 tips leaflet to

supplement the existing documentation on the training needs for care home managers and others involved in the care of stroke patients.

- It was pointed out that a pre-alert form had been introduced to aid communications between ambulance crews and hospital staff. In addition, direct phone calls were now made from the ambulance crew to the hospital to ensure that the ambulance crew were met at the front door to Accident & Emergency.
- The Committee stressed the importance of regular and thorough reviews of a stroke survivor's health and wellbeing in the long term and at 6-month and 12 months. It was noted that there had been an increase in the number of stroke patients offered a review meeting. There had been improvement in the number of people reviewed at 6 months but increasing reviews at 1 year remained a challenge.

- 1.4 The Committee noted the information contained in the report and that provided by the speakers during the meeting. It was also noted that any further questions that Members of the Committee might have for the Norfolk & Waveney Stroke Network should be forwarded in writing to Maureen Orr, the Democratic Support and Scrutiny Team Manager.

2 Ambulance response times and turnaround times in Norfolk

- 2.1 The Committee received a report by the Democratic Support and Scrutiny Team Manager 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 Hospitals NHS Foundation Trust (NNUH) and North Norfolk Clinical Commissioning Group were in attendance to discuss the issues. The Committee also heard from a Member of the public.

- 2.3 The following key points were noted:

- The Committee examined the range of actions that EEAST was undertaking to reduce ambulance turnaround time at all three Norfolk acute hospitals.
- The Committee discussed ambulance response time across the five CCG areas, EEAST activity levels, performance against stroke standards and the current numbers of ambulance crew vacancies and numbers of students compared to total staffing numbers.
- The Committee also discussed the leading role of the North Norfolk CCG in commissioning EEAST in conjunction with other commissioners in the region and the measures taken by the North Norfolk CCG to tackle the causes of delay in all aspects of the urgent and emergency care system in central Norfolk.
- The speakers explained the action set out in the report that they had taken to meet national standards for Red 1 and Red 2 calls and also for meeting Green calls (which did not involve life threatening conditions). They pointed out that this had led to a 10 % reduction in hospital admission at the NNUH through Accident and Emergency.
- It was noted that the Care Quality Commission had rated EEAST overall as 'Requires Improvement'. The speakers said that EEAST was at the upper end of this rating and expected to move into 'Good' when the next inspection occurred.
- Hospital Ambulance Liaison Officers (HALO) were continuing to support both EEAST and the NNUH in meeting handover to clear times. Funding for the HALO function remained in place and was expected to continue.

- The speakers emphasised that EEAST had undertaken a sustained recruitment drive to increase frontline staffing. They said there were currently 180 staff undertaking student placements at the UEA. The first cohort of students were due to qualify in January 2017. As these students completed their training, and qualified as paramedics, this would improve EEAST resources both in terms of skill set and capacity. EEAST was in discussions with the UEA over ways in which the student training programme for paramedics could be improved to better meet its requirements.
- The speakers said that in 2016/17 there had been a significant increase in ambulance arrivals to the NNUH.
- At the QEH the numbers of ambulance arrivals had gone up from an average of 56-57 patients a day to 68-69 patients a day.
- The speakers from EEAST invited Members of the Committee to visit its operations centre and / or to ride out with an ambulance crew. Those who wished to take up this offer were asked to contact the Democratic Support and Scrutiny Team Manager.
- The Committee noted that the project for an Ambulatory Care and Diagnostic Centre had been put on hold and that the 24 bed Henderson re-ablement unit at the Julian Hospital in Norwich was due to close in October 2016 due to a lack of funds. The Henderson Unit treated patients who were medically fit to leave hospital but not yet ready to live independently or at home. The Unit was run by the NNUH with Norfolk County Council staff based there to put care packages in place for the patients. The speaker from the NNUH mentioned that increased assessment on arrival, ambulatory care and the availability of the Urgent Care Centre at the hospital had helped achieve a significant reduction in admissions from A&E. The Committee considered that the closure of the Henderson Unit could have implications for ambulance turnaround and patient flow through the NNUH during this winter.

2.4 The Committee noted the report and placed on record that they might wish to invite EEAST, North Norfolk CCG and the NNUH to report back again in a year's time.

3 Forward Work Programme

3.1 The Committee agreed its forward work programme as set out in the report, subject to the addition of the Norfolk and Waveney Sustainability Transformation Plan to the agenda for 8 December 2016.

4 Letter to Norfolk and Suffolk NHS Foundation Trust (NSFT) regarding unexpected deaths

4.1 The Committee received a report from the Democratic Support and Scrutiny Team Manager, that related to the Verita review of unexpected deaths carried out earlier this year. The report included as an appendix a letter that was sent on behalf of the Committee to the NSFT on 9th September 2016.

4.2 The Committee noted the letter and NSFT's acknowledgement which promised a full response by 28 October 2016. It was agreed to receive the response in the next NHOSC Member Briefing. Should Members have any further issues then they would be addressed as a possible forward work programme item for the meeting on 8 December 2016.

Michael Carttiss
Chairman

Report of the Planning (Regulatory) Committee Meeting held on 21 October 2016

Applications referred to the Committee for Determination:

- 1 **C/5/2015/5007: SPC Atlas Works, Norwich Road, Weston Longville. Resubmission of application for change of use from B8: Warehousing to a Sui Generis use for waste processing and the production of refuse derived fuel (RDF) with an annual throughput of 150,000 tonnes; installation of office, 2 x weighbridges and photovoltaic panels. (Serruys Property Company Ltd).**
 - 1.1 The Committee received the report by the Executive Director of Community and Environmental Services seeking planning permission to use a site that was both industrial land and moreover a site (policy WAS78) that was allocated for waste development within the Council's adopted Waste Site Specific Allocations Development Plan Document.
 - 1.2 The Committee unanimously **RESOLVED** to
 - **Defer** the application, pending the submission of a fire risk assessment by the applicant
 - Request that Norfolk Fire and Rescue Service provide comment on the implications of the assessment
 - Request that a representative of the Environment Agency attend the committee, when the matter is next considered, to provide advice on the extent to which matters of concern to the committee can be addressed through the permitting process and permit and thus do not require to be dealt with by conditions in any planning permission that might be granted.
- 2 **C/2/2016/2016: King's Lynn Water Recycling Centre, Clockcase Lane, Clenchwarton, King's Lynn. Variation of condition 4 of permission ref C/2/2015/2030 to increase permitted liquid sludge input (Anglian Water Services Ltd).**
 - 2.1 The Committee received the report by the Executive Director of Community and Environmental Services seeking planning permission to vary condition 4 of planning permission reference C/2/2015/2030 (Granted in January 2016) in order to increase the permitted liquid sludge input at the Water Recycling Centre beyond the level currently authorised.
 - 2.2 The Executive Director of Community and Environmental Services was authorised to:

- i) Grant planning permission subject to the conditions outlined in section 12 of the report.
- ii) Discharge conditions (after discussion with the Chairman and Vice-Chairman of the Committee) where those detailed in the report required the submission and implementation of a scheme, or further details, either before development commenced, or within a specified date of planning permission being granted.
- iii) Delegate powers to officers (after discussion with the Chairman and Vice-Chairman of the Committee) to deal with any non-material amendments to the application that may be submitted.

3 C/1/2016/1012: Hempton Recycling Centre, Helhoughton Road, Fakenham. Variation of condition 1 of planning reference C/1/2015/1025 to allow relocation of the reuse shop on site (Norfolk County Council).

3.1 The Committee received the report by the Executive Director of Community and Environmental Services seeking to vary condition 1 of planning permission reference C/1/2015/1025 to relocate the reuse shop at Hempton Recycling Centre.

3.2 The Executive Director of Community and Environmental Services was authorised to:

- i) Grant planning permission subject to the conditions outlined in section 13 of the report.
- ii) Discharge conditions (after discussion with the Chairman and Vice-Chairman of the Committee) where those detailed in the report required the submission and implementation of a scheme, or further details, either before development commenced, or within a specified date of planning permission being granted.
- iii) Delegate powers to officers (after discussion with the Chairman and Vice-Chairman of the Committee) to deal with any non-material amendments to the application that may be submitted.

4 Y/3/2016/3004: Primary School and Nursery building, London Road, Attleborough. New 630 pupil primary school and associated external works and a standalone 52 place nursery building (Executive Director of Children's Services).

4.1 The Committee received the report by the Executive Director of Community and Environmental Services seeking an amendment to the wording of the condition proposed to control noise as it would be overly restrictive to the use of the school in its current form.

4.2 The Executive Director of Community and Environmental Services was authorised to:

- i) Grant planning permission subject to the conditions outlined in section 13 of the report and a Section 106 Legal Agreement in respect of linking this site to the employment application approved by Breckland District Council. The legal agreement will require the employment land to be available and marketed for sale

for a 1 year period following commencement of development of the school site, unless otherwise agreed with Breckland District Council.

- ii) Discharge conditions (after discussion with the Chairman and Vice-Chairman of the Committee) where those detailed in the report required the submission and implementation of a scheme, or further details, either before development commenced, or within a specified date of planning permission being granted.
- iii) Delegate powers to officers (after discussion with the Chairman and Vice-Chairman of the Committee) to deal with any non-material amendments to the application that may be submitted.

Mike Sands

Chair, Planning (Regulatory) Committee

Report of the Personnel Committee Meeting held on 21st October 2016

1. Terms of Reference of Personnel Committee

- 1.1 A report was received which proposed a series of drafting changes to the Personnel Committee's terms of reference as written in the Council's constitution. The Committee noted that there were some parts of the functions set out in the Terms of Reference that were inconsistent with other parts of the Constitution and therefore needed to be updated to improve clarity and transparency of the Committee's role and operating arrangements. It was noted that the changes did not materially affect the role or the way that the committee operated and or the actual practice of decision making by the Committee.
- 1.2 The Committee has approved the terms of reference and they will now be considered by the Constitution Advisory Group for recommendation to the Policy and Resources Committee. The Terms of Reference will be brought to Full Council for approval and amendment to the Council's Constitution.

2. Appointments and disciplinary action relating to senior managers

- 2.1 The Committee considered a report which proposed revising the wording in Part 6.4 of the County Council's Constitution which sets out arrangements for the appointment and discipline of officers. The changes were proposed to improve clarity, to bring the wording into alignment with the Council's organisation structure, and to improve efficiency in recruitment and appointment.
- 2.2 The Committee's attention was brought to the difficulties of the present wording in the Constitution in that Part 6.4 was no longer consistent with the statutory definitions of Chief Officers and Deputy Chief officers, making the definition of which posts are intended to be covered unclear. The Committee has therefore agreed that Part 6.4 be amended in order to define the senior posts which are formal members appointments (in addition to the Head of Paid Service) as:
 - Statutory Chief Officers (5 posts)
 - Any other posts which are formally part of the County Leadership Team (1 post in the present structure)
 - The Monitoring officer (as long as the post is at third tier of higher and therefore may be appointed by Members) (1 post).

Under the present structure those posts covered by the changes would be:

Executive Director of Children's Services
Executive Director of Adults Social Services
Executive Director of Community and Environmental Services
Executive Director of Finance
Director of Public Health
Chief Fire Officer
Head of Law and Managing Director of nplaw.

- 2.3 The Committee also gave consideration to those parts of Part 6.4 that set out arrangements for disciplinary action and dismissals regarding senior posts. Revised wording was agreed to reflect the clarified definitions of senior officers and to clarify which procedures would apply for which senior officers.
- 2.4 These recommendations will now be considered by the Constitution Advisory Group before recommendation to the Policy and Resources Committee and to full Council for approval.

Cliff Jordan
Chairman

Report of the Norfolk Joint Museums Committee meeting held on 28 October 2016

1. Norfolk Joint Museums Service – Integrated Finance and Risk Monitoring Report for 2016/17

1.1 Members received a report that covered the NMS revenue budget out-turn for 2016/17, reserves and provisions and the capital programme, and savings applied to the revenue budget for 2016/17. The report also provided the Committee with an update on progress with the management of risk within the NMS.

1.2 The Joint Committee **resolved** to note –

- (a) The final revenue budget, capital programme and reserves and provisions forecast out-turn positions for 2016/17.
- (b) Progress with the management of risk within the NMS.
- (c) That the risk register would be updated when it was next presented to the Joint Committee.

2 Area Museums Committee

2.1 The Joint Committee received reports from meetings of the Breckland, Kings Lynn and West Norfolk and Norwich Area Museums Committees.

3 Norfolk Joint Museums Service – Performance and Strategic Update Report

3.1 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.

3.2 The Joint Committee also received a copy of the NMS annual review for 2015/16 and a copy of the Museums Association code of ethics. Members recognised that the code was essential to ensure an ethical approach was taken to Museum work.

3.3 During discussion of the report, the following key points were noted:

- Museum visits across all 10 NMS sites for the period 1st April 2016 to 31st August 2016 had shown a slight decrease of 3% when compared to the equivalent period in the preceding year. Given that there was an early Easter in 2016 (meaning that Easter holiday visits were split between two financial years) and a very hot summer which had led to a small percentage reduction in visits to Norwich Castle over the summer holidays, and that 2015/16 represented a record year for the NMS, the total visitor figure for summer 2016 of 188,203 represented a very successful and positive result. The NMS was confident that going forward into the second half of the year that it could match last year's excellent figure of 400,000 visits across the NMS sites plus outreach and special events attendance.
- The numbers of school visits to NMS museums for the period 1st April 2016 to

31st August 2016 had shown an increase of 13% when compared to the equivalent period in the preceding year. This very strong performance when benchmarked against the total for school visits achieved during 2015/16 continued to go against the national trend.

- The good visitor figures represented a very successful summer in 2016 driven by a strong marketing performance and a successful exhibitions and events programme.
- The Joint Committee was pleased to hear that the NMS had received an initial development grant of £462,400 for the Norwich Castle: Gateway to Medieval England project. This funding is helping the Service to progress its plans at the same time as undertaking a major public fundraising campaign.. The match funding gap currently stands at around £2.6m. A successful Stage 2 application to the HLF will result in an additional £8.7m of funding being made available.
- It was pointed out that the excellent programme of financial and professional support, advice and guidance that the Arts Council England provided to the NMS during the current funding programme (2015-18) had led to many NMS improvements and was something that the Joint Committee wanted to see continued with the Arts Council England 4 year settlement for the period 2018-22. With this in mind, the Joint Committee fully supported and authorised the Head of Museums, in consultation with the Chairman and Vice Chairman, to submit an application to the Arts Council England for a four year funding settlement for the period 2018-22.

3.4 The Joint Committee **resolved**:

1. To note progress regarding development of the Keep at Norwich Castle.
2. To note progress regarding development of plans for 2016/17 including the exhibition and events programme and the Service's progress in achieving a balanced budget.
3. To authorise the Head of Museums, after consultation with the Chairman and Vice Chairman, to submit an application to the Arts Council England for a four year funding settlement for the period 2018-22.
4. That the Head of Museums write to Members of the Joint Committee with details about this year's annual SHARE Museums East conference at the newly developed National Horseracing Museum at Newmarket in November 2016 and to which Members may wish to attend.
5. To request an update at the next meeting on progress with the Deep History Coast project and the building of links between this project and coastal projects elsewhere.
6. That progress on all other museums matters should be reported back to the Joint Committee as part of the Head of Museums' periodic Performance and Strategic Update Report.

3.5 The Joint Committee also **resolved**:

To agree to the rationalisation of the items listed in Annex 3 to the report (Gressenhall Social History items) and Annex 4 to the report (inc. Internal transfers included for information only) that were considered and approved for rationalisation by the Breckland Area Museums Committee on 4 July 2016.

4 The Olive Edis project

4.1 The Joint Committee received a presentation about the Heritage Lottery Fund

supported Olive Edis project. The project provided a unique opportunity to view the pioneering photography of Olive Edis who had worked in North Norfolk in the late 19th and early 20th centuries. In addition to being a talented portrait photographer, Edis was also the world's first female war photographer and this exhibition showcased both her photographs of local people and celebrities alongside her record of women during the First World War and her documentary on the battlefields of Northern Europe. The exhibition was part of a wider project supported by the Heritage Lottery Fund with additional support provided by Arts Council England, East Anglia Art Fund and the John Jarrold Trust. It was noted that a touring exhibition of Edis' work would be shown at community venues across North Norfolk during 2017. The exhibition ran from 8 October 2016 to 22 January 2017.

John Ward
Chairman

Report of the Norfolk Records Committee Meeting held on 28 October 2016.

A– Items from the meeting of 28 October 2016

1. Co-option of Non-voting Members

1.1 The Committee **AGREED** to:

- co-opt Mr M R Begley, Professor C Rawcliffe and Professor R Wilson to the Committee for the forthcoming year;
- confirm Dr V Morgan as an Observer for the forthcoming year.

1.2 The committee **NOTED** that:

- Mr R Jewson would continue as a non-voting member of the Committee by virtue of his position as Custos Rotolorum;
- Dr G Metters would continue as the representative for the Norfolk Records Society for the forthcoming year;
- By agreement of the Bishop, Revd. C Read would continue as the representative of the Bishop of Norwich for the forthcoming year.

2. Performance report 1 April – 30 September 2016

- 2.1 The Committee received and **NOTED** the report providing information on the activities of the Norfolk Records Office and performance against its service plan between 1 April and 30 September 2016 and **CONSIDERED** performance against the 2016/17 service plan.

3. Norfolk Archives and Heritage Development Foundation

- 3.1 The Committee received and **NOTED** the report giving an update on Norfolk Archives and Heritage Development Foundation (NORAH), its recent fundraising and support for purchasing documents.

4. Finance and Risk

- 4.1 The Committee received the report giving information on the forecast financial position and risk management for the Norfolk Records Committee in 2016/17 as at 30 September 2016.

4.2. The Committee:

- **CONSIDERED** performance with the revenue budget and reserves and provisions for 2016/17;
- **NOTED WITH SATISFACTION** that the bottom line was clearly on target;
- **NOTED** the reserve position;
- **NOTED** the management of risk for 2016/17 and that it was largely unchanged.

Christopher Kemp
Chair, Norfolk Records Committee

County Council

Item No 8

Report title:	Senior Management Arrangements
Date of meeting:	12 December 2016
Responsible Chief Officer:	Managing Director

Strategic impact

The Managing Director recently commissioned an external review of the Council's corporate strategy, support and finance functions. The recommendations made by the review will enable these functions to refocus resources, ensuring front line services are supported in the delivery of priorities whilst also providing the strategic direction and stewardship required for the Council as a whole. The first phase of implementing the recommendations from this report is to establish the top management structure to secure the subsequent improvements and savings required.

These proposals involve changes to the top management structure and therefore require approval of Full Council without prior consideration by any forum.

<p>Executive summary</p> <p>This report sets out the context and detailed proposals for new senior management arrangements for the corporate strategy, support and finance functions following recommendations made by an external review.</p> <p>The report proposes a number of structural changes including:</p> <ul style="list-style-type: none">• Formally realigning ICT and Procurement into the Finance Department• Transferring transactional HR services to Finance• Establishing a Chief Legal Officer (and Monitoring Officer) separate from the trading arm nplaw and including the accountability for Democratic Services within the remit of this role• Aligning the Council's strategic functions of HR, Communications, Intelligence and Strategy and Delivery under a single head of service - Strategy Director <p>These structural changes are the first step in delivering the focus and improvements needed and the rationale for the changes is provided in the report.</p> <p>Recommendations: Members are recommended to approve the new senior management arrangements outlined in this report.</p>

1. Context

- 1.1 The local government landscape is changing dramatically. The government's policy agenda continues to drive authorities to re-examine their purpose, scope and service delivery model. Coupled with this is the continued drive to require local government to become financially more self-sufficient. By 2020 the Revenue Support Grant to Local Authorities will cease to exist, and local authorities will be expected to source their revenue expenditure on council tax

and business rates. In this context it needs to have a more commercial approach to income generation, cost control and service innovation. This creates real opportunity for the Council but also challenges that require us to be more agile and fleet of foot.

- 1.2 We are at the forefront of many national policy initiatives to secure the best opportunities for Norfolk. We are closely involved in the change and transformation of the health and social care system to ensure services are sustainable for the future social and health care needs of our community through the Sustainable Transformation Plan for Norfolk and Waveney. The whole council is committed to securing a better future for Norfolk's children, with our Children's Services Directorate focussed on driving up educational achievement and improving services for looked after children and children leaving care. We are developing innovative approaches to managing service demands particularly in Adult Social Services where demographic and cost pressures are creating a significant challenge to traditional service approaches. We are developing a more local community approach by bringing together our cultural, community safety, library, public health and environmental services within the Community and Environmental Services department.
- 1.3 It is now time to reshape the council's central functions to ensure they are able to support our front line services and staff, at the same time as providing the strategic direction and stewardship required to respond rapidly to the rapidly changing context.

2. The Role of the Centre Now

- 2.1 The current services and remit of the Finance Directorate and former Resources Directorate were established in October 2014 following a review of the senior management structure of the Council.
- 2.2 At the Full Council meeting of 25 July 2016 members agreed to delete the post of Executive Director of Resources following the transfer of Public Health to Communities and Environmental Services and the commitment to reduce the size of the remaining corporate centre to meet the necessary budget savings of £12 million over the next 3 years. Interim management arrangements outlined in Appendix 1 were implemented at that time.
- 2.3 The former Resources Directorate was created over time by drawing existing support services together, and for the most part it remains organised on historical service structures. Whilst service improvements have occurred since its creation the external review has identified that to meet the needs and demands facing the Council, central services will need a new approach and way of working, supported by a new structure, to provide clear governance and more efficient support. Ofsted inspections of Children's Services and the children's commissioner have also drawn attention consistently to the need for strategic improvements in the corporate support provided to Children's services. These recommendations have been accepted by the Managing Director and this report is a necessary step in their implementation.
- 2.4 In this current resource climate, these central functions need to have a clear sense of direction and purpose, an ability to focus on priorities across the council as a whole, control and align resources in support of their delivery, and manage competing demands responsively.

- 2.5 The centre has a differentiated set of functions, and is not only a pooled resource of shared services. It needs an operating model which recognises and meets three purposes and areas of focus:
- a strategic focus - to advise and support the political and managerial leadership of the Council in their strategic role, and ensure effective governance and stewardship of its activities and resources.
 - a service focus – to support and enable transformation change as well as efficiently support operational delivery at departmental and service level.
 - a transactions focus - to provide responsive customer services, while achieving lower costs, through greater use of technology, simpler and more streamlined processes.
- 2.6 In principle, the core functions retained centrally should be about strategy and stewardship, with operations and delivery flexibly supported to develop in response to customer requirements and enabled to exploit technological advances and market opportunities.

3. Proposed Senior Management Arrangements

- 3.1 The changes required are not primarily about structures or cost reductions, but are also about securing improvements in the strategic, service and transactional services required to meet the changing needs of different customer groups across the council. However some structural changes are required in order to ensure the differentiated roles of the centre are effectively developed and improvements delivered.

3.2 Finance and Commercial Services

- In order to align ICT and Procurement services with other central operations, these services will become part of the Finance Department.
- To reflect the expanded remit of the Executive Director of Finance and to ensure the management span of control is within optimal guidelines, the role of Head of Budgeting and Financial Management will be formalised as Assistant Director- Finance with management responsibility for the Finance Business Partners.
- To support the streamlining of transactional processes and enable HR to focus on adding value strategically, transactional HR services will transfer to Finance. The precise delineation of the services to be transferred will be determined by a dedicated review to be commenced as soon as possible.
- In order to reflect the importance of securing appropriate value from the council's assets, and recognising the impact of its fully owned companies, commissioning and contracting budgets, the department will be titled the Finance and Commercial Services Department.

3.3 Legal and Democratic Services

- To ensure that the council has legal counsel and a Monitoring Officer distinct from nplaw, its trading arm, a new post of Chief Legal Officer will be established and separated from the post of Practice Director.

- There are clear synergies between the statutory role of Monitoring Officer and the governance role of Democratic Services and therefore benefits to be achieved from bringing this service under the remit of the Chief Legal Officer.
- The Coroners service, support to the Chairman, and the Registration Service will remain within Democratic Services, as these arrangements are seen to operate well. However given the cost reductions to be made, these functions are identified by the consultant as areas for future review.

3.4 **Strategy Director**

- The current structure does not provide the focus required to develop the Council's capacity to lead and manage change, and consistent with previous assessments, the recent review concurs the need to locate responsibility for forward planning, change management and performance management in a senior post, bringing together the strategic levers for change. It identifies the need for a Strategic Director accountable for driving change, innovation and performance improvement across the organisation. This will also enable the bringing together and sharpening the focus of the following strategic functions:
 - Human Resources, including organisational development, HR Business Partners and services to departments. As identified in 3.2 transactional services will be transferred to Finance.
 - Communications; this service was recently remodelled to support the priorities and focus agreed following a review. The new structure is in the process of implementation.
 - Business Intelligence: to ensure that the council can harness the potential of our data and utilise the latest evidence and emerging best practice to inform our strategy, plans and financial forecasts. The function will bring together the current functions of Business Intelligence and Performance and Public Health Intelligence. A review of the interface with Information Management is also required. This function will be an early priority for designing in detail and subsequently determining the staffing required.
 - Strategy and Delivery: The council needs to improve its ability to develop strategy and then deliver on its plans and budgets. A Delivery Unit was established on a pilot basis a year ago to tackle improvement on corporate priorities agreed by the CLT and members. Staffed with seconded volunteers, it has demonstrated organisational value over this period. A Strategy and Delivery Unit will include support to whole system leadership across the County's public service partnerships, as well as equipping the council to develop strategies and plans, and secure delivery on high profile areas of change. Its methodology will be similar to the Delivery Units operating in other local authorities and central government.
 - The equalities and voluntary sector liaison roles that currently sit within Corporate Planning and Partnerships will be relocated to Communities and Environmental Services in keeping with the community orientation of that department.

- 3.5 The current management arrangements are provided in appendix 1 and the proposed arrangements based on the above are provided in appendix 2.

4. Financial Implications

- 4.1 Each of the new units will be the subject of detailed design and costings within the agreed budgetary envelope and the responsibilities delegated to officers. The first step is to establish the senior management positions.
- 4.2 Based on the grades recommended to Personnel Committee of 5th December 2016 for the Director of Finance, Strategy Director, Chief Legal Officer and Head of HR and indicative grades for posts yet to be evaluated the proposed structure will save in the region of £73,000 (based on top of salary scales) compared to previous arrangements. Further savings will be secured from the detailed staffing associated with each of the units reporting to these top posts.

5. Staffing Implications

- 5.1 It is intended to implement the proposal as soon as possible following approval of Full Council and on the completion of the formal consultation process with trade unions and the affected senior officers.
- 5.2 This new structure will be implemented in accordance with the Council's organisational design principles and appointment process. We will be mindful of any disproportionate cost to the changes and make our best endeavours to develop the new skillset required amongst existing staff whenever that is possible and conducive to organisational performance.
- 5.3 Personnel Committee of 5th December 2016 will be recommended to approve grades for the affected posts as follows and the grading decisions will be reported to the Council:

Executive Director of Finance
Strategy Director
Chief Legal Officer
Head of Human Resources

6. Next Steps

- 6.1 Following implementation of the senior structure the next steps are consultation on the establishment of the Strategy and Delivery Unit, reorganisation of Human Resources and of Business Intelligence. Plans will develop swiftly for transitioning projects within the Corporate Programme Office and Corporate Planning and Partnerships.

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:

Officer Name: Wendy Thomson

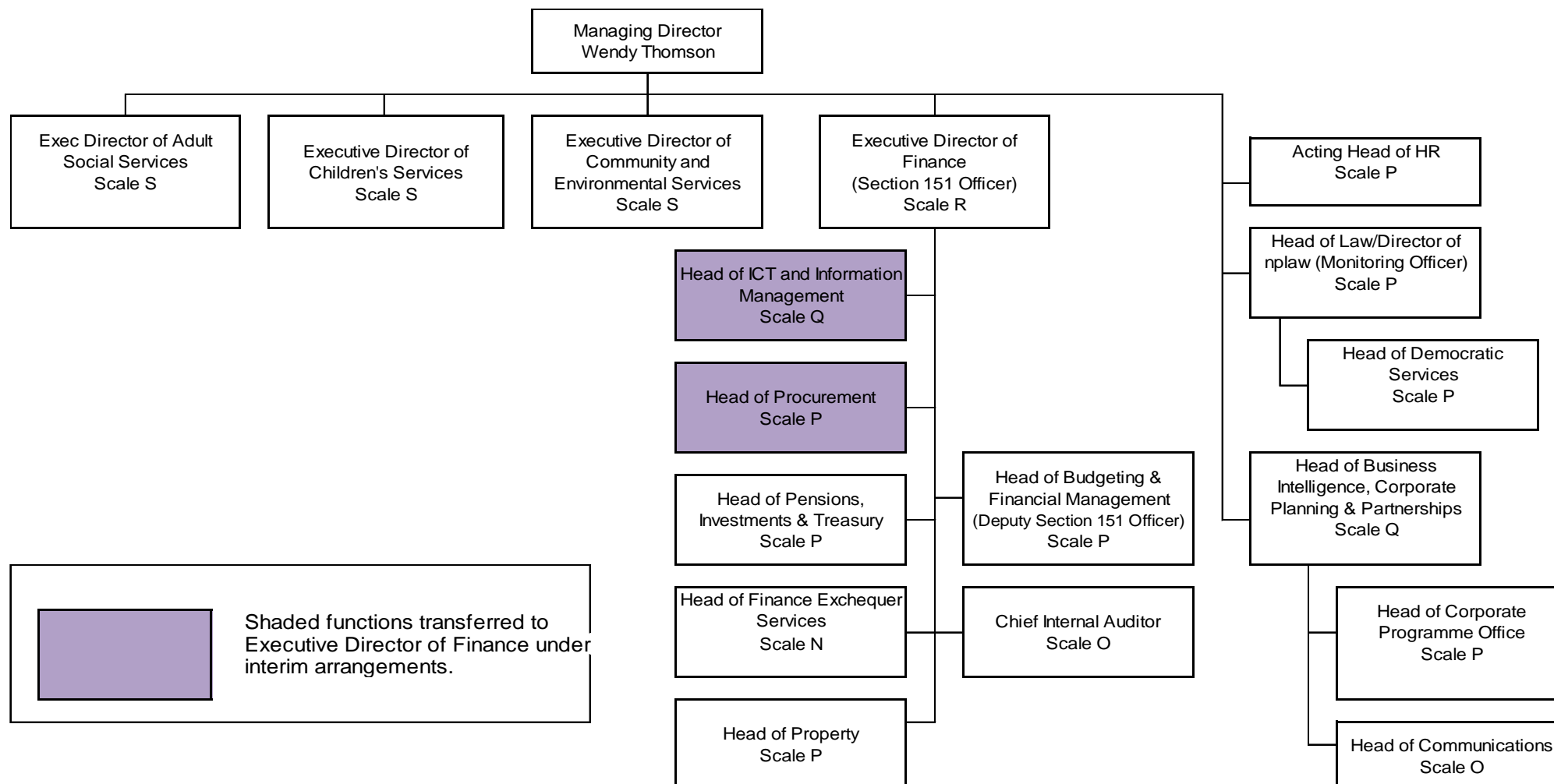
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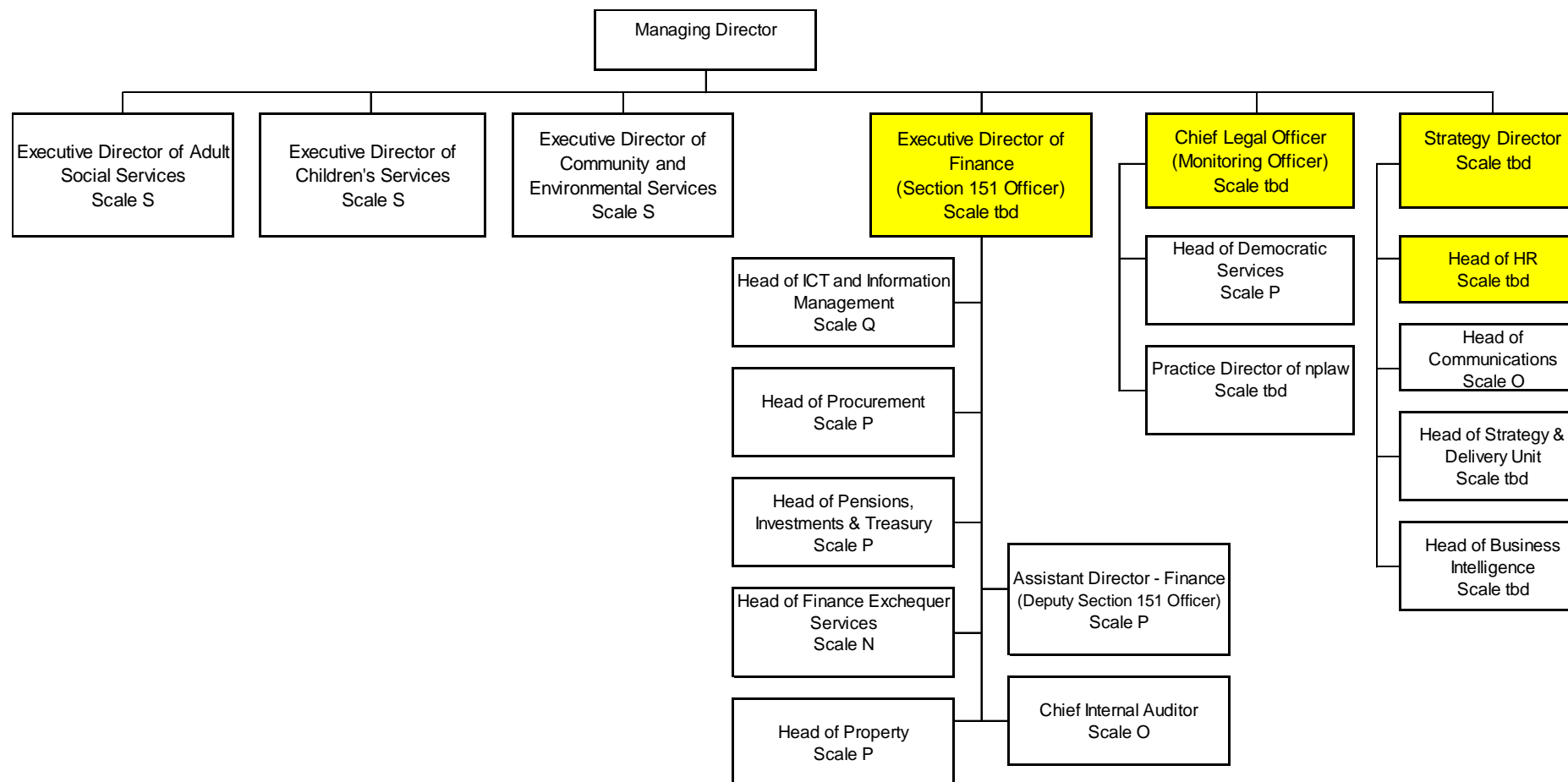


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Present Structure - Interim Arrangements from September 2016



Proposed Structure



Appointment of Independent Persons

Report by Head of Law and Monitoring Officer

1.0 Background

- 1.1 The Localism Act 2011 abolished the previous standards and ethics regime for local authorities under the Local Government Act 2000 and substituted a new set of legal requirements in relation to standards and conduct.
- 1.2 Part of the “arrangements” that each Council must have in place include the appointment of at least one Independent Person. The role of the Independent Person is to give his or her views to the Council before the Council makes its decision on an allegation that it has decided to investigate concerning a potential breach of the Code of Conduct. This is the mandatory element of the Independent Person’s role.
- 1.3 The Independent Person also has a role at the Council’s discretion in relation to a standards complaint against a member and may be consulted by a member or co-opted member who is the subject of a complaint.
- 1.4 The Independent Person may also have a role in the dismissal of one of the statutory officers. If the Council is considering dismissing a statutory officer it must appoint at least two independent persons to the panel at which the dismissal decision is taken.

2.0 Eligibility

- 2.1 In order to be appointed as an Independent Person the Localism Act stipulates criteria to ensure independence. In particular, a person is not independent if:-
 - They are a member or officer of the Council or a relative or close friend of a member or officer
 - during the five years ending with the appointment the person was a member of the Council even if they are no longer a member
 - procedural requirements have not been observed including the advertising of the person’s appointment by a majority of the members of the Council
- 2.2 An advertisement was placed for an Independent Person. The criteria for appointment include:
 - over 18 years of age
 - a commitment to public service

- personal integrity and the commitment to upholding high standards
- independence and impartiality
- the ability to assess critically written and oral evidence to reach balanced decisions
- possession of tact, diplomacy and good communication skills
- demonstrate excellent listening, problem solving and evaluation skills
- be reliable and committed

3.0 Applications and Interviews

3.1 In response to the advertisement, a number of applications were received from which a shortlist of 5 suitable applicants was agreed. Interviews took place on 29 November, by a panel consisting of Councillors Monson, Agnew and Timewell, supported by the Monitoring Officer.

3.2 Following the interviews, the Panel unanimously agreed to recommend to Council that two candidates be appointed as Independent Persons. This is in line with the decision taken by Council at its April 2016 meeting to have 2 Independent persons. The Panel's recommended candidates are:-

Mr Stephen Jones
Mr Alan Squirrell

3.3 Brief resumes of the recommended candidates are attached

4.0 Recommendation

That Council approves the recommendation of the Interview Panel to appoint Stephen Jones and Alan Squirrell to be the Council's Independent Persons

Resumes of the recommended candidates

Stephen Jones

Prior to moving to Norfolk in 2016 Stephen served as an Independent Person at Aylesbury Vale District Council for 4 years. Stephen was a civil servant for over 40 years, most recently the Court Manager for the Inner London Crown Court, a job which saw him managing 13 courts, their staff, budgets and complaints procedures. In addition to holding some voluntary sector roles Stephen has been an exam invigilator and has recently been appointed a school governor at a Norfolk primary school.

Alan Squirrell MBE

Alan is a chartered engineer and member of the Institution of Civil Engineers who started his engineering career at Waveney District Council and Lowestoft Borough Council. He went on to work for Shell for 20 years before establishing his own management consultancy. Since 2004 Alan has held a series of senior non-executive and chairing roles including Orbit Housing Association, Norfolk Credit Union and South Norfolk Council Audit, Accounts and Governance Committee.