

Overview & Scrutiny Committee

Review of Cabinet Agenda

Agenda

Date

Tuesday 22 October 2019

Members of the Overview & Scrutiny Committee

Mr S Riley (Chairman) Mr A D Adams (Vice Chairman)

Mr S C Beadle Mr D King
Mr N J Brennan Mr M L Murrell
Mr P E Bulman Mr G K Nurden
Ms S J Catchpole Mrs S M Prutton
Ms N J Harpley Mrs C E Ryman-Tubb
Ms S I Holland Mr N C Shaw
Mr K S Kelly

Substitutes Conservative

Mr A D Crotch
Mr J F Fisher
Mr R R Foulger
Ms R M Grattan
Mr K G Leggett
Mr I J Mackie
Mr G F Peck
Miss J L Thomas
Mrs K A Vincent
Mr J M Ward

Substitutes Liberal Democrat

Mr D G Harrison
Mrs C Karimi-Ghovanlou
Dr K E Lawrence
Mr D Roper

Substitute Labour

Mrs B Cook

Time

10.00 am

Place

Council Chamber
Thorpe Lodge
1 Yarmouth Road
Thorpe St Andrew
Norwich

Contact

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If any Member wishes to clarify details relating to any matter on the agenda they are requested to contact the relevant Director / Assistant Director

The Openness of Local Government Bodies Regulations 2014

Under the above Regulations, any person may take photographs, film and audio-record the proceedings and report on all public meetings. If you do not wish to be filmed / recorded, please notify an officer prior to the start of the meeting. The Council has a protocol, a copy of which will be displayed outside of each meeting room and is available on request.

DECLARATIONS OF INTEREST AT MEETINGS

When declaring an interest at a meeting Members are asked to indicate whether their interest in the matter is pecuniary, or if the matter relates to, or affects a pecuniary interest they have, or if it is another type of interest. Members are required to identify the nature of the interest and the agenda item to which it relates. In the case of other interests, the member may speak and vote. If it is a pecuniary interest, the member must withdraw from the meeting when it is discussed. If it affects or relates to a pecuniary interest the member has, they have the right to make representations to the meeting as a member of the public but must then withdraw from the meeting. Members are also requested when appropriate to make any declarations under the Code of Practice on Planning and Judicial matters.

Have you declared the interest in the register of interests as a pecuniary interest? If Yes, you will need to withdraw from the room when it is discussed.

Does the interest directly:

1. Affect yours, or your spouse / partner's financial position?
2. Relate to the determining of any approval, consent, licence, permission or registration in relation to you or your spouse / partner?
3. Relate to a contract you, or your spouse / partner have with the Council
4. Affect land you or your spouse / partner own
5. Affect a company that you or your partner own, or have a shareholding in

If the answer is "yes" to any of the above, it is likely to be pecuniary.

Please refer to the guidance given on declaring pecuniary interests in the register of interest forms. If you have a pecuniary interest, you will need to inform the meeting and then withdraw from the room when it is discussed. If it has not been previously declared, you will also need to notify the Monitoring Officer within 28 days.

Does the interest indirectly affect or relate any pecuniary interest you have already declared, or an interest you have identified at 1-5 above?

If yes, you need to inform the meeting. When it is discussed, you will have the right to make representations to the meeting as a member of the public, but must then withdraw from the meeting.

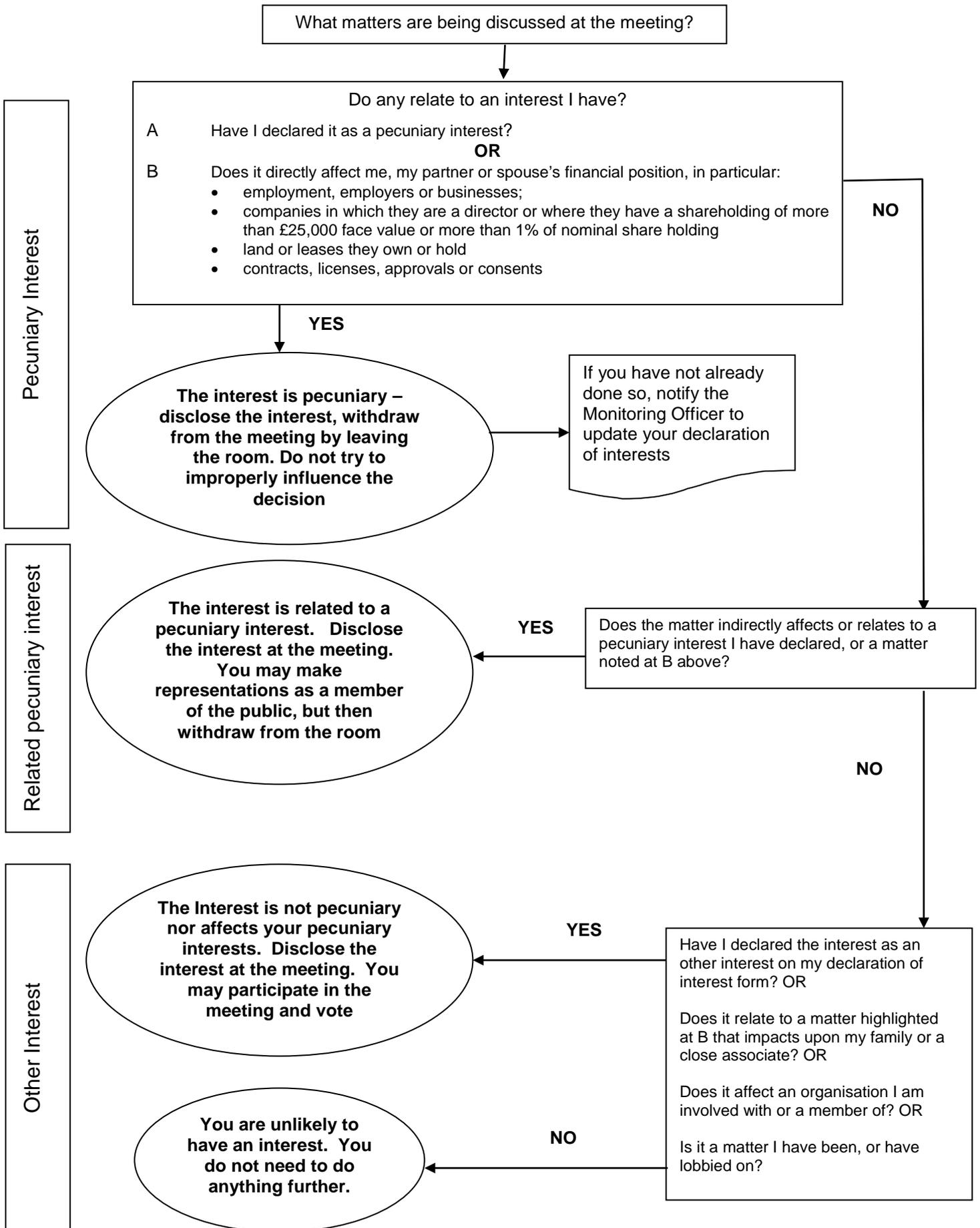
Is the interest not related to any of the above? If so, it is likely to be another interest. You will need to declare the interest, but may participate in discussion and voting on the item.

Have you made any statements or undertaken any actions that would indicate that you have a closed mind on a matter under discussion? If so, you may be predetermined on the issue; you will need to inform the meeting, and when it is discussed, you will have the right to make representations to the meeting as a member of the public, but must then withdraw from the meeting.

FOR GUIDANCE REFER TO THE FLOWCHART OVERLEAF

PLEASE REFER ANY QUERIES TO THE MONITORING OFFICER IN THE FIRST INSTANCE

DECLARING INTERESTS FLOWCHART – QUESTIONS TO ASK YOURSELF





OVERVIEW & SCRUTINY COMMITTEE

22 October 2019

Final Papers

Item	Details	Page No
6	<u>Minutes of meeting held on 8 October 2019</u>	6 – 14

DEMOCRATIC SERVICES

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Minutes of a meeting of the **Overview & Scrutiny Committee** held at Thorpe Lodge, 1 Yarmouth Road, Thorpe St Andrew, Norwich on **Tuesday 8 October 2019** at **10.00 am** when there were present:

	Mr S Riley – Chairman	
Mr A D Adams	Ms S J Catchpole	Mr G K Nurden
Mr S C Beadle	Ms N J Harpley	Mrs S M Prutton
Mr N J Brennan	Ms S I Holland	Mr N C Shaw
Mr P E Bulman		

Also in attendance were the Director of Place, Assistant Director of Governance and Business Support (Monitoring Officer), Emergency Planning Manager, Internal Audit Manager, Tourism Officer and the Committee Officer (JO).

Mr Pete Waters, Executive Director of Visit East of England was in attendance for Minute nos: 61 (Tourism in Broadland) and 62 (Tourism Statistics).

59 APOLOGIES FOR ABSENCE

An apology for absence was received from Mr King.

60 MINUTES

The Minutes of the meeting held on 24 September 2019 were confirmed as a correct record and signed by the Chairman.

Minute no. 57 – Collaboration

The Chairman requested that the last two paragraphs of the Minute be amended to the following:

~~Members~~ The Chairman requested that the Managing Director consider the support that the Committee needed, as set out in the Constitution, by providing a part-time Scrutiny Research Officer, as part of the team reviews being undertaken.

The Chairman thanked the Managing Director for providing an update to the Committee.

The Chairman also confirmed that he would be writing a letter in respect of Overview and Scrutiny support to the Managing Director.

The Assistant Director Governance and Business Support (Monitoring Officer) reminded Members that they had until midday on Monday 14 October 2019 to

contribute to the consultation on the staff restructure.

61 TOURISM IN BROADLAND

Mr Pete Waters, the Executive Director of Visit East of England, gave the Committee a presentation on tourism in the district (attached at Appendix 1 to the signed copy of these Minutes).

Members were advised that the Council contributed £7,200 per year to Visit East of England and had a seat on its Marketing Panel, which decided how that money would be spent on promoting tourism in the district.

Visit East of England changed its name from Visit East Anglia and relaunched itself in December 2018, in order to give it a more recognisable profile internationally and to access greater funding nationally.

Norfolk had seen 15 percent cumulative growth in tourism since 2012, which had seen the visitor economy grow to a record £3.38bn. This was significantly more than the visitor economy in Cornwall, despite the much lower tourism profile of the east of England.

Visit East of England represented the Tourism Sector Group at the New Anglia Local Enterprise Partnership and was a private sector led not-for-profit organisation. It had recently launched a new website offering businesses free listings and a low commission rate for bookings of 10 percent compared to around 30 percent charged by online travel agents. The Broads were the top searched destination on the website.

Visit East of England had recently been awarded access to the Government Tourism Sector Deal. Exact details of the Sector Deal were unclear at present, but it would involve the creation of new Tourism Data Hub, which would show the latest trends and spends, to allow businesses to better target overseas visitors. The deal would also support the creation of an additional 10,000 apprenticeships for people building their careers in the tourism and hospitality sectors.

One of the main focuses for Visit East of England was in developing a year-round tourist economy and encouraging day visitors to become stay visitors. Weatherproofing attractions was a major factor in achieving this and providing support and giving businesses the confidence to make such significant financial commitments was part of the challenge facing Visit East of England.

In answer to a query, it was confirmed that although Visit East of England was privately led body it operated in a not-for-profit basis and none of the participating shareholders received preferential treatment.

Members were also advised that non-commercial tourist activities, such as cycling and walking were some of the most popular pages on the website.

The Chairman also noted the growth in green infrastructure in the district that was supporting tourist activities such as the Bure Valley Railway.

62 TOURISM STATISTICS

The Tourism Officer gave a presentation on the latest available tourism statistics for the district (attached at Appendix 2 to the signed copy of these Minutes).

The total number of visitors in 2018 was 2,982,500; an 8.7 percent increase from 2017. The total nights stayed was 850,000; a 7 percent decrease from 2017.

However, the total visitor spend was £146,611,640 a 2.6 percent increase from 2017 and total tourism value was £177,563,640 a 2.5 percent increase from 2017.

63 RESILIENCE UPDATE

The Emergency Planning Manager advised the meeting that there had been no major incidents since he had last given the Committee an update in March 2019. However, since the heavy rain on Sunday he had been working with the Environment Agency to monitor flooded areas and signpost residents to the Lead Local Flood Authority (Norfolk County Council).

Members were advised that the Council no longer gave out sandbags, as they were hard to get to affected areas in time to be effective and were of limited value in preventing water ingress over the longer term.

The Norfolk Resilience Forum had undertaken a risk review of Brexit in September and had categorised it as a medium risk. A flexible approach would be taken, as the exact impact of Brexit was unknown.

Over the winter preparation would continue to be made for responses to emergencies such as tidal surges, severe weather and pandemic flu.

The Emergency Planning Manager advised the meeting that a key part of his role was promoting community resilience and helping parishes to draw up plans to respond to emergencies. He encouraged Members to contact him if they wanted him to assist any communities in their Wards with the preparation of Community Resilience Plans, or if they had examples of good practice that could help create social bonds in communities.

In response to a query, the Emergency Planning Manager informed Members that flooding should be reported Norfolk County Council, but if the situation was severe the emergency services should be contacted by calling 999.

64 ECOCUBE TIME AND TASK PANEL RECOMMENDATION REPORT

The Chairman of the Time and Task Panel informed Members that the Panel was established in August 2018 to investigate the history and disposal of the Rackheath EcoCube.

A recommendation report was prepared in March 2019, but was rejected as he did not consider that it covered the full the breadth of the issues around the disposal.

A second report was drafted by the Internal Audit Manager at the request of the Managing Director and the Assistant Director of Governance and Business Support (Monitoring Officer) following a report in the Eastern Daily Press, which was critical of the Council in respect of the disposal of the EcoCube.

The Chairman of the Time and Task Panel advised the meeting that there were two key aspects to the Portfolio Holder's decision:

- (1) The information was accurate with respect to the lease, in that the Council was giving up the lease, at a residual value of £170,000 being the unexpired lease, therefore on this point he was within his authority.
- (2) However, the information regarding the revaluation of the asset was not contained with the decision notice. Had the information been included it should have referred to the accounting treatment of the asset, which the Council did not own, resulting in an accounting loss of £637,000, due to the need to write off the asset in line with the advice provided at the time.

The consequential effect of giving up the lease was a write off for this amount, which put the decision over the delegated authority limit.

Another aspect of the disposal was that the Council's solicitors, NPLaw were asked to provide advice on whether the surrender agreement produced by the landowner's solicitors was appropriate. A 'Put Option' in the lease, which could have enabled the Council to sell the leasehold property to the landowner for the amount paid minus a deduction of five-years market rent was not highlighted.

The Panel also found that key documentation for how the EcoCube project was established and managed had not been retained by the Council for their

own records. These included: the business case, the structural engineer's report, completion statement, build inspection records and details of any procurement exercises.

Based on these findings the following recommendations were proposed by the Panel:

- (1) Electronic files should be held and managed for existing and future capital projects carried out by the Council for which grant funding has been awarded. Electronic files shall include copies of the original bid, relevant correspondence from the grant body, confirmation of the amounts received, any agreements/stipulations for the management of the project, and details of grant certification work carried out.
- (2) Where professional advice is being sought on applying accounting standards, full disclosure of the relevant facts must be made, and all correspondence should be retained to fully demonstrate the decision made for the accounting treatment applied.
- (3) Reports presented to the Portfolio Holder for approval should include all relevant information to enable a decision to be made. This should include details such as options available to the Council and considered, ownership following investment, projected long term income, accounting treatment and conditions for disposal which would help assess the full range of risks and costs associated with the decision.
- (4) Electronic files are to be retained and centrally managed by teams rather than individuals for all capital projects regardless of the size or nature in a structured format which includes all relevant documentation and correspondence. A control documentation file should include all necessary information such as business case, drawings, plans, planning approval, project plans with budget information, progress reporting, defect information along with all correspondence from the contractor even if the project is managed by a third party.
- (5) A procedure for the disposal of assets should be developed. This procedure must ensure that all relevant departments are consulted to include consideration about potential future value, actual costs, risks, specialist advice, financial impact, negotiations and other options before the decision for disposal is made. The outcome of the assessment must be formally documented and included within the report to support the decision.
- (6) The relevant sections of the Constitution must be outlined in full on PH1 forms to ensure that the approval route is clear and decision makers will know that they are acting within their delegated powers.

- (7) Where legal advice is sought officers are to ensure that the request is sufficiently detailed to allow the solicitors to discharge their duties, and that the process introduced at the Council in April 2019 continues to be followed.
- (8) Where items are transferred from one Council department to another the inventories of both are fully documented and immediately updated and reconciled to reflect unique identifier/serial number and value of each item.

It was proposed and **AGREED** that recommendation 1 be amended to include all capital funded projects, as below.

- (1) Electronic files should be held and managed for existing and future capital projects carried out by the Council for *all capital funded projects*. ~~which grant funding has been awarded.~~ Electronic files shall include copies of the original bid, relevant correspondence from the grant body, confirmation of the amounts received, any agreements/stipulations for the management of the project, and details of grant certification work carried out.

The Internal Audit Manager advised the meeting that her findings had confirmed that the accounting treatment of the EcoCube has been applied in line with the Code for Local Authority Accounting.

A Member expressed surprised that the recommendations needed to be made, as they were self-evident prudent procedures for project management. He added that the report should also have identified who was responsible for these decisions and whether action could be taken against them.

Members were advised that the Portfolio Holder who had taken the decision had declined to speak to the Panel.

A Member suggested that the recommendations should be implemented as a matter of urgency to ensure that similar errors were not repeated with any current disposals of assets, such as the sale of land in Thorpe St Andrew. In response the Director of Place reassured Members that the sale of the land was at a very early stage and was subject to different procedures from the disposal of the lease.

The Assistant Director Governance and Business Support (Monitoring Officer) advised the meeting that she shared Members' concerns and recognised that mechanisms should have been in place to prevent this occurring. However, the decision had now timed out and had not been called in and therefore would stand.

She confirmed that she would be presenting a report at the next meeting of Council which would clarify the Council's contract and financial governance and procedure rules. Procedures had also been put in place since April to ensure that legal instructions were requested through the Governance Team to ensure that they were well thought-out. The Council had a Service Level Agreement with NPLaw that had about five years to run, but she was looking at all options in respect of legal advice for Broadland and South Norfolk going forward.

Members were also advised that any decision made in respect of action taken against individuals or organisations arising from the investigation would be a matter for the Managing Director.

Concerns were expressed by Members about key documentation being lost and who had lost them. However, the Assistant Director Governance and Business Support (Monitoring Officer) confirmed that the loss of the documents could not be substantiated.

The Chairman suggested mistakes were made from the start of the project to the finish. The Council should not have paid for the ten year lease up front and the surrender agreement should have been drafted by the Council's solicitors rather than the landowners.

It was confirmed that the loss to the Council from the lease disposal was £170,000 (the unexpended portion of the lease). The figure of £637,000 was arrived at due to treating the land and building, which the Council did not own, as an asset.

The Chairman suggested that the Committee should approve the recommendations, as amended but it should also consider if a further investigation to establish how this happened and who was responsible for the decisions taken.

The Assistant Director Governance and Business Support (Monitoring Officer) advised the meeting that it was unlikely that any information beyond that which was included in the Internal Audit Manager report would be available for a Time and Task Limited Panel to consider. She added that Members should also be very clear about the Terms of Reference for the new Time and Task Panel.

It was noted that the Panel would be allowed to call in expert witnesses to assist with their investigation.

RECOMMENDED TO CABINET:

to agree the amended recommendations, as set out above.

RESOLVED:

to reconvene the EcoCube Time and Task Limited Panel to further investigate events leading up to the disposal of the EcoCube. The Panel would comprise the following Members: Mr Bulman Ms Catchpole, Mr Nurden, Mr Riley and Mr Shaw.

Mr Riley left the meeting, Mr Adams in the Chair (from 1pm)

65 NORFOLK HEALTH OVERVIEW AND SCRUTINY COMMITTEE UPDATE

Members were provided with an update on the meeting of the Norfolk Health Overview and Scrutiny Committee meeting held on 5 September 2019.

The Committee considered access to palliative and end of life care and discussed protection for paramedics when providing end of life care. The speed of providing certification of death was also considered.

Physical health checks for adults with learning disabilities was also discussed and it was concluded that the service varied in quality across Norfolk.

The Committee was informed that overall ambulance response times were improving.

Members received a briefing on the Norfolk Swift Service, which provided help and support for elderly people who required assistance home, but did not need the emergency services. This service had generated a reduction of 6,000 calls that would have previously required an ambulance.

The next meeting would look at figures for the number of people waiting over six hours in Accident and Emergency departments.

66 OVERVIEW AND SCRUTINY COMMITTEE WORK PROGRAMME

It was requested that a mobile phone provider be requested to attend the meeting on 28 January 2020 for the Broadband and mobile phone coverage update.

Members were advised that the Apprenticeships Time and Task Panel would be convened following the conclusion of the further investigation by the EcoCube Time and Task Panel.

67 OVERVIEW AND SCRUTINY RECOMMENDATION TRACKER

It was confirmed that the EcoCube Time and Task Panel's recommendations would be placed on the Recommendation Tracker and monitored.

The meeting closed at 1.12 pm

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