

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 13 November 2018** at **10.00 am** when there were present:

Mr D G Harrison – Chairman

Mr A D Adams
Mrs C H Bannock
Mr J J Emsell

Mr G Everett
Mr G K Nurden
Mr F O'Neill

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

Mr Woodbridge also attended the meeting for its duration.

Also in attendance were the Head of Democratic Services and Monitoring Officer, Head of Finance and Revenue Services, Interim Head of Housing and Environmental Services, Corporate Finance Manager, Capital Accountant, Environmental Protection Manager (Special Projects), Projects and Training Officer, Local Taxation Manager and the Committee Officer (JO).

71 APOLOGIES FOR ABSENCE

Apologies for absence were received from Ms Catchpole, Mr Grady and Mr Riley.

72 MINUTES

The Minutes of the meeting held on 6 November 2018 were confirmed and signed by the Chairman as a correct record, save for the following amendment:

Minute no: 63 – Declaration of Interest under Procedural Rule No 8

Mr Nurden and Mr Tapp had been incorrectly recorded as Members of the Norfolk Rivers Internal Drainage Board. Both Members in fact sat on the Broads Internal Drainage Board. Mr Nurden was also a Member of the Waveney Lower Yare and Lothingland Internal Drainage Board.

Minute No: 68 – Budget Questions

The budget questions for Cabinet were agreed along with the following additional question:

What has/what will the Council raise in capital receipts through sale of assets in 2018/19? In addition, what are the projected capital receipts for each year of the Medium Term Financial Plan?

CABINET REPORTS

73 CAPITAL STRATEGY

The report presented a revised Capital Strategy, which had been amended to reflect the current financial environment and take account of procedural changes. It was likely that in future the Capital Strategy would be included as part of the 2019/20 budget setting process.

Future versions of the Capital Strategy would also reflect collaboration with South Norfolk Council.

RECOMMENDED TO CABINET

Option (1, 2, 3 and 4)

- (1) to support the amendments to the Capital Strategy;
- (2) to support the plan to review the current Capital Programme as part of the budget setting process;
- (3) to agree that major revisions to the Capital Strategy be brought back to Cabinet, but minor amendments be agreed by the Head of Finance and Revenue Services in conjunction with the Portfolio Holder for Finance;
- (4) to consider the equalities impacts.

74 TREASURY MANAGEMENT REPORT TO 30 SEPTEMBER 2018

The report summarised treasury management activity during the first half of 2018/19 and included an update on the Prudential Indicators.

The main aim of the investment strategy was to minimise the risk of loss of principal. The Council's investments were, therefore, with counterparties that offered higher security, at the expense of yield.

Overview & Scrutiny Committee

The Council's investments as at 30 September 2018 were the following:

Counterparty	£million	Interest Rates
Investec	10.33	Return varies, dependent on the performance of the underlying fund
Payden & Rygel	3.13	
Public Sector Deposit Fund	1.00	
Certificates of Deposit	1.00	0.81%
Banks	12.00	0.72% to 0.975%
Instant access deposits with banks (interest bearing accounts)	7.79	0.40% to 0.65%
Total	35.25	

The Payden Global investment was in an AAA rated Sterling Reserve Fund. From 1 April to 24 May 2018 the Investec Asset Management funds were invested with an 80:20 split over the Short Dated Bonds Fund and the Target Return Fund. Due to poor performance of the Short Dated Fund Investec closed the fund and from 25 May 2018 the 20 percent previously invested in the Short Dated Fund was transferred into Investec's Diversified Income Fund.

During the first six months of 2018/19, the in-house team arranged 21 fixed term deposits, these ranged from a minimum of £15.63m to a maximum of £29.86m during the six month period, with an average investment of £20.83m per day.

The Prudential Indicators set for 2018/19 had not been breached as at 30 September and none had reached a level that indicated any cause for concern.

In response to a query, it was made clear that the Council offered an investment facility to parish and town councils, but had no say in how much they wished to invest or how they should spend their reserves.

A Member noted that S106 money could only be spent on certain projects and therefore some parishes might have invested their reserves, whilst they awaited an appropriate project.

RECOMMENDED TO CABINET

Option (1)

to note the report on activity undertaken in the first half of 2018/19 in respect of treasury management activities.

75 COUNCIL TAX REDUCTION SCHEME 2019/20

The report proposed that Cabinet recommended to Council adopting a revised Council Tax Reduction Scheme.

The Council was required by law to design, operate and review annually a discount scheme which helped people on low income to meet their Council Tax charge.

The proposed scheme was unchanged from last year, save for one administrative change, which would allow the formal notification received from the Department of Work and Pensions to be treated as a valid claim for Council Tax Reduction. This would reduce paperwork and maximise claims for Council Tax Reduction when people were applying for Universal Credit.

Officers from across Norfolk were working on a streamlined county wide Council Tax Reduction Scheme, which should be ready for 2020/21.

Members were informed that as Universal Credit has only been in place for one month, in the majority of the Broadland area there was insufficient data available to draw conclusions on how it was affecting residents.

The meeting was advised that, as Universal Credit was reviewed on a monthly basis, Council Tax Reduction claims also required reviewing, which increased the administration resource for the scheme.

Members were advised that the Council had a duty to offer Universal Credit claimants support and debt advice until April 2019. The responsibility would then be transferred to Citizens Advice, who were being funded by the Department of Work and Pensions to provide support from that time.

RECOMMENDED TO CABINET

Options (1, 2 and 3)

- (1) to note the work that will be undertaken to review the impact of Universal Credit on the Council Tax Reduction Scheme; and
- (2) to approve the amendment outlined in the report and **RECOMMEND TO COUNCIL** that the Scheme for 2019/20 is updated accordingly; and
- (3) to approve any other amendments that Cabinet considers appropriate.

76 FOOTWAY LIGHTING ON NEW DEVELOPMENTS

The report recommended that the Council no longer adopt any further lighting on new developments within the five parishes for which it was currently the Lighting Authority. This followed a decision by Norfolk County Council to no longer adopt residential lighting on new developments, unless there was a clear highway reason to adopt.

It was, therefore considered that footway lighting should be managed locally by the parish council or alternatively by the developer providing a management company to maintain the lighting.

It was confirmed that neither Broadland nor parish councils had any legal duty to adopt new lighting.

The Council was currently discussing with Norfolk County Council its intention to cease being a Lighting Authority and to agree to not take on any further lighting would assist with this process.

A Member noted the reputational and equalities risks of not providing footway lighting for the Council, but most of the Committee concurred that it was a local matter for the parish to resolve.

RECOMMENDED TO CABINET

Option (1)

to recommend to Council not to take on the management and maintenance of any new lighting in the five parishes in which it currently acts as the Lighting Authority.

The meeting closed at 10.52 am