Scrutiny Committee

Members of the Scrutiny Committee:

Mrs M Dewsbury (Chairman)
Mr T Lewis (Vice Chairman)
Mrs V Bell
Mr T Blowfield
Mr L Hornby
Mr B McClenning
Mr A Pond
Mrs S Thomson
Mr K Tilcock
Mr K Weeks
Mrs J Wilby

Group Meetings

Conservatives: Blomefield Room 9.00 am
Liberal Democrats: Kett Room 9.00 am

If any member of the public wishes to speak on a non-confidential item, they may do so at the discretion of the Chairman

Agenda

Date
Wednesday 13 November 2013

Time
9.30 am

Place
Colman & Cavell Rooms

South Norfolk House
Long Stratton
Norwich
Norfolk
NR15 2XE

Contact
Caroline Heasley tel (01508) 533685
South Norfolk District Council
Swan Lane
Long Stratton Norwich
NR15 2XE

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If you have any special requirements in order to attend this meeting, please let us know in advance

Large print version can be made available

05/11/2013
AGENDA

At the discretion of the Chairman, a short break will be taken after the meeting has been running for approximately two hours.

1. To report apologies for absence and to identify substitute members;

2. Any items of business which the Chairman decides should be considered as a matter of urgency pursuant to Section 100B(4)(b) of the Local Government Act, 1972. Urgent business may only be taken if, "by reason of special circumstances" (which will be recorded in the minutes), the Chairman of the meeting is of the opinion that the item should be considered as a matter of urgency;

3. To Receive Declarations of Interest from Members;
   (Please see guidance form and flow chart attached – page 4)

4. To confirm the minutes of the Scrutiny Committee meeting held on 25 September 2013
   (attached – page 6)

5. Engagement and Marketing Review;
   (report attached – page 12)

6. Review of Policy Committees;
   (report attached – page 19)

7. Review of nplaw: update;
   (report attached – page 28)

8. Filming at Council meetings;

   At the last Council meeting, it was agreed to present a report to the next Scrutiny meeting on filming Council meetings in order to consider the potential options in more detail. After the report was prepared, officers became aware of government proposals that could include legal obligations for Councils to allow filming of meetings that were being included in the re-drafted Local Audit and Accountability Bill. Unfortunately, at the time of preparing the agenda, the nature of these proposals remains unclear.

   It has therefore been decided to defer consideration of this item until such time as there is more certainty regarding the Government proposals and what requirements may be placed upon the Council.

9. Scrutiny Work Programme, Recommendations Tracker and Cabinet Core Agenda
   (attached – page 38)
Working Style of the Scrutiny Committee

Independence
Members of the Scrutiny Committee and Overview Sub-Committees will not be subject to whipping arrangements by party groups.

Member leadership
Members of the Committees will take the lead in selecting topics for and in questioning witnesses. The Committees will expect members of Cabinet, rather than officers, to take the main responsibility for answering the Committee’s questions about topics, which relate mainly to the Council’s activities.

A constructive atmosphere
Meetings of the Committees will be constructive, and not judgmental, accepting that effective overview and scrutiny is best achieved through challenging and constructive enquiry. People giving evidence at the Committees should not feel under attack.

Respect and trust
Meetings will be conducted in a spirit of mutual respect and trust.

Openness and transparency
The Committees’ business will be open and transparent, except where there are sound reasons for protecting confidentiality. In particular, the minutes of the Committee’s meetings will explain the discussion and debate, so that it could be understood by those who were not present.

Consensus
Members of the Committees will work together and, while recognising political allegiances, will attempt to achieve consensus and agreed recommendations.

Impartial and independent officer advice
Officers who advise and support the Committees will give impartial and independent advice, recognising the importance of the Scrutiny Committee and the Overview Sub-Committees in the Council’s arrangements for governance, as set out in the Constitution.

Regular review
There will be regular reviews of how the overview and scrutiny process is working, and a willingness to change if it is not working well.

Programming and planning
The Scrutiny Committee will have a programme of work, in conjunction with the Overview Sub-Committees. The Committee will agree the topics to be included in the work programme, the extent of the investigation to be undertaken in relation to resources, and the witnesses to be invited to give evidence.

Managing time
The Committees will attempt to conclude the business of each meeting in reasonable time. The order of business will be arranged as far as possible to minimise the demands on the time of witnesses.
Engagement and Marketing Review

The purpose of this report is to provide members with the opportunity to assess the value added by engagement and marketing activity with customers through the different marketing channels (eg, web, social media, printed material such as the Link Magazine). The report highlights a number of tangible benefits and successes that has been delivered through this activity.

Cabinet member(s): All
Ward(s) affected: All
Contact Officer, telephone number, and e-mail: Paul Kearsey, 01508 533983. pkearsey@s-norfolk.gov.uk

1. **Purpose of Scrutiny**

1.1. For members to assess the value added by engagement and marketing activity with customers through the different marketing channels (eg, web, social media, printed material such as the Link Magazine).

2. **Scope of Scrutiny**

2.1. To assess the following channels: Online, Printed Media and Social Media. Press and Media relations were excluded from the scope of this report.

3. **Findings**

3.1. **Online**

   **Background**

3.1.1. The website is one of South Norfolk Council's most vital tools for communications and engaging with its residents. The Marketing and Engagement team ensure that the website is promoted in all of the Council’s promotional material.

3.1.2. The website is optimised to ensure all residents are directed to our online service. Encouraging residents to use our website and promoting our online services will reduce the transactional costs, improve service take up and promote South Norfolk Council as being the primary access channel for local information and council services.
3.1.3. The team continue to update the website on a daily basis; ensuring links to all relevant information for residents is displayed on the home page. This includes information about our consultations and revenue generating services.

3.1.4. The team also update the Committee section of the website to ensure all agendas and reports are available to the public and Members as required.

3.1.5. The online services available for residents is continuing to grow, with 3 more e-forms being introduced in the last 6 months - Events Calendar, Neighbourhood Funding Application and Abandoned Vehicles.

3.1.6. South Norfolk Council is now a key partner to Visit Norwich which aligns the tourism offer in South Norfolk, with the visitor destination that is Norwich. The team are currently managing the development of the new Visit Norwich website which will promote visitor attractions, activities, businesses and events in Norwich and South Norfolk. The site is being developed to be adaptable to all mobile devices and the Tourist Information Points the Council is installing in the Market Towns. The technology developed for this site will be re used to redevelop the Council website in 2014 onto a platform that works better on the same range of devices, which will increase take up of on line services.

Evidence

3.1.7. Use of the website has continued to grow over the last 3 years, with unique hits now averaging 30,000 per month.

3.1.8. The team promote South Norfolk Council online services through various targeted campaigns across the year, some examples of these are:

- Brown Bin Campaign – the team promote the payment of brown bins by Direct Debit (DD) through a range of promotional materials. These range from press advertising, adverts and articles in the Link Magazine, adverts on the side of our bin lorries, leaflets, posters, Parish magazine copy, big screen promotion and point of sale literature. All adverts direct residents to the website and promote the use of DDs. In the last 3 years the number of people paying for Brown Bins by DD has risen from 198 to 12,145.

- Christmas Online Services campaign – the team promoted our online services in a campaign that ran during December ‘12 and January ‘13. The campaign was a huge success with figures for ‘My South Norfolk’ increasing from 661 users in September and 1,368 in October 2012 to 3,007 in December and 3,760 in January 13.

The campaign was targeted to those residents who wouldn’t normally use online services by reassuring residents that our online service is safe and easy to use. The team also promoted the fact that online services could be used at a time convenient for our customers and when the offices were closed.
The campaign used a number of marketing channels ranging from leaflet inserts in newspapers, adverts and articles in Parish Magazines, posters displayed in villages at locations such as doctors, dentists, libraries, leisure centre etc.

The team also designed recorded out of hours messages on the Council telephone system to direct customers / residents to the website. Social media messages were set to automatically send over the period the office was closed and a strap line was added to all emails sent from Officers. The awareness campaign ran over a 2 month period leading up to Christmas to ensure residents were made aware of their options and to help them access the services when they needed them.

3.2. **Printed Media**

**Background**

3.2.1. The Marketing and Engagement team works continuously to promote and inform residents about the Council’s priorities, revenue generating services and initiatives using a range of marketing tools.

3.2.2. An annual plan for the Council is created at the beginning of the year, to ensure that resource and printing timescales for known key pieces of work, such as the Link, South Norfolk on Show, do not overlap. By following this plan the team are aware of the level of marketing activity required at any one time; allowing the Council to commit resources to the big Council initiatives.

3.2.3. The team hold regular meetings each week to discuss the bigger projects. This allows the team to come up with creative and innovative ideas to promote our services to our residents / selected audience.

3.2.4. Various projects the team have worked on throughout the year have been:

- Elections single voter registration / canvass
- Planning – Local Development Plan / Area Actions Plans
- Council Tax – consultations / leaflets / Direct Debit promotion
- Economic development – promotion of Business Centres and units owned by SNC.
- Neighbourhood Boards / working with the community.
- Swim school – continue to promote through various press advertising / leaflets / banners and posters / school book bags / parents email and social networks. Swim School continues to grow, with record numbers being attracted this year for both adults and children. Wymondham has now increased its number of classes to meet the demands of customers.
- Kids’ activities - promotion of school holiday activities throughout the district through various means, including social media, book bags and poster/leaflet distribution.
- South Norfolk On Show
- Garden Waste / Christmas & Easter bin collections
Evidence

3.2.5. The team have worked on a number of exciting and large projects over the last 12 months. These have included:

**Your Neighbourhood, Your Choice (YNYC)**

3.2.6. The team worked together with the Communities Team to produce an effective and targeted campaign. A marketing plan was introduced at the early stage to ensure all targets and outcomes were met and followed accordingly.

3.2.7. Marketing activity included posters and leaflet distribution throughout the district, inserts in key publications, copy in Parish Magazines, HTML email to existing databases, social promotions and website promotion.

3.2.8. YNYC had over 2000 respondents.

**Christmas Bin Collection dates**

3.2.9. The bin collection dates were changed bringing the collection date forward. Through a targeted marketing campaign which included the Link magazine, bin hangers, website and social media there were only a handful of missed bins over the whole Christmas period and only two complaints.

**Leisure Centre marketing**

3.2.10. South Norfolk Council Leisure Centres are one of the Council’s main revenue generating services and over the last four years, with the leisure team working very closely with the marketing and engagement team, the subsidy has reduced by 80% to £100,000.

3.2.11. Each year the team produce a marketing plan specifically for the leisure centres. This allows us to carefully plan offers and incentives, as well as promote Kids Camp and Swim School. These marketing campaigns are targeted and tailored to the relevant audience.

3.2.12. The team promote Leisure Centre membership and the benefits of being fit and active by offering a range of incentives for those who pay by Direct Debit. These campaigns are promoted through various channels including The Link Magazine, banners outside Leisure Centres, posters in Leisure Centres, website, social media, press advertising, press releases and inserts in school book bags and various publications.

3.2.13. To keep kids active during the holidays we promote Kids Camp at Wymondham Leisure Centre which is at capacity on most days during the holidays, averaging 50 children per day. We target parents and children using school book bags which have proven very successful. We also promote through adverts in various publications aimed at children and parents.

3.2.14. The team provide promotional material for all new fitness classes and activities held in the Leisure Centres. This material is displayed in the centres and the team ensure Leisure Centre Managers keep the information displayed up to date.
3.2.15. Leisure centre marketing campaigns are continuing to be successful. Annual income has increased from 1,222,669 in 2008/09 to 1,702,036 in 2012/13, giving it a significant increase of £479,367. The number of members paying by Direct Debits has also continued to increase over the last three years.

Brown Bin Campaign

3.2.16. The team continue to promote the brown bin service through a number of marketing campaigns. These campaigns are tailored to the different seasons and are promoted through press advertising, bin lorry signage, adverts on our website and inserts in various publications including the Link Magazine and Welcome Pack.

3.2.17. The Brown Bin service continues to grow with 17750 customers to date. This generates an income of around £660,000 per year rising from £518,000 in 2011.

The Link Magazine

3.2.18. The Link Magazine is the Council’s publication used to inform residents of the Council’s priorities, services, plans and initiatives. The team use this as a marketing tool to promote our income generating services as well as Council-led events.

3.2.19. The magazine is published three times a year and is delivered to 58,000 homes in South Norfolk. Each issue of the magazine is themed to convey the Council’s key messages.

3.2.20. The Team makes sure the magazine includes advertisements and/or articles promoting our revenue generating services.

South Norfolk on Show

3.2.21. This year South Norfolk on Show was enjoyed by thousands of people. This is the fourth year the event has been run and this year the show attracted over 3,000 visitors.

3.2.22. The team worked closely with the Council’s Events Team to create a targeted marketing campaign. A plan was implemented and followed accordingly. A theme was created for the event which was followed throughout and used in all marketing material.

3.2.23. South Norfolk on Show was a huge success and continues to grow each year.

Future
3.2.24. The Marketing and Engagement Team will continue to work on projects across the Council to ensure that we are seen by all our customers and stakeholders as delivering against our priorities and values.

3.2.25. The team will also ensure the teams across the Council continue to increase income generation using targeted and cost effective marketing campaigns.

3.3. Social media

Background

3.3.1. The Council currently has started to use social media sites, including a corporate account on Facebook, Twitter and LinkedIn.

3.3.2. The team use our Facebook and Twitter accounts for publicising certain events, current initiatives, leisure promotions, schemes etc. to our followers. The team also use it as a customer service platform to answer residents’ queries and help solve any problems they may be experiencing.

3.3.3. The Council’s social media sites have proven to be highly beneficial for crisis management and have allowed the team to communicate messages to our residents during power cuts, bad weather. The team have also established how we could use it during an emergency by taking part in Exercise Mardle with the ambulance service and the police.

3.3.4. The engagement from residents and businesses on Twitter and Facebook is currently being assessed and the impact and evidence will be use to help decide the future usage of such sites, as part of the Directorate planning process.

Evidence

Facebook

3.3.5. The number of people who like our Facebook page has increased from 67 in November 2012 to 162 on October 2013. The team have more and more people engaging with us on Facebook and using our page as a customer service platform where we can respond to questions and concerns.

Twitter

3.3.6. The number of people who follow the Council on Twitter has increased from 534 in November 2012 to 809 in October 2013. Twitter is the social media site that has the most activity and the most customer interactions and engagement.

3.3.7. Twitter proved to be highly beneficial in the bad weather experienced at the beginning of this year – with the Council’s followers increasing from 584 to 639 (55 new followers) in just over a week.

3.3.8. Another way Twitter can be used is for instant action. For example, a tweet left by a resident about an incident of fly tipping was picked up by the team, passed to the relevant area to deal and the next day the resident re-tweeted, complimenting us on such a great service as the fly tipping had been dealt with.
3.3.9. Officers are also looking into increasing the number of live tweets we publish and encouraging SNC staff to tell us about things that are happening day to day as keeping the team informed about things our followers may be interested in, enables the team to tell our residents.

4. **Relevant Corporate Priorities**

4.1. Enhancing our quality of life and the environment we live in.

4.2. Promoting a thriving local economy.

4.3. Supporting communities to realise their potential.

4.4. Driving services through being businesslike, efficient and customer aware.

5. **Implications and Risks**

5.1. Financial – Marketing activity is used to promote and communicate our revenue generating services (for example brown bins, leisure centres) in order to increase take up and reduce subsidies.

5.2. Reputation – Engagement and Marketing activity to residents is important. The way the Council communicates is fundamental to the way it is perceived, putting our reputation at risk if we get it wrong.

6. **Conclusion**

6.1. In order to uphold the Council’s reputation, to give our residents a say and to continue to grow our generating revenue services it important that we continue to communicate to our residents with relevant and timely messages.

6.2. Understanding our customers is key to this and the team are continuing to optimise our activity according to how our customers are using different communication channels and their shifting needs.

7. **Action Required**

7.1. That members note the contents of the report and make any recommendations as appropriate moving forwards.
Review of Policy Committees

Compliance and Risk Manager

In May 2012, Council agreed a number of revisions to the Committee structure of South Norfolk Council, which resulted in the creation of Policy Committees to enable members to be more engaged in all policy development, and introduced Deputy Cabinet members, who chair these Policy Committees.

The Scrutiny Committee have now requested a review and evaluation of the effectiveness of the Policy Committees, including the role of the Deputy Cabinet members.

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Contact Officer, telephone number, and e-mail: Leah Mickleborough 01508 533954 lmickleborough@s-norfolk.gov.uk

1. Purpose of Scrutiny

1.1. The changes in May 2012, which resulted in the formation of Policy Committees and Deputy Cabinet member roles, were made for a number of reasons:

   - The Localism Act 2012 required that any sub-committees of Scrutiny should only be made, and appointed by Scrutiny itself. This would have required the abolition of Overview Sub-Committees (which were made and appointed by Council) and potentially leave a void to be filled. Alongside this, it was generally recognised the Scrutiny Sub-Committee system was unbalanced, with some committees having far more work than others.

   - As the Scrutiny Overview Sub-Committees were undertaking a degree of policy development work, there was a potential overlap whereby scrutiny itself was supporting policy development, and then may be expected to challenge the policies formed. Moving policy development back to the executive functions allowed scrutiny to
focus on its important primary role of holding the executive to account in an independent manner.

- There was concern that policy formation was isolated to a few executive members, with the majority of members being non-executive and having a scrutiny role. Having a structure which enabled a wider range of members to contribute to policy development at an early stage – including members of other political groups – would help to alleviate such concerns.

- Although the Council has a long-established member development programme, there needed to be a means for member development to occur through more than just attending training events. The establishment of Deputy Cabinet member roles was aimed to support the development of potential future executive members, whilst Policy Committees would enable members to specialised in areas in which they had a particular interest.

1.2. This latter point is particularly important in the context of the need for local government to be adaptive and responsive to change. Having pools of members who have expertise in particular matters will assist supporting broader policy development and member engagement to determine the Council’s response to new Central Government agendas.

1.3. The purpose of this scrutiny review is to therefore assess how the new structures have been embedded and whether they are meeting the outcomes intended.

2. Scope of Scrutiny

2.1. Scrutiny have requested the review to focus on the following areas:

- Assess the effectiveness of Policy Committees in delivering their role;
- The role of Portfolio Holders and Deputy Cabinet members;
- Interaction between Policy Committees;
- Sharing of best practice between Policy Committees;
- Development of member skills to support Policy Committees

3. Findings

Introduction of the Policy Committees

3.1. At the time the new proposals were brought forward, members expressed two primary concerns. Although not specifically highlighted for scrutiny,
both of these points are relevant to the present review and as such are addressed as follows:

3.2. *Role of the Finance, Resources, Audit and Governance Committee*: members expressed concern that the creation of this Committee would limit the independent oversight of the Council’s audit functions. To help alleviate concerns, clarification was subsequently provided at Council in September 2012 on authorisation of the Statement of Accounts. The Committee has undertaken a self-assessment exercise to determine any variations from CIPFA “good practice” guidelines and how these may be addressed, and in September 2013 the Council’s External Auditor did not raise any concerns regarding these arrangements.

3.3. Although it is appreciated that members may still have concerns regarding these arrangements, it should be noted that the Local Audit and Accountability Bill is shortly due to have its second reading in the House of Lords, and may significantly change the way that audit functions are undertaken within Local Authorities, requiring independent audit panels to undertake scrutiny of the external auditor. Once this Act is passed, the Council will need to ensure that any audit functions are aligned with the Act requirements; the FRAG Committee will maintain a watching brief on these changes, and, if feasible, officers will aim to subject the proposals to pre-scrutiny.

3.4. *Pre-review of changes to the Constitution*: members expressed concern regarding the lack of consultation to the changes made to the Committee structure, and particularly the lack of pre-scrutiny. Consultation with scrutiny can sometimes be a challenging balance; this was particularly evident in recent past with the introduction of the new Standards Regime (May 2012) and the Scrap Metal Dealers Act (September 2013) where key pieces of legislation were issued by Government with such short notice the Council did not have opportunity to consult on a wider basis.

3.5. Consulting between Group Leaders has always been an effective way of communicating change. There has been no wide-reaching changes to the Constitution since May 2012, but Group Leaders did discuss the creation of the Electoral Arrangements Task Group (September 2013) and the merging of the Local Plan Steering Group and Environment, Regulation and Growth Policy Committees (May 2013).

3.6. Although such concerns were raised at the time, it is important at this stage to focus upon how the Policy Committees are operating in practice, and delivering the outcomes sought in section 1 above.

*Effectiveness of the Policy Committees*

3.7. An initial scoping review of the function of the Committees was undertaken by the Compliance and Risk Manager and Scrutiny and Information Rights Officer in March 2013. In April 2013, the officers discussed the outcomes with both CMT and members of the cabinet to seek views on whether any
3.8. Strengths recognised in the review included that:

- Members generally showed a good understanding of the topics being discussed, and asked pertinent and probing questions which led to effective discussions to inform policy development.

- The Housing and Public Health Committee was recognised as particularly strong. Ahead of the meeting, members had been circulated background papers to help understand topics. Officers and members created a collaborative working environment. The meeting started with discussion on previous work the committee had undertaken, and how their input had contributed to policy development and day-to-day service operations. This was followed by review of outside body meetings attended and informing members on key issues in the public health and housing field. New ways of working were trialled, including members undertaking a SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis on potential challenges in housing strategy.

- The work programme of the Environment, Regulation and Planning Policy Committee is particularly effective. As well as a wide variety of forthcoming papers, the programme highlights the purpose of Committee review and where items may be going forward to Cabinet / Council.

3.9. However, the review also highlighted a range of potential areas for development:

- Formal or Informal Meetings. There has been some confusion as to the role of formal and informal meetings, and where these should operate. This can be a challenging balance, in that formal meetings can be helpful in allowing public participation and demonstrating transparency, whilst informal meetings allow opportunity to have a free and frank discussion on theoretical concepts. Some committees were tending to meet all informally or all formally, however more recent meetings are showing a greater balance.

- Inclusion of items on the work programme and cabinet involvement. In forming policy committees, it was intended that Cabinet should be giving a “steer” on the work programme. Although this was originally undertaken as a formal report to Cabinet, this has evolved with officers, in conjunction with Portfolio Holders, making proposals for items to be included on the work programme. The current system is now working effectively.

- Clarity on expectations placed on the committee. The aim of policy committees is to allow members to express their thoughts and
contribute to policy development. Their ability to do so when the expectations that are placed on them at the Committee are unclear is limited, and, for example, they are simply asked to “note” reports. Officers need to work with members to ensure there is clarity on where member input would be of greatest value, and members are empowered to add value with the right levels of training and information supplied to allow them to make informed judgements.

3.10. In assessing this latter point, it is worth reflecting on the Housing and Public Health Policy Committee. This Committee has been particularly successful through an “outcomes led” way of working. For example, committee has championed the empty homes programme, and, partly arising from the committee review, 47 homes in the District are no longer classified as empty, resulting in the Council receiving additional New Homes Bonus.

3.11. Following the review in March 2013, further changes were made to the Policy Committees, including the merger of Local Plan Steering Group and Environment, Regulation and Planning Policy Committee, and the transfer of “Growth” to the broader Growth and Localism Committee.

3.12. The Environment, Regulation and Planning Policy Committee had a challenging start and did not meet until 5 September 2013, however, as highlighted above, now has a strong work programme which is primarily focused (in the short term) on the key areas of Planning Policy and the future operation of the Development Management Service. Officers and members identified that the first meeting of this Committee was well managed, with all members keen to contribute. The second meeting has now taken place and was well-managed, with members contributing positively.

3.13. One particular conflict within the Growth and Localism Committee, as identified at the last meeting of the Scrutiny Committee, has been role of the Neighbourhood Board Chairmen versus the role of the Committee. A particular concern was that Neighbourhood Board Chairmen were meeting in a separate forum and other Committee members are not privy to the Chairmen’s discussions.

3.14. The addition of the Growth agenda to its remit should help to highlight that the role of the Committee is broader than simply the management of Neighbourhood Boards. The Committee should be seeking to support development of the strategic direction in areas such as Your Neighbourhood, Your Choice, the Market Towns Initiative, Economic Development, Community Grants etc. The Neighbourhood Boards serve to implement these strategies in practice. It is important that the Committee is able to receive feedback from the Boards in order to understand and develop the strategic direction, but the two roles should be distinct.

*The Role of Deputy Cabinet members*
3.15. When the initial review was undertaken in March 2013, it was clarified that the Cabinet member role at Policy Committees should be to assist in steering and guiding on potential Cabinet views, whilst the Deputy Cabinet member should be serving to Chair the meetings, and integrating the Committee views and portfolio holders. This is particularly exemplified by the FRAG committee; the relationship within this Committee is the most firmly established, and as other Deputy and Cabinet members continue to work together this relationship will continue to grow. In general, officers have observed effective relationships forming and received positive feedback from the Deputy Cabinet members.

3.16. Beyond this initial role, the Deputy Cabinet members have a broader role in understanding the portfolio services, and being able to act and support their portfolio holders. The Deputy Cabinet members attend Board meetings, inputting their views to the development of policy within the organisation. They work with officers, through holding periodic meetings and e-mail communication to oversee work of the policy committees and ensure it remains on-track and relevant members and other parties are consulted. Although Deputy Cabinet members are legally unable to substitute for Cabinet members at Cabinet meetings, they can support in substituting at other informal and formal meetings (the latter where appointed to do so) and, significantly, the role offers the opportunity to a wider range of members to learn the skills and expectations placed on Cabinet members to support the building of resilience within the Council.

3.17. One Deputy Cabinet member remains concerned that informal Committee meetings are not subject to the usual clerking arrangements performed by the Committee Services Team. Again, this may be an area where the Deputy Cabinet members can play a useful role in ensuring that officers have understood and interpreted the Committee’s considerations on matters.

Sharing good practice between Policy Committees

3.18. Sharing across the policy committees is limited. This is partly deliberate, to meet the aims of encouraging a wider range of members to be involved, and allowing members to specialise in particular areas of policy development. There is also limited cross-membership between each policy committee and scrutiny, in order that scrutiny can maintain independence should they wish to provide either pre- or post-scrutiny to policies and service changes.

3.19. This creates a risk that opportunities for continuous improvement through shared working practices may be missed. The Democratic Services Team can serve an important role here, as already illustrated by the review undertaken and through sharing information after Committee meetings with officers. The Compliance and Risk Manager and Committee Services Team Leader have held periodic meetings with Policy Committee Lead Officers to discuss good practice and potential areas for improvement and development to help develop committee working practices.
Development of member skills to support Policy Committees

3.20. In terms of member development, good practice highlighted by the FRAG committee in September 2013 was the undertaking of a self-assessment exercise. This enabled members and officers to discuss, in an informal setting, how they felt the committee functioned. Topics included chairing the meetings, whether members were contributing effectively and whether they had received sufficient training. Although the FRAG assessment was based on the CIPFA self-assessment for audit committees, this could be simplified and adapted for the other Policy Committees to undertake.

3.21. One particular development has been the incorporation of training and development into the Policy Committees themselves, rather than specific member training sessions. The FRAG Committee recently held an informal session which included a presentation on risk management and a session on reviewing the statement of accounts; the Housing and Public Health Committee have received sessions on the operation of public health and housing strategy.

3.22. A good example of how effectively focused training opportunities can work is the recent session held by the Housing and Public Health Committee on Affordable Housing Grants. Earlier this year, Cabinet agreed to modify the process for awarding Affordable Housing Grants. Unless any individual grant is greater than £100,000, then authority is delegated to the Director to approve the grant in consultation with the Housing and Public Health Policy Committee. With this in mind, prior to the consideration of the first grants, the Committee received a presentation by Officers and Saffron Housing Trust, the first applicants. Local members were also invited to attend the Committee. This gave useful background information and knowledge to the members, and in future it may be feasible to undertake consultation with members via e-mail correspondence. The Committee have also noted that in the long term they will have very tangible outcomes to demonstrate, in terms of new Affordable Housing sites built using grant funding.

3.23. The reference to local members does highlight one further issue – the involvement members not on the committee in matters they may have a particular interest in. Although formal meetings are advertised through the Council’s programme of meetings, informal meetings can be isolated to just the Committee members. Some members have made efforts to inform Lead Officers where they have a particular interest in a topic area, and where there are local member issues involved then the local members should be invited in line with the member and officer protocol. However, the Deputy Cabinet members, as Chairmen, can also play a useful leading role in ensuring that the officer has sought to invite all relevant members to each meeting.

Identified areas for development
3.24. Arising from the review, officers have identified the following areas for potential development:

- The FRAG Committee should maintain a “watching brief” on the Local Audit and Accountability Act
- Each Cabinet Policy Committee should seek to undertake a review of their own effectiveness, identifying where they would like further development
- Officers and the Chair of the Policy Committees should work together to ensure that members are aware of the activities of the Policy Committee, and all relevant members are invited where appropriate. Should any member have a particular interest in a matter considered by the Policy Committee, then they should notify the Lead Officer to be kept informed on the issue.

4. Relevant Corporate Priorities

4.1. Ensuring Policy Committees are operating effectively helps support the achievement of Corporate Priorities.

5. Implications and Risks

5.1. None

6. Conclusion

6.1. It should be recognised that members and officers have a collective responsibility to ensure that the Committees are maximising the benefits to the organisation. Officers need to ensure the Committees are informed of issues on a timely basis, and provided relevant information and training to deliver their role. Members themselves need to ensure they keep informed on matters and contribute in a positive and constructive manner.

6.2. Policy Committees have allowed a greater range of members to get involved in developing policy at an early stage who may not previously have had the opportunity to do so, or allow members to specialise in areas of particular interest. Training is starting to integrate into policy committee meetings, and defined outcomes are beginning to emerge.

6.3. It is recognised there is still progress to be made; the report highlights several observations and recommendations from officers and clearly, the role of the FRAG Committee may require review following the introduction of the Local Audit and Accountability Act.

6.4. The changes to the structure in May 2013 are yet to come to fruition, although should help to clarify the role of the Growth and Localism Committee and enable the Environment, Regulation and Planning Policy
Committee to focus on key areas for the Council at present of moving forwards the Local Plans and Development Management Strategy.

7. **Action Required**

7.1. The Scrutiny Committee is requested to:

- Assess whether they are supportive of the recommendations highlighted in paragraph 3.24;
- Identify any further areas for development, and help champion any recommendations arising within the policy committees they attend.
Review of nplaw: Update

Compliance and Risk Manager

In December 2012, the Scrutiny Committee undertook a review of the effectiveness of the nplaw service. In undertaking this review, the Committee requested a further report in 12 months time to assess how the service was continuing to perform.

Cabinet member(s): Garry Wheatley
Ward(s) affected: All

Contact Officer, telephone number, and e-mail: Leah Mickleborough 01508 533954 lmickleborough@s-norfolk.gov.uk

1. **Overview**

1.1. In February 2012, Council agreed to transfer the (then) in-house legal service to nplaw and, as part of this decision, agreed that the Scrutiny Committee should undertake a review of how the service was performing.

1.2. This review was undertaken in December 2012, and identified that a number of benefits had arisen, although there were still some areas where the service required “embedding” into the organisation.

1.3. When undertaking their review, the Scrutiny Committee requested that a further review be undertaken in a year’s time to assess the ongoing delivery of the service. This report fulfils that purpose, and members may find it helpful to refer to the previous report made to the Scrutiny Committee in December 2012.

2. **Scope of Scrutiny**

2.1. This review will identify areas of development raised in the 2012 review, and identify how these have progressed. In addition, the Scrutiny Committee have requested focus on the following areas:

- Performance of the Service received from nplaw;
- Satisfaction with nplaw;
- Savings achieved;
• Impact on resilience;
• Reliance on legal advice from solicitors

3. **Findings**

*Progress with development areas raised in the 2012 review*

3.1. The December 2012 report highlighted the outcomes of an internal audit review, which had identified that the arrangements in place to monitor the service were deemed to be “adequate”. Four recommendations had been raised, as follows:

- Nplaw should provide evidence to support all supplemental costs – having raised this issue with nplaw, they confirmed it would not be normal practice for a solicitors firm to provide copies of Counsel invoices. We have therefore implemented a more effective system, whereby prior to commissioning Counsel services, nplaw are required to seek quotes from Counsel on the work required and provide these to the Compliance and Risk Manager and the instructing service. South Norfolk Council can then determine whether or not to commission the services from the outset, and where the final costs are different to the quote will obtain explanation. Through this process, we have recently secured a 25% reduction in defence costs in one legal case.

- Issues raised with nplaw should remain on the issues log to identify recurrent issues – the issues log is used to record current service issues or significant one off issues (rather than isolated, resolved issues). Rather than keeping issues on the log, issues are initially raised via e-mail and the correspondence is saved on a central drive in order that the Council can demonstrate to nplaw where an issue is persistent.

- Improvements were suggested to the visualfiles reports produced to show progress on individual cases – this recommendation has been implemented, making it easier to identify the lead service officer.

- Contract monitoring procedures should be developed – written procedures have now been developed.

3.2. Three specific areas of development were raised in the scrutiny report itself. First was the need to ensure continued monitoring of financial payments – this is more fully addressed below, as is the second area of development – to undertake an annual survey of staff satisfaction with the service.

3.3. The final development area was the need to identify future legal needs and raise these with nplaw. Experience has identified this is most readily performed on a one-by-one basis by issue, although progress meetings are used to discuss general developments at South Norfolk Council as well as nplaw. We have recently been discussing “priority” areas, such as ensuring s.106 agreements are progressed on a timely basis, and making sure legal work related to the G&T transit site in Bawburgh is prioritised.

*Performance and satisfaction with the service provided*
3.4. The Compliance and Risk Manager receives periodic feedback from officers, as well as undertaking pro-active work with key service users to ensure any issues are being progressed. However, the main means of monitoring satisfaction with the service provided is through the Annual User Survey, undertaken in early October 2013.

3.5. The outcomes of the Survey are included at Appendix 1. Overall, the following trends have emerged:

- Although officers indicate they have not used nplaw to a greater extent over the past year, in practice question 1 (frequency of use) indicates there has been an increase, with more officers using nplaw on a weekly and monthly basis than last year.

- Issues remain regarding the speed of response from nplaw, particularly on property and s.106 transactions (see below for further comment).

- Staff from nplaw continue to receive positive feedback, with no indication of staff being less than satisfactory.

- More issues have emerged with the service provided over the past 12 months than in the previous period, and, whilst the service is considered “satisfactory” overall, the level of satisfaction has dropped compared to the previous year.

3.6. Timing of responses remains an issue. Particular concerns were raised regarding property transactions and s.106 agreements. Specific meetings have been held with senior officers at nplaw to discuss these issues, with actions agreed to address them. In regard to s.106 agreements, we have particularly identified the need for the development management service to work in an integrated fashion with nplaw, clarifying priorities and deadlines to ensure key work is progressed by nplaw. This is beginning to bear fruition, with a notable increase in the volume of agreements being agreed since August, although clearly is an area requiring ongoing monitoring to make sure progress continues to be achieved – particularly on high profile agreements.

3.7. Although, as above, the service is still generally considered satisfactory, it is still disappointing that the level of satisfaction has deteriorated over the past year. Unfortunately, only three responses were received as to why nplaw might not be meeting expectations, two of which were addressed by the concerns regarding prioritisation and timing of work as 3.6 above. However, one officer identified they had “general concerns” and more work is required to understand the specific concerns (and potential specific cases) officers have to be able to constructively move the service forwards.

3.8. We have also had some areas of concern highlighted by members regarding nplaw. These relate to personal and commercially sensitive information, and as such are highlighted on the exempt Appendix 3.

Reliance on Legal Advice provided by Solicitors

3.9. A specific question was asked in the annual user survey, in which 90% of respondents indicated they were working within their service to increase their
knowledge in laws and regulations to reduce reliance on legal advice provided by solicitors.

3.10. However, as will be detailed below, usage of the nplaw service has increased significantly since April 2013, in addition to costs incurred outside of nplaw in seeking external advice on matters such as the MRF procurement, Property Joint Venture and the Audit Contract. The Compliance and Risk Manager will be working with services to identify particular areas where there may be a potential for further internal investment in training and development which may reduce reliance on such advice, however it is also accepted, as explained below, when the Council enters into new or potentially high risk opportunities, not only can legal advice provide significant assurance, but can also help to identify potential issues that may present a much greater cost implication for the Council in the long term.

Financial Performance and Savings Achieved

3.11. The financial performance of the Council’s legal service is detailed at Appendix 2.

3.12. The scrutiny review in December 2012 indicated that the Council was aiming to achieve a 10.2% reduction in cost year-on-year as a result of entering nplaw. This was unfortunately not achieved, with a year end saving of 5.68% arising. The main factors contributing to this included procurement of additional legal advice in respect of the MRF contract and Counsel fees in respect of (amongst other cases), Townhouse Road, Costessey, the Sale Ground, Wymondham and Focus Store, Wymondham. These additional costs were partly offset by the Council’s share of nplaw profit.

3.13. As highlighted in the December 2012 report, the 12.5% savings achieved in the legal service in 2011/12 were recognised as non-sustainable as these were mainly arising from reductions in the law library which, over the long term, could have placed the Council at risk through the in-house team providing advice based on out-of-date material. It may be more appropriate to consider the wider picture that since 2010/11 the Council had achieved a 17.5% reduction in legal costs to April 2013.

3.14. The estimates for 2013/14 should be reviewed with a significant degree of scepticism. Since April 2013, use of nplaw by Council officers has increased, on average, by approximately 20% per month. Analysis indicates this is for a variety of reasons, including an increased volume of court cases related to debt management; the increased use of specialist procurement work previously unavailable in-house and the general increase in activity prompted by the Council’s current areas of growth including CNC Building Control, property work and development management. In regards the latter, there have been a number of significant developments which have received planning consent in recent months. S.106 agreements are drafted by nplaw, and inevitably increases in volume increases our nplaw usage; however, we receive payment from third party developers in respect of this work and the volume of receipts from this source has increased by 50% compared to the same stage in the prior year.

3.15. The council pays a monthly fixed fee for nplaw, however if usage is more than 110% of the budgeted volume, the Council is expected to pay an extra 1% for
each 1% over the 110% threshold. If usage remains at 120% of our expected volume, we will therefore be required to pay an extra 10% of the fee; this has been included in the estimate in Appendix 2. An estimate of £20k has also been included for costs of Counsel fees; the Council has currently incurred £2.5k of fees this year and additional costs are likely to vary depending on the timing of several cases. Clearly, this position will require close management over forthcoming months and we have been reviewing the position with nplaw in recent weeks.

3.16. In terms of income, as highlighted by 3.14 above we have already seen a significant increase in fee income in 2013/14. The estimate also includes the Council’s budgeted share of nplaw profit, however this is subject to the actual nplaw out-turn and any re-investment decisions made by the nplaw Board.

Implications

3.17. Financial – continued high volume usage of nplaw could result in additional charges being levied on the Council, as highlighted in 3.15 above.

4. Conclusion

4.1. In general, service users remain satisfied with the service provided by nplaw although it is recognised that there are some clear areas for development and these have been raised with nplaw.

4.2. Financial savings were achieved in 2012/13, although usage has increased significantly since the end of the financial year and, as a result, the Council may be required to pay additional fees. This position will remain closely monitored over forthcoming months.

5. Action Required

5.1. The Scrutiny Committee is requested to assess the performance of the service, making any further recommendations as necessary.
Appendix 1

nplaw user survey 2013 results

1. Approximately how frequently do you use nplaw?

2. Have you used nplaw more or less frequently over the past year?
3. Has the speed of response from nplaw been better or worse over the past 12 months?

There were three comments to this question, summarised as:
- One officer identified that if property transactions were resolved quicker this could allow officers to focus on other areas of work
- One officer identified there had been some delays with s.106 agreements
- One officer noted they were always pleased with the speed of response

4. Is your service working to improve knowledge on laws and regulations to reduce reliance on legal services?

There was a range of comments in response to this question, including encouraging officers to make better use of online resources, better information within teams, information from other Councils, and pleasingly responses indicated officers were being able to “reuse” information from nplaw to other cases, avoiding the need to repeat requests.
5. Have you used staff other than those transferred from South Norfolk Council in the past 12 months?

No-one reported staff were less than satisfactory.

6. Have you had any issues with nplaw in the past 12 months?

Officers were then asked to identify if the issues have now been resolved. Only 4 of the 5 who had issues responded, 3 of which said the issues had been resolved. One officer identified they were still experiencing issues with the speed of response with nplaw.
7. Compared to last year, do you believe the service is better, worse or the same?

There were four comments to this question; two particularly focused on the speed of response and prioritisation of South Norfolk work within nplaw. One commenter noted that in some cases the work was good but they had general concerns; however, one officer noted the service was “jolly good – better than the private sector”.

8. Overall, how do you rate the service?
### Costs of South Norfolk Council Legal Service Provision

<table>
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<tr>
<th>Year</th>
<th>Direct cost of legal service</th>
<th>Costs of legal services charged to other services</th>
<th>Income obtained</th>
<th>Total</th>
<th>Actual Difference</th>
<th>% Difference</th>
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</thead>
<tbody>
<tr>
<td>2010-11</td>
<td>£351,970</td>
<td>£32,881</td>
<td>-£17,248</td>
<td>£367,603</td>
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<td>2011-12</td>
<td>£312,345</td>
<td>£29,808</td>
<td>-£20,705</td>
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<tr>
<td>2012-13</td>
<td>£330,232</td>
<td>£31,393</td>
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<td>£303,199</td>
<td>£18,249.34</td>
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<td>2013-14</td>
<td>£335,000</td>
<td>£10,500</td>
<td>-£75,000</td>
<td>£270,500</td>
<td>£32,698.66</td>
<td>10.78%</td>
</tr>
</tbody>
</table>

**Notes:**

**Direct cost of legal service** - for 2010/11 and 2011/12 this balance is the expenditure costs charged to the legal service team.
In 2012-13, this is the fixed fee for nplaw costs plus "disbursements" (mostly Barrister costs)
In 2013-14, this is the budgeted cost for nplaw uplifted by 10%, and an estimate (£20k) of additional disbursements

**Costs of legal services charged to other services** - for 2010/11 to 2012/13 this is the expenditure costs for legal services charged to services other than the legal team.
For 2013-14, this is the budgeted cost. This includes costs in respect of the Internal Audit contract, which has been agreed will be partly re-charged to other Councils within the Internal Audit Consortium

**Income obtained** - this reflects the legal service income received for 2010-11 to 2012/13. In 2010/11 and 2011/12, this includes income received for services performed on behalf of Saffron Housing Trust.
In 2012/13, this includes the "profit share" from nplaw.
For 2013/14, this figure is the actual amount of income received to 10 October 2013, the nplaw estimated profit share for South Norfolk, and an assumed (£10k) level of income to be received from s.106 agreements between October 2013 and March 2014.