

## Overview & Scrutiny Committee

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Minutes of a meeting of the **Overview & Scrutiny Committee – Review of Cabinet Agenda** held at Thorpe Lodge, 1 Yarmouth Road, Thorpe St Andrew, Norwich on **Tuesday 26 June 2018** at **10.00 am** when there were present:

Mr D G Harrison – Chairman

Mr A D Adams  
Mrs C H Bannock  
Mr D Buck  
Ms S J Catchpole

Mrs J K Coplestone  
Mr J J Emsell  
Mr G Everett  
Mr G K Nurden

Mr S Riley  
Mr V B Tapp  
Mrs K A Vincent  
Mr D C Ward

Mrs K Billig (South Norfolk Council), Mr G Peck and Mr S Vincent also attended the meeting for its duration.

Also in attendance were the Chief Executive, Head of Democratic Services and Monitoring Officer, Head of Corporate Resources, Head of Finance and Revenue Services, Head of Business Transformation (SNC), Head of Governance and Monitoring Officer (SNC), Business Improvement Manager (SNC), Policy and Transformation Officer (SNC) Private Sector Housing Manager and the Committee Officer (JO).

The UNISON Branch Secretary attended the meeting for item 15 - Broadland and South Norfolk Feasibility Study.

### 11 DECLARATIONS OF INTEREST UNDER PROCEDURAL RULE NO 8

Member	Minute No & Heading	Nature of Interest
Mr D Harrison	16 – Energy Efficiency Regulations	Disclosable non-pecuniary interest; landlord of a property in the District.

### 12 APOLOGIES FOR ABSENCE

Apologies for absence were received from Mr Grady, Mr Ray-Mortlock and Mr D Ward.

### 13 MINUTES

The Minutes of the meeting held on 29 May 2018 were confirmed as a correct record and signed by the Chairman.

*Minute No: 9 – Norwich Western Link – Public Consultation*

The Chairman advised the meeting that in addition to the Council's response

to the Norwich Western Link consultation, Cabinet had requested that a letter be sent to the County Council reaffirming Broadland's strong support for the Western Link project.

### **14 CHAIRMAN'S ANNOUNCEMENTS**

The Chairman welcomed Mrs Catchpole, the newly elected Member for Aylsham, to the Committee. He also informed the meeting that Mrs Hempsall had resigned from the Committee.

### **CABINET REPORTS**

#### **15 BROADLAND AND SOUTH NORFOLK FEASIBILITY STUDY**

The Chairman of the Joint Lead Members Group introduced the Feasibility Study into collaborative working between Broadland and South Norfolk Councils, which was a comprehensive piece of work that had been developed over the last ten months by Members and officers from both Councils. The report recommended agreeing the proposals for collaborative working and forming one joint officer team across the two autonomous councils.

Staff had been engaged throughout the development of the Feasibility Study through a variety of mechanisms that had shaped the report, with all-staff briefings, as well as meetings with Staffside/Staff Forum and UNISON. A range of communications and stakeholder engagement with key partners had also been undertaken, including visits to neighbouring authorities that were already sharing services.

The joint management arrangement in Planning was clearly demonstrating the benefits that collaborative working could bring, by providing a more consistent service for customers, as well as leveraging funding to support the significant growth agendas in both districts.

The proposals within the Study identified a number of key benefits that collaboration would bring to both districts. These were:

- A stronger voice for both councils, regionally and nationally
- Increased growth and delivery at pace
- Greater financial stability
- Opportunities to provide services and initiatives jointly, that could not otherwise be provided

- Increased investment and access to new funding opportunities
- A joint and complementary offer for support to businesses
- Greater choice for our residents in terms of housing supply
- Ability to retain and attract the most talented staff and strengthen resilience for service delivery

A key proposal was the recruitment of a joint Managing Director who would establish a joint Senior Management Team and one joint officer team across the two authorities. It was emphasised that Members wished to avoid redundancies wherever possible, by implementing any structural changes through natural turnover of staff.

The study included a routemap for delivery of collaboration activities, as well as providing an indicative estimated combined savings estimate of £8.6 million over the first five years. It was emphasised, however, that this had not been a primary driver for collaboration.

The recommendations included the provisional costs/savings split, as well as ICT infrastructure and transition costs. For year zero (2018/19) £90,000 transition fund had been requested.

The UNISON Branch Secretary addressed the meeting. She confirmed that staff at Broadland were not resistant to change and had embraced the Systems Thinking interventions that had been implemented at Broadland in recent years. However, any changes should be right for both staff and residents and some concerns had been expressed about having a preferred partner, which might limit the Council's ability to work with other organisations in the future.

Other concerns expressed by UNISON members included:

- Whilst the report detailed percentages for the staff survey it did not include the actual numbers who responded, which could have provided further context to the Survey.
- The timeline for the recruitment of a joint Managing Director had not taken account of any delays in finding the right candidate.
- Frontline staff should be included in the workshop sessions to develop one culture across both councils and this should not be taking place before the joint Managing Director was in post.

- The consultation on terms and conditions should not be held during the summer holidays.
- Concerns about the disadvantages of collaboration that had been raised earlier were not included in the final report.
- The Equality Impact Assessment had not considered the larger geographical area, which might disadvantage women or disabled people.
- If one in four vacated posts could be lost what were the realistic staffing levels needed to maintain current service delivery across both councils?

In summary UNISON would seek to work with management in the best interests of staff and service provision – with the following provisos as a matter of urgency:

- A no compulsory redundancy policy agreement
- No diminution of terms and conditions for employees at either authority when determining joint terms and conditions
- Consideration of individual personal issues ie travel/car, caring needs when requiring a differing work location from their 'normal place of work'.

Members were generally sympathetic to the views expressed by the Union and concerns were shared about the projected timescales, opportunities for staff to comment on the proposals and to contribute to the development of a single culture. Members were also in favour of a no compulsory redundancy agreement in relation to collaboration, unless due to external factors.

In response to a query, it was confirmed that the staff survey was drafted by the South Norfolk Staff Forum and the response had been limited to 53 staff. The same survey had been forwarded to Broadland and sent to all staff, which accounted for the higher response rate. The staff turnover at South Norfolk was also higher than Broadland, in part due to a greater number of manual posts at the Council.

A Member suggested that if necessary, voluntary redundancies should be offered before any compulsory redundancies were made and it was also noted that if the predicted growth in both districts occurred more staff would be required.

Following a vote the Committee:

### RESOLVED

to recommend to Cabinet that a no compulsory redundancy agreement be included in the proposals included in the Feasibility Study. The agreement to be limited to redundancies arising as a result of collaboration, but excluding those resulting from external factors beyond the control of the two autonomous councils.

Concerns were expressed regarding the proposal for a joint officer team, which had not been in the original model for sharing services. It was also suggested that financial savings were in fact a key driver of collaboration and that there was a lack of information about what this would mean for the Medium Term Financial Plan of both authorities. It was also proposed that another staff survey should be held to allow further comment on the study. A number of Members suggested that it would be better to wait until the District Council elections had been held in May 2019 before proceeding with collaboration.

In response to some of the concerns expressed by the Committee, it was confirmed that the timelines in the routemap were indicative and could be amended according to circumstance. The joint Managing Director would be required to develop the structure of the Senior Management Team and it was suggested that this should be done as soon as possible. In respect of finance, Members were assured that the indicative savings of other similar authorities that were sharing services demonstrated that as a minimum collaboration would not cost money and that jointly both authorities should be able to access greater funding opportunities; as had been seen by the recent award of £220,000 from the Government's Planning Delivery Fund.

Members noted that proposals for collaboration with South Norfolk by other local authorities had failed before and it was suggested that although the Feasibility Study was a good basis, it should be followed by a full Business Case that would set out in far greater detail what collaboration would mean for both councils.

In response, the meeting was advised that in some areas the Feasibility Study deliberately lacked detail, as these matters would be for the joint Managing Director to decide. It was added that from the dialogue with East Suffolk it had been learned that collaboration in their case had been an evolutionary process, which developed greater detail as it progressed.

The Vice-Chairman noted that collaboration had been successfully adopted by many councils already, so Broadland and South Norfolk were proposing to take a well-established path. Both councils were very similar and so were a 'good fit' and with local authority funding being reduced this would be a means of retaining control and preempting the threat of reorganisation being imposed by central Government.

A proposal for a Business Case review of collaborative working was voted on and rejected by the Committee.

Members still noted a lack of clarity in respect of the joint officer team, however, and it was agreed that Recommendation 1(c) and (f) be amended to remove reference to a joint officer team. The recommendation would also include a proposal 1(h) in respect of a no compulsory redundancy agreement.

### **RECOMMENDED TO CABINET**

Options (1) (as amended) and (2)

- (1) **Recommendation 1 (includes agreement of a – h below):**  
Broadland and South Norfolk Councils to agree the proposals set out in the feasibility report for collaborative working across the two autonomous Councils. The required interdependent elements to deliver this are set out below:
  - (a) the routemap for delivery of the collaborative working. (Sections 9 to 19)
  - (b) the deletion of both Councils' current Chief Executive roles and that a new post of Joint Managing Director (Head of Paid Service) be created. Details of the proposed appointment to this post will be provided to the Councils in line with the timeline outlined in this report. (Sections 10.4 to 10.8)
  - (c) subsequent to the appointment of a Joint Managing Director, the establishment of a joint senior management team across the two autonomous councils.
  - (d) that the current joint management arrangements in planning continue in line with the existing 12 months interim arrangements until January 2019 and that work commences on the development of a joint planning team in accordance with the timeline as set out in the report.
  - (e) the establishment of a growth delivery team to accelerate and promote quality development in the delivery of the districts' strategic sites as set out in Appendix 4 and delegate authority to the Chief Executives in consultation with the Leaders, to establish the most appropriate operational approach and resource to establish the growth delivery team within an agreed budget.

- (f) the budget for the transition costs, and the other identified implementation costs *allied to collaboration*. (Sections 20.33 to 20.37)
  - (g) the provisional costs/savings split as set out in section 20 of this report and its accompanying principles and that responsibility to refine this cost/savings split be delegated to the S151 officers of both Councils, in consultation with the Leaders of each Council, as part of the development of budgets for 2019/20. The final decision by Members on the cost/saving split between the two councils will be made as part of the budget setting process for 2019/20.
  - (h) *that there be no compulsory redundancies as a result of collaboration, save for those resulting from external factors beyond the control of the two autonomous councils.*
- (2) **Recommendation 2 (South Norfolk Council approve, Broadland District Council note):** South Norfolk Council approve the ceasing of employment of the Chief Executive with the delegation of the exit arrangements, including the effective date and terms to the South Norfolk Section 151 Officer and the lead HR Business Partner, the details of which will be shared with the South Norfolk Leader and the Deputy Leader. This is in line with South Norfolk Council's **Constitution** and the Local Authorities (Standing Orders) (England) Regulations 2001. This decision is subject to a five-day objection period.

## 16 ENERGY EFFICIENCY REGULATIONS

The report proposed that the Council adopt an enforcement procedure in line with The Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015, which anticipated amendments to the Regulations that would allow local authorities to impose financial penalties where landlords failed to maintain minimum standards of energy efficiency.

The Regulations were designed to tackle the least energy-efficient properties (those rated F or G on their Energy Performance Certificate) and established a minimum standard for both domestic and non-domestic privately rented property, affecting new tenancies from 1 April 2018.

The existing Regulations were based on a zero cost to the landlord, which significantly reduced their effectiveness.

A consultation process had been initiated by the Department for Business Energy and Industrial Strategy to amend the Regulations and remove the zero cost element of the regulations. In anticipation of a change in the

regulation the report set out a procedure and guidance acceptable for current regulations and possible changes implemented as a result of the consultation.

The Regulations were intended to ensure that those tenants who most need more efficient homes, particularly vulnerable people, were able to enjoy a much better living environment and lower energy bills.

The consultation process might lead to a new procedure where works could be enforced to a proposed maximum value. It was anticipated that the maximum value would be set at £2,500.

The Council would liaise with landlords of properties in breach of the regulations informally at first, but where a breach of the Regulations could not be resolved informally the Council would initiate the penalty process.

Members commended the proposal.

### **RECOMMENDED TO CABINET**

Option (1)

to adopt the proposed enforcement procedure.

*The meeting closed at 12:49 pm*