Minutes of a meeting of the Scrutiny Committee of South Norfolk District Council held at South Norfolk House, Long Stratton on 28 June 2016 at 9.30am.

Committee Members Present:
Councillors: L Neal (Chairman), B Bernard, B Duffin, D Fulcher, C Gould, K Kiddie, T Lewis and G Minshull

Apologies
Councillor: J Wilby

Substitute
Councillor: M Wilby

Cabinet Members in Attendance:
Councillors: Y Bendle, J Fuller, L Hornby and C Hudson

Other Members in attendance:
Councillors: D Bills, L Dale, M Gray, C Kemp, J Mooney and V Thomson

Officers in Attendance:
The Director of Business Development (D Lorimer), the Director of Growth and Localism (T Horspole), the Director of Community Services (P Boyce), the Governance and Business Manager (L Mickleborough) and the Scrutiny Officer (E Goddard)
1174 MINUTES

The minutes of the meeting of the Scrutiny Committee held on 18 May 2016 were confirmed as a correct record and signed by the Chairman.

1175 NORFOLK AND SUFFOLK DEVOLUTION PROPOSAL

Cllr Fuller introduced the report to members and advised the Committee that the Devolution Deal proposal took account of an increase in overall funding since the original Deal was put forward; bringing the total infrastructure funding available to £25m per year for the next 30 years. The proposal also included additional funding allocated to housing so that a total of £130m was ring-fenced over five years to deliver new homes, although members noted that it was unlikely that the Council would receive much of these funds as the Council no longer managed housing stock, and because the needs for funding were greater elsewhere. Cllr Fuller stressed that this was by far the most financially generous Deal offered by the Government, although he was disappointed that agreement had not been reached on a Norfolk, Suffolk and Cambridgeshire Deal.

The Director of Business Development delivered a presentation to the Committee, which had been received by Council Leaders the previous week. She outlined the key benefits of the Deal, including how it could assist the region and councils to achieve national recognition. It would also increase the influence of the participating Authorities and improve the life chances of Norfolk and Suffolk residents. Members noted aspects of the governance arrangements and how the public would be consulted. The Committee also noted the timeline in relation to the progression of the Deal; including consideration by Cabinet on Thursday 30 June 2016 and the final sign off in October 2016, which would eventually lead to an Order in the House of Commons. In light of the recent result in the European Union (EU) referendum, members noted the proposal to remove the reference to EU funding from paragraph 12 of the Deal document.

The Chairman outlined the format of the meeting, advising that questions should be tabled in line with the issues raised by Council in October 2015, as detailed in the report. Members raised the following points:

Finance

In response to a question regarding how much Devolution would cost, particularly funding for a Combined Authority Mayor, members were advised that this was still unknown as questions remained relating to the level of Government funding, staffing required for the Mayor and whether staff would be devolved from the civil service to the Combined Authority. However, the Committee noted that the Combined Authority would be able to raise precepts, which would be used to cover expenditure incurred by the Mayor or in...
connection with the exercise of the Mayoral function. The Combined Authority could levy the constituent authorities to pay for its expenses. The constituent Authority had agreed the principle that the Combined Authority costs would be met as far as possible from existing resources. Precise details regarding levels of business rates were yet to be defined, but the Mayor could decide to raise a 2p increase in the business rates to fund growth.

In terms of members’ allowances, the Committee noted that the individual Councils would provide allowances to their members who had a role on the Combined Authority and that any Special Responsibility Allowance would be considered by the individual Council’s Independent Remuneration Panel.

In response to a member’s question, the Committee was advised that the funding detailed in the Deal was largely made up of existing finance, however the Deal represented an opportunity for the Council to have more control over how these funds were spent.

**Strategic Transport**

Members were advised that the budget allocated to transport related to general maintenance of roads in Norfolk and Suffolk and could not be used for improvements to infrastructure, such as new roads, river crossings or highway dualling. Improvements to infrastructure were likely to be financed from borrowing and funds allocated to the LEP, with the risk of borrowing shared by the members of the Combined Authority. Members noted that improvements to the A140 could be secured through further borrowing via the Single Investment Fund and would greatly benefit both Norfolk and Suffolk, however any improvements to the A47 were a separate issue and control over this would remain with central Government and would not be devolved.

In response to questions relating to rail and bus transport, members were advised of the benefits to the region of increased interaction with Network Rail and the planned upgrading of the Ely junction, which would be felt across the region. Members were pleased to note the possibility of a discount card that residents could use on both bus and rail travel, which would cover Norfolk, Suffolk and Cambridgeshire.

**Double Devolution**

The Committee discussed possible services that might be devolved and considered services that could be provided by a single team covering the Combined Authority area, rather than separate teams in each District, such as economic development.
Members discussed the future role of town and parish councils and if any services might be devolved down. Members noted that no firm decision had been made regarding this, and the Governance and Business Manager advised the Committee that this would require careful consideration and discussion regarding whether town and parish councils were best placed to deliver specific services.

**Geography**

In response to a query regarding whether the Government was supportive of the brother/sister relationship between the Norfolk/Suffolk and Cambridgeshire Combined Authorities, members were advised that although this was not initially the preferred choice, the Government was supportive of this.

Members noted the shift in focus to ‘travel to work areas’, which would form clusters around key economic centres, however, the Committee was also advised that rural issues would not be ignored.

It was noted that geographically, Diss was well placed in the centre of the Combined Authority area. This was recognised as a great opportunity for the town and could increase its influence.

**Governance**

Cllr Kemp addressed the Committee on the subject of Governance and advised that there were a number of anomalies in the documents that would need to be addressed. Members were reassured any issues would be rectified as the Deal progressed.

Members noted the details regarding voting arrangements and recent changes which would mean the Mayor no longer having a casting vote, resulting in a motion being lost in the event of an equality of votes. In response to a question regarding whether weighted voting might be allowed, the Committee noted that this was unlikely, however were advised that a veto would be granted to authorities when considering matters that were the statutory duty of the relevant authority. The Committee was also advised that governance arrangements would allow for non-voting members to be co-opted onto the Combined Authority from time to time.

The Committee discussed provisions relating to the Combined Authority’s Scrutiny Committee and noted that the Chairman was not permitted to be of the same party as the Mayor to safeguard the scrutiny function.

Members were advised that there was uncertainty over the exact future of the Deal and continuing support of the Government, in light of the EU referendum result and the consequent changes in the leadership of the Government.
Key Benefits

In response to a member’s query regarding possible implications on health provision, the Committee was advised that this was still unknown and that it was expected that this level of detail could be included in future Deals.

Members discussed the public consultation and were keen for all authorities involved to develop a consistent message for use throughout the consultation. The Committee agreed that the literature would need to consist of no more than five key benefits of the Deal to be presented to the public, concluding that the material needed to be clear and brief.

Concerns were raised regarding how the public consultation would be carried out and how parish and town councils would be involved. In response to a query regarding the Town and Parish Consultation, members were reassured that officers would work with town and parish councils and would address clerks at the next Parish Clerks Consultation meeting.

It was then:

RESOLVED: 1. To note the progress made in relation to addressing the issues raised by Full Council in October 2015.

2. TO RECOMMEND THAT CABINET
   a. Agrees that the Leader of the Council should sign the Norfolk and Suffolk Devolution Agreement and supports the publication of a Scheme of Governance for public consultation. Consultation literature should be uniform across Norfolk and Suffolk and present a consistent message, focusing on no more than five key benefits for residents.

   b. Notes the concerns of the Scrutiny Committee in relation to governance arrangements, and address these concerns to the governance team working on the Deal.
1176 SCRUTINY COMMITTEE WORK PROGRAMME AND TRACKER, AND CABINET CORE AGENDA

The Committee noted the Work Programme, Tracker and Cabinet Core Agenda.

(The meeting concluded at 12:15 pm)

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Chairman