



Council

Members of the council are hereby summoned to attend the
meeting of the council to be held in the
council chamber, City Hall, St Peters Street, Norwich, NR2 1NH
on

Tuesday, 26 September 2017

19:30

Agenda

Page nos

1 Lord Mayor's announcements

2 Declarations of interest

(Please note that it is the responsibility of individual
members to declare an interest prior to the item if they arrive
late for the meeting)

3 Questions from the public

Please note that all questions must be received by the
committee officer detailed on the agenda by **10am on
Thursday, 21 September 2017.**

For guidance on submitting public questions please see
appendix 1 of the council's constitution.

4 Petitions

Petitions must be received by the committee officer detailed
on the front of the agenda by **10am on Monday, 25
September 2017.**

For guidance on submitting petitions please see appendix 1
of the council's constitution.

5 Minutes

7 - 32

To approve the accuracy of the minutes of the meeting held on 17 July 2017.

6 Questions to cabinet members / committee chairs

(A printed copy of the questions and replies will be available at the meeting)

7 External Audit Appointment

33 - 40

Purpose - To consider the appointment of the external auditors as endorsed by cabinet and audit committee.

8 Motion - Mental Health

Councillor Jones (B) to move and Councillor Davis to second the following motion:

"The massive disparity in NHS funding for mental health has become a far more widely acknowledged fact in recent years, along with the stigma that is still attached to mental health. Unfortunately, the promised 'parity of esteem' has proved to be an empty phrase, it has not converted into increased funding despite vast growth in the need for mental health support.

The Tory government's austerity measures are exacerbating an already critical situation as mental health does not exist in a vacuum. Unfavourable social, economic and environmental circumstances increase vulnerability to a range of mental health problems.

This council RESOLVES to ask cabinet to:

(1) Work alongside statutory services including Norwich CCG and Norfolk Public Health, to ensure consideration of mental health and wellbeing is built into relevant plans, including the Healthy Norwich Action Plan and continue to advocate for the highest standards of services for all our citizens and challenge inequalities of access.

(2) Continue to work to mitigate the impact of the

austerity measures of the Tory government which impact on the mental wellbeing of the citizens of Norwich and sign post them to other organisations that can offer further assistance.

(3) Explore opportunities to work in partnership and promote engagement both with and between voluntary organisations that provide mental health and mental wellbeing support to Norwich residents.

(4) Support the continued development of social prescribing in Norwich, addressing social needs which impact upon mental wellbeing.

(5) Reaffirm the council's commitment to the Local Authorities' Mental Health Challenge, with an identified elected representative to champion mental health.

(6) Ensure that consideration of mental wellbeing is included in any corporate strategy review.

(7) To call on the government to translate 'parity of esteem' into parity of funding for mental health."

9 Motion - Affordable housing and viability assessments

Councillor Jones (T) to move and Councillor Jackson to second:

" Norwich is losing out on affordable housing due to developers producing viability assessments that allow them to avoid affordable housing obligations.

Details of 15 major housing developments approved between 2013-2016 show that of the 299 affordable homes developers should have supplied if all had complied with the 33% requirement set out in the Joint Core Strategy, only 39 were delivered. Based on a cost per unit of between £70,000 and £120,000, this approach has lost Norwich between £18.7 million and £32.6 million worth of affordable housing provision.

Council resolves to:

(1) seek that the existing policy of requiring at least 33% affordable housing in developments of more than 10 houses

is upheld or bettered within the Greater Norwich Local Plan.

(2) note the planning application committee's recent refusal of planning permission for St Peter's Church on Park Lane, due to scrutiny of their viability assessment by an outside expert, as the precursor to a new, more rigorous approach to holding developers responsible for meeting the council's affordable housing targets.

(3) ask cabinet to:

(a) Make viability assessments publicly accessible online and therefore open to public scrutiny throughout the planning consultation process, following the example of councils including Greenwich, Islington, Lambeth and Bristol.

(b) Introduce a policy of requiring external, independent scrutiny of all viability assessments by default, to replace the current procedure of subjecting a viability assessment to independent assessment only when the council 'considers it necessary' (as set out in the council's Affordable Housing Supplementary Planning Document 2015).

(c) Clarify in the forthcoming revised Affordable Housing Supplementary Planning Document what specifically is meant by 'reasonable profit' for a developer, by stipulating a maximum profit level (such as 15%) that recognises developers' financial constraints while also demonstrating the council's refusal to allow developers to profit at the expense of much-needed affordable housing.



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Information for members of the public

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For information about attending or speaking at meetings, please contact the committee officer above or refer to the council's website



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Council

19:30 to 21:00

18 July 2017

Present: Councillors Fullman (Lord Mayor), Ackroyd, Bogelein, Bradford, Brociek-Coulton, Button, Carlo, Coleshill, Davis, Driver, Fullman, Grahame, Harris, Haynes, Henderson, Herries, Jackson, Jones(B), Jones(T), Kendrick, Lubbock, Maguire, Malik, Maxwell, Packer, Peek, Price, Raby, Ryan, Schmierer, Stonard, Thomas(Va), Thomas (Vi), Waters, Woollard and Wright

Apologies: Mr David Walker (Sheriff); and, Councillors Manning, Sands (M) and Sands (S)

1. Lord Mayor's Announcements

The Lord Mayor referred to the Lord Mayor's celebrations and said that the street parade and fireworks had been "fantastic" and thoroughly enjoyable. He thanked all the events teams, officers and everyone who worked behind the scenes to make it such a success.

2. Declarations of interest

There were no declarations of interest.

3. Questions from the public

There were no public questions.

4. Petitions

Sexual Entertainment Venues

Mr Ivor Finn introduced the petition which had been signed by over 225 people:

"The people that have signed this petition are asking Norwich City Council to delay the granting of licences for sexual entertainment venues in order to give local people impacted on by these venues a chance to consider licence applications and make comments."

Councillor Maguire, cabinet member for safe city environment, replied as follows:

“Thank you for your petition.

First let me say that I understand that there were some IT issues around the receipt of your petition. I apologise for this and would like to reassure you that the council is looking into this.

The city council licensing committee tests all applications by a published policy that reflects the legal requirements; it is judged by adherence to those legal requirements. There is a legal requirement for sexual entertainment venues (SEVs) to be licensed. This subjects them to control, for example requiring the protection of those who work in them. The approach to consultation for SEV licences is in keeping with the processes we have for all council licensing responsibilities as well as the current legal requirements.

In this particular case those premises wishing to apply for a SEV licence have complied with the advertising requirements, that is, external notice outside the premises and an advert in the local newspaper. The applications have been in due form including public advertising and for a period of 28 days allowing representations. Given that this period is now closed there is no further opportunity for additional representations to be received or considered.

In the interests of good running of the council's affairs, there has to be a measured and graded response to licensing applications and that standard licensing approach has been applied to SEVs. The approach begins with the application and is followed by the declaration of that application: there has to be sufficient data to identify the application (here for a SEV licence) and the premises.

Informed by this, the licensing committee members will make a judgement regarding the merits of the application within the bounds of what is legally required and possible. I am confident that the process is a robust and transparent one and consequently I trust that members of the committee will make a decision within the legal parameters that have been set.

Unfortunately the petition was not received by the council during the period for representations and, as the requirements for making an application have been complied with, there is no legal reason to rerun the application stage.”

5. Minutes

(The minutes of the meeting held on 21 March 2017, which had been omitted from the agenda for the June meeting, were circulated at the meeting.)

RESOLVED, unanimously, to approve the minutes of the meeting held on 21 March 2017 and 27 June 2017.

6. Questions to Cabinet Members and Committee Chairs

The Lord Mayor said that 12 questions had been received from members of the council to cabinet members for which notice had been given in accordance with the provisions of appendix 1 of the council's constitution.

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| Question 1 | Councillor Lubbock asked the cabinet member for social housing on council's proposals to reduce support to tenants of sheltered housing schemes. |
| Question 2 | Councillor Wright asked the cabinet member for health and wellbeing about a breach of a tree protection order by a developer. |
| Question 3 | Councillor Raby asked the cabinet member for social housing about complaints from council leaseholders about charges for maintenance and repairs. |
| Question 4 | Councillor Bogelein asked the cabinet member for sustainable and inclusive growth. |
| Question 5 | Councillor Price asked the cabinet member for resources regarding the allocation of government "relief funding" to local business. |
| Question 6 | Councillor Henderson asked the cabinet member for social housing about changes to sheltered housing and its funding and charging. |
| Question 7 | Councillor Schmierer asked the cabinet member for safe city environment about homelessness and arrangements and broadening the criteria for activating the severe weather emergency protocol (SWEP). |
| Question 8 | Councillor Maxwell asked the cabinet member for social housing about work being undertaken by the council and its partners to ensure that council owned tower blocks remained safe and compliant with all safety standards. |
| Question 9 | Councillor Packer asked the leader of the council about the potential impact of county council's budget cuts on city council services. |
| Question 10 | Councillor Vaughan Thomas to the cabinet member for safer, stronger neighbourhood |
| Question 11 | Councillor Woollard asked the cabinet member for safe city environment about Operation Gravity to reduce violent offences linked to illegal drug use. |

Question 12 Councillor Bremner asked the cabinet member for social housing about the council's funding and partnership arrangement with Norwich Housing Society for Leander Court, off Bluebell Road.

(Details of the questions and responses and the supplementary questions and their responses are attached as Appendix A to these minutes.)

7. Declarations of interest

There were no declarations of interest.

8. Annual Audit Committee Report 2016-17

Councillor Price moved and Councillor Wright seconded the recommendations in the report.

RESOLVED to receive the annual audit committee report 2016-17.

9. Motion: Fair Votes

Councillor Schmierer moved and Councillor Wright seconded the following motion:

"The general election showed once again that our "first past the post" electoral system produces an extreme mismatch between votes and seats. The DUP gained 10 seats from less than 300,000 votes, compared with 12 seats from 2.4 million votes for the Liberal Democrats and one seat from 500,000 votes for the Green Party.

Proportional representation is supported by the Greens, Liberal Democrats and SNP, and a recent ICM poll found that 61 per cent of people want to see it introduced for UK Parliamentary elections. Proportional systems are already used for the devolved parliaments and assemblies in Scotland, Wales and London.

Council resolves to:

- (1) acknowledge that a robust democracy must include a fair voting system and that nobody should be disenfranchised because of where they live;
- (2) applaud the work of the many groups and organisations campaigning for fair votes; including the Electoral Reform Society; Make Votes Matter and the Labour Campaign for PR;
- (3) ask the leader of the council to forward a copy of this motion to the leaders of all political parties represented in the UK Parliament."

RESOLVED with 12 members voting in favour and 22 members voting against, the motion was lost.

10. Motion: Universal Credit

The Lord Mayor announced that an amendment had been received from Councillor Bogelein and seconded by Councillor Grahame, as follows:

“To amend resolution (1)(c) by inserting the words “in the short term, while working in the longer term to explore the merits of a universal basic income” at the end of the clause.”

Councillor Davis had indicated that she would accept the amendment and with no members raising an objection, the amendment became part of the substantive motion.

Councillor Davis moved the motion and Councillor Waters seconded the motion as set out in the agenda papers and as amended above.

RESOLVED, unanimously, that:

“Universal Credit was introduced in April 2013 in certain pathfinder areas and has progressively been rolled out in other areas, including Great Yarmouth on 27 April 2016. Full service is due to start in Norwich in June 2018.

Anecdotal evidence suggests that significant problems in the administration of this benefit have caused serious hardship to vulnerable people in the areas so far piloted and this poses risks to Norwich, when introduced. Norwich City Council is preparing for universal credit to try and ensure its success.

Council **RESOLVES** to:

- (1) ask the leader of the council to write to the Secretary of State for the Department for Work and Pensions to:
 - (a) highlight that the cuts to work allowances in universal credit (UC) and the decision to limit tax credit and UC payments to the first two children in a family, are an attack on low-income families and will increase child poverty;
 - (b) remove housing costs element from the administration of the payment of universal credit;
 - (c) ensure a full reversal of cuts to the universal credit work allowances, which will leave working families £2,600 a year worse off, and to reform and redesign universal credit, ending six-week delays in payment, in the short term, while working in the longer term to explore the

merits of a universal basic income at the end of the clause;

- (d) scrap the punitive sanctions regime, scrap the bedroom tax, reinstate housing benefit for under-twenty ones and scrap cuts to bereavement support payment;
- (2) ask the leader of the council to organise a meeting with the local / regional DWP to discuss our concerns about the universal credit roll out in Norwich and the sanctions regime.

LORD MAYOR

Questions to cabinet members / committee chairs

Question 1

Councillor Lubbock to ask the cabinet member for social housing the following question:

“I was contacted on 1 July by a couple of tenants of a sheltered housing scheme asking for help understanding the council's intention to cut back support for those living in sheltered housing. What would it mean for them? What specific services would be affected?

I understood this related to the government's cut in funding to the county council which in turn has meant the withdrawal of the 'Supporting People Grant', helping the elderly live independently. But that was the extent of my knowledge.

There had already been one meeting in Blackfriars Hall for those who could attend with follow up meetings in each of the sheltered housing schemes to follow. This was communicated to all tenants via a letter.

As a councillor I was dependent on seeing the letters that the tenants had received and also the dates of the meetings. The first point is that as a councillor it would have been helpful to see that which the tenants had received in order to at least have some knowledge that the changes were coming.

The second point of my question is that on sending an email request through the councillor enquiry system to housing to request further information about the changes so that I could begin to help tenants, I received the following response:

“Thank you for your enquiry regarding the sheltered housing meeting being offered for all sheltered housing tenants, including their friends, family and support networks.

Please can I confirm that we are unable to advise on an individual bases what the meetings are regarding, and wish to encourage our tenants to attend a meeting to ensure they hear a consistent message about the approach Norwich City Council is taking in relation to the withdrawal of the 'Supporting People' grant from Norfolk County Council.

Dates, times and venues of meetings have been included in a letter sent to all sheltered housing tenants in June to ensure they have an opportunity to attend at least one of the sessions.”

At best this is making a lot of extra work for councillors having to attend the meeting to find out the details, even if they are available to do so. At worst it is

being downright obstructive in getting information out to councillors. The reply did not give the details of the dates, times and venues of the meetings. The information had already been given to those tenants who attended the Blackfriars Hall meeting. However this created anxiety amongst some tenants who didn't attend and thus asked their councillor for support.

Does the cabinet member for social housing agree with me that this response was unhelpful to me as a councillor and to the tenants that I was trying to help and that communications between housing and councillors should be improved?"

Councillor Harris, cabinet member for social housing's reply

"Yes, I have to agree that the response on the face of it was unhelpful and I apologise for that. I would like to reassure Councillor Lubbock that it was not the intention of officers to be obstructive.

The discussions that are being held with the residents of sheltered housing schemes are about the cuts imposed by Norfolk County Council who have withdrawn funding of £292,500 to the city council for housing related support in sheltered housing. This issue is clearly very sensitive and officers are being careful not to cause alarm. These discussions are to explore tenants support needs so that the council can consider how best it can continue to support the residents to live independent, full and active lives.

I have relayed your thoughts to the head of neighbourhood housing who will take on board your comments including that ward councillors are informed of future such events."

Councillor Lubbock by way of a supplementary question said that the answer was unhelpful and that she was none the wiser about the form that the tenants' need would take. Councillor Harris explained that the city council was engaged with residents to help prepare them for the withdrawal of funding from February 2018 and that cabinet would consider the outcome and share it with other councillors. It was a difficult situation which had been forced upon the council.

Question 2

Councillor Wright to ask the cabinet member for health and wellbeing the following question:

"The roots of a Cedar of Lebanon tree which had a Tree Protection Order, (TPO) for its protection have been significantly damaged by developers McCarthy & Stone whilst constructing a roadway beside it. The developers have offered £3,000 in payment and accepted liability. Whilst the tree is still standing there is concern that its life expectancy has been affected.

I would like to ask the cabinet member for sustainable and inclusive growth why such a small sum should be accepted in compensation of a breach of a TPO and why wasn't a closer watch kept on the developers when the plans

clearly show an exclusion zone around the tree encroaching into the roadway?”

Councillor Ryan, cabinet member for health and wellbeing’s response:

“The Cedar of Lebanon tree is in a private garden and is protected with a Tree Preservation Order (TPO). The council was contacted by the resident and owner of the tree as he had some serious concerns that the working practices of McCarthy & Stone would damage the tree.

Upon investigation it was difficult to determine whether any damage had been done to the tree in question as the tree is coming to the end of its life and is not in the greatest of health.

A generous offer was agreed between the owner of the tree and McCarthy & Stone as a gesture of goodwill and this was agreed as an act of good faith with the council so that instead of going to court the contractors could make a donation to tree planting in Norwich. By going to court the council would have had further expenses with no guarantees the council would receive all, or indeed any, of its cost. In these circumstances, the court can determine how much is paid by the guilty party; no court fines are received by the council as they are retained by the Ministry of Justice and no compensation would have been awarded to the council since this would have been considered a civil matter between the owner of the tree and the contractor.

Through the generosity of the owner and by a pragmatic and sensible approach, the council received a contribution of £3,000 for tree planting in Norwich. The additional tree planting will benefit many people in Norwich whereas a conviction for what was essentially a technical offence would have been high risk, potentially costly for the authority and would not have benefitted anyone.

Anyone convicted of breaching a TPO is liable to a maximum fine of £20,000 and although the council may have secured a successful conviction, any fine is subject to mitigation by the defence. They would receive a reduction of a third for pleading guilty and further reductions for their cooperation, lack of demonstrable harm to the tree, low culpability and so on. If found guilty, the fine would have been modest and probably less than the amount of compensation offered.

Officers could have pursued this matter further but the outcome would have been very uncertain due to the lack of obvious damage to the tree and McCarthy & Stone’s willingness to comply and engage with our arboricultural officer once the matter was brought to their attention.

It is impractical and would be extremely resource intensive to have officers keeping a close watch on all trees covered by a TPO where building works are being undertaken just in case a tree was damaged and instead officers will prioritise where and when preventative action is taken according to the resources available.”

In reply to Councillor Wright's supplementary question, Councillor Ryan reiterated his response to the original question and commented on the council's commitment to tree planting; stating that the council had taken a pragmatic view in not taking the developer to court; saving on costs and having the sum of £3,000 to spend locally.

Question 3

Councillor Raby to ask the cabinet member for social housing the following question:

"I have recently received complaints from council leaseholders in Town Close regarding expenses to which they have been subjected by a series of decisions on maintenance and upgrading of their properties. These include door replacements, new access control systems, re-roofing and redecoration of communal areas. The residents complain that these schemes are very expensive and that communication with the council and with NPS has been very unsatisfactory.

A recent meeting of the Norwich Leaseholders' Association (NLA) also emphasised these complaints, pointing out that "the receipt of large demands for payments causes undue stress and worry for many individuals" and called for the reimbursement of all leaseholders who have been "grossly overcharged" for work over the past five years; for the reduction of management fees; and to ensure that leaseholders do not have to shoulder costs for contract management.

Although I am corresponding with officers regarding individual pieces of casework on this issue, it is clearly affecting a large number of residents and requires a wider response from the council.

Would the cabinet member for social housing please give her opinion on whether the council is doing enough to ensure leaseholders are getting value for money on such maintenance work?"

Councillor Harris, cabinet member for social housing's response:

"The council through NPS Norwich is concerned with getting best value for all of our tenants and by extension all leaseholders. NPS Norwich are a joint venture between the council and NORSE and act as the client side for works to the council's housing stock and in this context, they specify and let the contracts for major capital programmes and maintenance programmes. The work itself is carried out by external contractors who have won the work in open tender. NPS performance includes the value the council receives from these contracts so it is not in their or anyone else's interest for that work to be anything other than the best deal for tenants and leaseholders.

The council's procurement arrangements include consortia arrangements to maximise economies of scale and competition to ensure they are robust, transparent and are very successful in achieving this. The council's inspection regime is also of a high standard in comparison with sector norms.

As one would expect with the volume of work carried out, the council does, from time to time have issues with contractors. These are picked up by inspection regimes as well as complaints from tenants and leaseholders. The council always rectify the issues and have indeed barred some contractors from bidding for future work, driving even more value and quality into the process.

Where residents right to buy a flat or maisonette, and become a leaseholder the council provides information on the responsibilities of the leaseholder and those of the council including that a leaseholder will have to pay a proportion of the council's reasonable costs of managing and maintaining the block and estate, and of the council fulfilling the lease requirements. Leaseholders have a right to challenge the reasonableness of any service charge or of the standard of works or services and there are safeguards to protect leaseholders with the existence of an external tribunal which sets out to resolve disputes between leaseholders and the council (the tribunal can decide whether the charges levied on a leaseholder for services or repairs are reasonable).

If leaseholders have difficulties paying the service charge, they are requested to contact the council to discuss how payments can be made."

In reply to a question from Councillor Raby, Councillor Harris explained how the council engaged with the leaseholders. She suggested that the association could request a meeting which would provide the council an opportunity to respond to the leaseholders' demands. All contracts went through NPS. The council wanted value for money for all residents including leaseholders.

Question 4

Councillor Bogelein to ask the cabinet member for sustainable and inclusive growth the following question:

"The new master plan for Norwich City Airport released last week states the ambition to treble passenger numbers over the next thirty years. Could the cabinet member please comment on whether they support this ambition and how this plan can be compatible with the council's principle of a low carbon city and the need to reduce carbon emissions to urgently tackle climate change?"

Council Stonard, cabinet member for sustainable and inclusive growth's response:

"The government's aviation policy was published in 2013. It emphasised the government's support for aviation growth across the country and recommended airports prepare master plans; to address such growth by making sure the necessary land and infrastructure is available and to ensure impact on people and the natural environment is minimised and mitigated.

The recent Norwich Airport draft master plan is a product of this recommendation. Whilst we have yet to fully digest the details contained in the master plan I fully support its production; as a sound and responsible response to the government's estimates of growth in aviation over the next 30 or so years. I am happy to debate the desirability of aviation growth, however, it is a national and possibly international issue rather than something to specifically associate with Norwich Airport.

Assuming that aviation growth occurs as the government supports, Norwich Airport have applied a sound approach to their forecasting. This includes anticipating an increase in their share of the core catchment market from the 18% currently to over 36% by 2045. This results in higher passenger numbers than department for transport growth estimates alone might suggest but in my view it is entirely desirable.

Whilst emissions from aviation are, of course, of concern, it is worth remembering that home/airport transport emissions can be just as significant as aviation emissions, especially if the mode of transport is via under occupied cars or taxis which have to return to their original point of origin. Far better, therefore, that as many passengers as possible choose their local airport rather than travelling to Stansted or even further afield. This is clearly also a prudent approach; ensuring that what is required to accommodate such growth is in place, whilst it has the added advantage of helping to ensure the future of the airport and the economic benefits this brings to Norwich and the region."

By way of a supplementary question, Councillor Bogelein suggested that opposition of the master plan would protect future generations. Councillor Stonard reiterated his response above stating that the airport would have a larger share of the catchment area and would reduce travel from home to the airport. He said that the airport and the growth in the aviation industries were the "jewel in the crown" for the local economy and future growth.

Question 5

Councillor Price to ask the cabinet member for resources the following question:

"In the government's budget this spring, a £300m relief fund was announced to help businesses hardest hit by the business rates revaluation. This was to be allocated to councils, who could draw up their own rules for determining which businesses should benefit. However, there has been some concern nationally that many councils have not yet begun to distribute this money to businesses. I submitted a councillor enquiry on this matter on 27 June but am yet to receive a response. How much money has the council received from this fund, and has it been passed on to businesses?"

Councillor Kendrick, cabinet member for resource's response:

"Officers have been unable to find any record of your enquiry from 27 June and I have asked for this to be investigated.

As you have identified this is an issue nationally and here in Norwich we find ourselves in the same position as many other councils trying to implement government policy at short notice and without all of the information we need.

A consultation paper was issued by the government with views sought by 7 April 2017. Due to the general election being called on 8 June 2017 the government have not been able to publish the results; however they have advised that they do not expect billing authorities to delay designing their schemes!

In order to ensure that the available funding is not exceeded it has been necessary to carry out extensive modelling which had to be done manually using data from the revenues system. The pot allocated to Norwich city council is £484k in year 1 reducing to £235k, £97k and £14k over the next 4 years. It is important to ensure that this work is completed accurately as any over spend would have to be met by the council. It is therefore crucial that the final scheme is affordable within the allocation from government but that it helps those businesses most in need as a result of the revaluation.

The government did expect billing authorities to have identified and contacted those businesses qualifying for help from the scheme however this was unrealistic given the amount of work involved and the risks of not getting it right.

The scheme is expected to be presented to cabinet in September for consideration.”

Question 6

Councillor Henderson to ask the cabinet member for social housing the following question:

“On 27 April I asked via the councillor enquiry system how sheltered housing costs of around £15 per week are calculated in view of the massive cuts to the service; I received no answers, either to this enquiry or to my follow-up emails on 30 May and 20 June.

I have recently been told by residents of St James House that the council no longer provides a sheltered housing service and now tenants are designated as ‘independent living’. They were very concerned and uncertain about the possible implications of this. Unfortunately, I was unable to reassure them or provide further information, as I myself had not been informed of this development.

It is extremely difficult for ward councillors to do our jobs and represent residents effectively when we are not informed about changes to council services. Could the cabinet member please clarify what changes to the sheltered housing service have been made, or are planned, and whether the cost to tenants will remain the same?”

Councillor Harris, cabinet member for social housing's response:

"The council clearly still provides sheltered housing throughout the city and I would welcome a discussion with Councillor Henderson to reassure her of this. Some minor changes to the housing service management structure were reported to and agreed by cabinet in June last year which from September mainstreamed general housing work including lettings, void turnaround and routine management queries. There have been no adverse effects to any service because of these changes and indeed there have been improvements in letting times and the speed and response of dealing with housing related management issues. More importantly, this did not result in the council ceasing the sheltered housing service.

With regard to Councillor Henderson's initial query I can only apologise that the query was not answered. The employee that the enquiry was allocated to has recently undergone surgery and the query was not dealt with as it should have been and I have asked the head of neighbourhood housing to ensure you receive a full reply.

The service charge elements for sheltered housing vary from scheme to scheme from under £3.00 per week to £10.00 per week depending on the facilities at the scheme and the level of additional communal services delivered. I am more than happy to meet with Councillor Henderson to brief her on the charges for each scheme if that would help her understand the current system of funding and charges.

Councillors will be aware that Norfolk County Council budget cuts to supported housing may affect tenants from March 2018 and a series of meetings have been arranged at each scheme so that the council can explore both the impact of these cuts and tenant support needs so that the council can consider how best it can continue to support the residents to live independent, full and active lives.

Officers and my cabinet colleagues will continue to lobby Norfolk County Council on the senseless nature of these cuts and any proposals the council needs to take to support tenants in these difficult times will be reported to cabinet."

Councillor Henderson expressed her disappointment that she had not received a response to her member enquiry. Councillor Harris said that she would be happy to arrange a briefing with Councillor Henderson and that regrettably the officer who should have responded to her enquiry had been on sick leave.

Question 7

Councillor Schmierer to ask the cabinet member for safe city environment the following question:

"Given the alarming rise in homelessness and rough sleeping in this city and elsewhere, it is clear that we need to do all we can to help these individuals.

Norwich City Council activates its Severe Weather Emergency Protocol (SWEP) when a temperature of zero degrees Celsius or lower is forecast for three consecutive nights. As part of this, the council works with other partner agencies to ensure that people who are out on the streets are offered emergency accommodation. However, wet, damp and windy weather, or long periods of cold (but not sub-zero) conditions may be as damaging to human health as freezing conditions. Does the cabinet member agree that it would be better to broaden the definition of what constitutes severe weather for the SWEP to come into effect?"

Councillor Maguire, cabinet member for safe city environment's response:

"The council's current SWEP provision, as outlined in Councillor Schmierer's question, runs in accordance with government guidance, which places a humanitarian obligation on local authorities to do all they can to prevent deaths on the streets caused by winter weather. The focus of SWEP is twofold:

- To ensure that no one dies on the streets due to severe weather.
- To ensure that every effort is made to engage individuals with support services during the winter months when entrenched rough sleepers may be more likely to accept support.

Naturally, I agree that, regardless of SWEP, the council has an obligation to do all it can to address rough sleeping at any time of year and am confident that this authority fulfils its obligations in this regard. We are committed to preventing rough sleeping and dedicate significant resources throughout the year to preventing homelessness, as well as providing support to anyone who finds themselves on the street. This includes the employment of a specialist rough-sleeper co-ordinator to provide intensive support and assistance to rough sleepers, the funding of hostel and supported accommodation, reconnection to home areas, and provision of outreach support through our partners at St Martins Housing Trust.

I should point out that it does not take a period of severe weather for this council to provide this degree of assistance or accommodation to rough sleepers and this offer is available all year round.

The council is not complacent and equally recognises the challenges ahead. We are continually seeking to improve what is delivered including within the last few months, through our partners at St Martins Housing Trust, increasing access to accommodation for vulnerable rough sleepers through the provision of seven 'sit-up' beds at Bishopbridge House hostel. This 'No second night out' approach to providing immediate accommodation for those in emergency need effectively mirrors SWEP on a year round basis.

Alongside such committed partners, the council is able to work intensively with individual rough sleepers and, for those that are willing to engage, ensure there are short and long term solutions available.

I am gratified that, in this local authority area at least, the provision of such a high level of support and assistance to vulnerable rough sleepers is available every day and not dependent on the weather conditions.”

In response to Councillor Schmierer’s supplementary question, Councillor Maguire explained that there was a whole raft of interventions which were made before a SWEP was called. Regretfully the numbers of people being driven to sleep rough had increased.

Question 8

Councillor Maxwell to ask the cabinet member for social housing the following question:

“I am aware of the considerable and fast moving work being undertaken by the city council and partners to ensure our council owned tower blocks remain safe and comply with all safety standards. Since our last meeting can the cabinet member for council housing comment on the continuing progress made?”

Councillor Harris, cabinet member for social housing’s response:

“A comprehensive review of fire risk and safety in residential tower blocks in Norwich was commissioned on 15 June and an initial draft report has been produced by NPS Norwich. This has been issued to Norfolk Fire and Rescue Service for comment.

During the period of the review, there has been regular contact between NPS Norwich, the council and Norfolk Fire & Rescue Service whilst consulting and collaborating with a number of technical organisations and individuals who specialise in fire safety and fire prevention and control.

The key recommendations focus on the importance of taking an holistic fire safety management. In other words, compliance with the Regulatory Reform (Fire Safety) Order 2005 is not just about being able to produce a fire risk assessment for the premises. but also requires the ability to demonstrate that the fire safety of premises is managed in a total and holistic manner.

Total fire safety requires a full understanding of the impacts and implications that issues such as maintaining fire safety provision, training staff, and communicating and collaborating with all building users will have on our residents. Complete fire safety awareness will only be achieved through understanding how these factors interact with one another and impact on the building and users as a whole. This includes an understanding of the resilience of a building to fire in respect of protecting property, residential continuity and potential environmental impacts.

In practice the council will

- conduct a full-scale physical detailed inspection and specialist survey of all 8 residential tower blocks which are in the property portfolio

- inspect all individual flats in tower blocks. Residents have been informed of this and indeed some had requested that the Council undertook this task. This work will take place over a 12 week period and will give clear knowledge to the Council to ensure the safety and well-being of residents who live in the tower blocks
- identify any breeches to 'compartmentation' will be noted and reviewed against historic repairs and maintenance work programs to understand any gaps
- investigate the needs and challenges of implementing any upgrades that may be required in the towers to improve and install fire safety measures such as alarms, detection and suppression systems.

To ensure ongoing safety the council in conjunction with Norfolk Fire and Rescue Service will develop a "fit for purpose" methodology of risk assessments for each tower ensuring that there are clear protocols produced for annual sign-off related back to the holistic fire safety management of the tower blocks, including developing a refreshed evacuation plan and a clear means of escape policy giving clear consideration on advice and guidance to "stay put", the specific needs of vulnerable residents and escape routes.

Officers from the council, NPS Norwich and Norfolk Fire and Rescue Service will be meeting regularly to review progress on this work and the council's caretakers and housing officers will continue to provide reassurance and respond to questions that residents of our towers may have.

The council will continue to monitor any emerging recommendations from the Norfolk fire and rescue service and the Department for communities and local government and consider how it responds to any changes to guidance or legislation that results from the public inquiry for Grenfell Tower."

Question 9

Councillor Packer to ask the leader of the council the following question:

"It was reported that Norfolk County Council will make a further £125m cuts on top of the £334m already achieved by 2021, transporting Tory central government austerity upon the wider city and county. We have already begun to see the impact of these cuts upon many jointly commissioned services of this council, including supported housing. Can the Leader give assurances that he will continue to make the strongest case possible for protecting valued Norwich services and highlight the damage and additional, often preventable, costs which will be caused by these changes?"

Councillor Waters, leader of the council's response:

"Can I thank Councillor Packer for his timely question and can I assure him that I am making every effort in my role as leader of the council to challenge

the ruinous and frankly inhumane policies of the Conservative Government and specifically the impact on the citizens of Norwich. We may have a hung parliament but the cuts machine roles on. The motion on an 'alternative Queen's speech', unanimously passed at the June Council, illustrated how technical changes and local freedoms and flexibilities can be a first step in stabilising the city council's budget (and for that matter the county council's) and start restoring much needed investment in social fabric.

We also know from the Queen's speech that the funding model for local government based on a localised system of business rate retention has now been abandoned at a halfway point in the timetable for its full implementation. Besides being an intrinsically flawed and unstable system for funding councils it leaves the question as to whether the Conservative government will continue to cut Revenue Support Grant. Tory and coalition governments over the past seven years have abandoned this equalisation mechanism – based on need – multiplying damaging social, economic and environmental consequences for communities.

There is of course an alternative: known by its shorthand as 'inclusive growth', or 'good growth' which sees social investment as integral to building a society that everyone benefits from and one which invests in people to create a successful economy and a fundamentally more equal society. We are advocating this approach not just for ourselves but also in working with our partners to shape the future direction of the city.

Councillor Packer's question specifically referenced the impact of central government funding cuts on jointly commissioned services between the city and county councils. The ramifications of these budget cuts will ultimately cost more than the 'savings', shunting costs elsewhere and with a serious impact on the lives of those people relying on these services – as detailed below.

Building Resilient Lives is Norfolk County Council's programme to reshape housing related support services. The amount the county spend on housing related support will reduce from £10.5m in 2016/17, to £7.925m in 2017/18 and £4.7m in 2018/19. This will be achieved by:

- a) Investment of £3.2m (a reduction of 20%) in crisis accommodation (homeless hostels) for young people and single adults who are homeless (Dec 2017)
- b) Reinvestment of around £1.3 - £1.5m in interventions which will positively impact on needs for people on the edge of more formal care (March 2018 at the earliest)
- c) Decommissioning of:
 - I. Support in sheltered housing (Feb 2018) and outreach for older people (Sept 2017)
 - II. Generic floating support (Nov 2017) and mental health floating support (Sept 2017)
 - III. Support to move on accommodation for homelessness and young people's services including supported lodgings (Dec 2017)

The Care Act says that the county have to make sure there are **prevention services** available in Norfolk, but they can choose how this is provided.

The **supported housing cuts** are:

Year	Supporting People budget	Diff
16/17	£10m	
17/18	£7.925m	- £2.075m
18/19	£4.5m	-£5.5m

The budget currently pays for housing related support costs for the following services across Norfolk:

- Sheltered housing
- Hostels and supported housing for homeless people
- Supported lodgings
- Floating support for people living in their own homes that have mental health problems or need help to live independently

The cuts will mean that the following services will be closed:

- Mental health floating support service
- Generic floating support service
- Some supported housing services
- Removal of housing related support funding for all sheltered housing

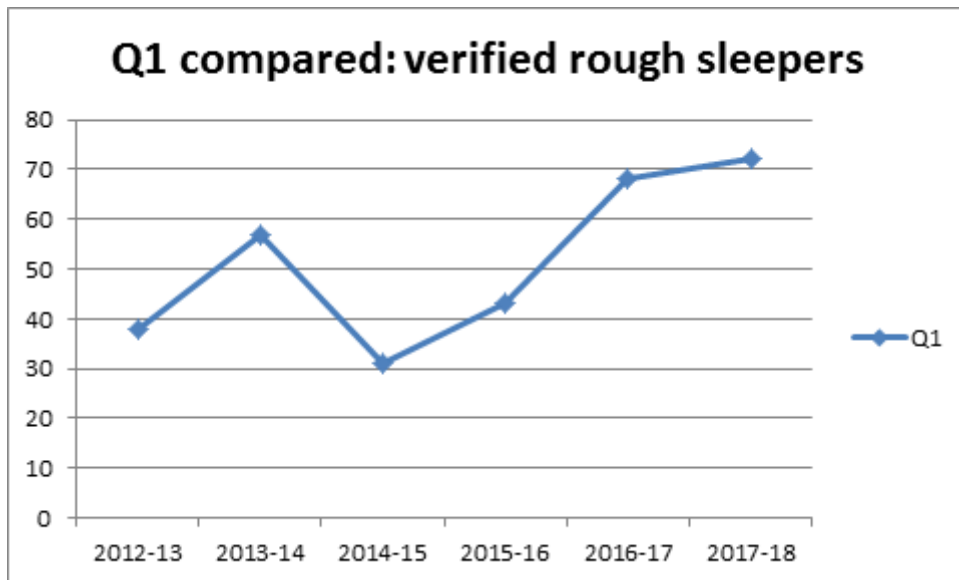
The following services are likely to remain but will be faced with a 20% cut in their housing related support budget:

- Main direct access hostels
- Hostels (dependent on business model)
- Supported housing with clients who have a higher level of need

In terms of sheltered housing the funding being lost to the city council is £292,500. As you know, discussions are in progress with tenants of sheltered housing schemes to understand their support needs so future options can be considered.

Rough sleeping

The latest rough sleeping report shows record numbers of rough sleepers.



The above chart shows the number of “known” individuals. The table below shows the number of known and unknown individuals in Q1 16/17 and 17/18.

Q1	2016/17	2017/18
Known	68	72
Unknown	28	54
Total	96	126

There are a number of reasons why Norwich is seeing such large increases including:

- Austerity-driven welfare reforms
- Overall increase in poverty
- Structural issues in the housing market (affordability, ending of assured short hold tenancies)
- Tightening of criteria of access to statutory services caused by legislative changes (Health and Social Care Act 2012) and funding cuts
- Insecure working patterns
- Cuts to preventative services (Supporting people funding)

This will increase further with supported housing budget cuts, continuing welfare reform and with the introduction of universal credit next year.

Funding to the families unit

The county council withdrew funding of £150,500 per year to the service at the end of March 2017 which has now closed. The service would work with other statutory and voluntary agencies to provide integrated support plans to families with children to achieve three main objectives, namely:

- To support and challenge families and children to enable them to maintain their tenancies and live within the limits of acceptable behaviour
- To reduce the breakdown of family relationships through improved parenting skills, money and household management
- To maximise children and young people's opportunities to attend school through improved attendance

The city council now fully fund a specialist support team whose focus is to support the most complex individuals and families sustain their tenancies and work related to children in families specifically, which was funded by Norfolk County Council has stopped.

Norfolk County Council - Promoting Independence strategy (future approach for adults)

- Empower and enable people to live independently for as long as possible
- Care and support is focused on improving people's overall life outcomes
- Formal long term services only as last resort
- Work with local communities / district councils / local partners
- Develop solutions / market in local communities where there are little choice

Advice and guidance budget cuts

The recommissioning of information advice and advocacy services and planned savings of £0.063m has been moved from 2017-18 to 2018-19. It is unclear what the impact of these cuts will be.

At Norwich City Council, we know that people require advice at different times in their life or changes to one's life or circumstances. These life changes can be traumatic and advice can help provide people with a direction. Where these life changes affect vulnerable people then advice plays an even greater role in protecting people from making unwise decisions.

Whilst in many cases people can make well informed decisions from families and friends who can help them in their choices, for many this is not an option and the availability of easy free at the point of access advice can make a big difference to those individuals at that time but also prevent the need for higher cost interventions at a later time.

The withdrawal of resources to the sector will not stop the need.

If the county council accept the importance of prevention and early help as a starting point, it is important that good quality advice that is free at the point of

access is available as demand will not go away with the withdrawal of funding to commission services.

Norfolk County Council should also consider how the provision of Information Advice and Guidance, (IAG) feeds into the wider prevention agenda, especially in the context of the systemic risk presented by the proposed cuts to housing support. There is a risk that some of our most vulnerable residents will lose multiple possible sources of support at the same time.”

Councillor Packer asked what would be the long term implications on the discretionary services run by the council. The leader said that certain services would be under acute financial pressure in the next budget round.

Question 10

Councillor Vaughan Thomas to ask the cabinet member for safer, stronger neighbourhoods the following question:

“I was pleased to see the launch of the Crowdfund Norwich platform which will support community groups, social enterprises and charities across the city. Can the cabinet member for safe, stronger neighbourhoods comment on the positive opportunities this fund will give?”

Councillor Herries, cabinet member for safer, stronger neighbourhoods’ response:

“Crowdfunding has become an increasingly popular means of raising money in recent times, allowing people to turn their project ideas into reality by receiving pledges from individuals and local businesses. Successful independent projects such as the Feed crowdfunding £21,000 for their new market stall, or Foodhub recently raising £3,100 has shown Norwich has an appetite for funding its own community projects plus a skilled and innovative voluntary, community and social enterprise, (VCSE) sector ready to use it.

The council’s new Crowdfund Norwich page, which forms part of the **Get involved** programme of community enabling, will feature any local Crowdfunder projects – the site can be found at www.crowdfunder.co.uk/funds/crowdfund-norwich - so people looking to gain funding and support for a local project have a platform to attract funding and where those looking to give to a local project can find exciting projects and causes with ease.

The council has set aside an initial sum of £50,000 of funding for community projects on Crowdfund Norwich, money which comes from the council’s neighbourhood element of the community infrastructure levy (CIL) – a fund of money generated by planning charges made to developers as a way to support the growth their developments will bring to an area. This will be for projects which support areas of growth in the city including projects in parks and open spaces, community buildings, resident training, and safety and accessibility projects.

There have already been multiple enquiries into the platform, an article in Citizen, and internal coaches are supporting groups to develop proposals and projects.

Where projects are found unsuitable for council funding, this has not put off project owners and the council's coaches are helping them to develop their projects for public funding as well as other sources of funding on the Crowdfunding site, such as those from the Arts Council or specific businesses where there is a link.

The main positive objectives the council have are:

- To give the local community more ownership of decisions made on how neighbourhood CIL money should be spent, ensuring our investment reflects local need
- To raise additional monies against our own investment – Crowdfunder as a model averages an additional £1.67 is raised against every £1 of council investment from their other council projects
- To give additional visibility and reputational support to projects in the city
- Crowdfunder reports that a pledge of any cash amount from a council or large funding body to a project increases the average size of subsequent public pledges
- To use the Crowdfunding training as an opportunity to connect with and upskill new and existing VCSE groups and residents, helping them develop positive and safe projects. Once groups are trained and confident, they can use this method for other projects independently, giving them access to additional funding sources
- To target the council's support, allowing more capable groups to raise their own funds allowing council officers more time to spend with those less capable groups where they can support both on crowdfunder and other grant options where needed
- To engage residents in their local projects, not only as financial backers but also as volunteers and users of the finished project
- To identify larger projects as suggested by residents which may not suit crowdfunding but could be larger CIL investment projects in the longer term."

Question 11

Councillor Woollard to ask the cabinet member for safe city environment the following question:

"Representing Mile Cross, which has suffered considerably in recent months with violent offences linked to illegal drugs activity in the county, I was very pleased to learn that more than 170 people have now been arrested under Operation Gravity. Breaking up organised crime is vital to ensuring peace of mind and security for my residents. Can the cabinet member for safe city environment comment on the ongoing partnership and work between this council and other agencies tasked to deliver community safety in our city?"

Councillor Maguire, cabinet member for safe city environment's response:

"The complex problem of organised drug activity in the city has presented a considerable challenge for both the Norfolk Constabulary and police, not least because as well as the increased level of drugs, it is vulnerable residents who tend to be targeted for 'cuckooing' and exploitation by drug dealing groups.

Working with the police and other partners, the council's ABATE team are approaching this issue on a case by case basis and are using a variety of tools and measures including the use of closure orders, where premises can be closed for 3 months, possession action using the mandatory ground (where a property can be re-possessed quickly for the most serious issues of anti-social behaviour and crime), managed moves where appropriate and liaison with other councils to assist those fleeing violence. In conjunction with this, victims are offered appropriate support from either the council's specialist support team or from a partner support service, accessed via the Norwich early help hub.

Very recently, the council's ABATE team manager attended a conference organised by the 'Tackling Crime Unit' at the Home Office, where a number of similarly affected councils, housing providers and the police met to share approaches around best practice to this national problem. The experience of other towns and cities is very similar to ours in Norwich. Officers are part of a new online forum for frontline practitioners across a range of sectors, which enables the council to share information and seek advice on all matters related to organised drug dealing known as 'County Lines'.

The Home Office is currently in the process of finalising a guidance document for frontline officers on identifying and appropriately referring concerns about this drug related activity. All frontline council officers have had information on indicators of organised drug crime and where to report it, via the Operation Gravity information booklet, '10 things you need to know about Gravity'.

Officers in housing and area management officers, have all had information on what to look for and who is vulnerable and the ABATE team continue to work very closely with police partners to identify affected properties and take appropriate action to tackle this challenging problem."

Question 12

Councillor Bremner to ask the cabinet member for social housing the following question:

"I was pleased to see the cabinet member for social housing attend the golden brick ceremony at the new Leander Court development off Bluebell Road. The ceremony related to the build of 20 affordable sheltered apartments, due for completion in spring 2018. Can the cabinet member comment on the partnership arrangement and funding which was facilitated by the city council

and Norwich Housing Society to deliver this really important part of a much bigger commercial housing scheme?”

Councillor Harris, cabinet member for social housing’s response:

“In 2012 the council entered into an agreement with the department for communities and local government to retain any receipts from right to buy, (RTB) for the provision of affordable housing in the city.

The government subsequently introduced the reduction in social rents by 1% per annum for four years from 2016/17 and proposed in the *Housing and planning act* to make local authorities dispose of high value void properties to fund RTB for providers. These legislative changes mean that the council has had to consider its future ambitions for additional new-build affordable housing and as such holds surplus RTB receipts under the one for one replacement programme that we will be unable to spend ourselves.

To ensure that this money was retained for investment within Norwich, and to mitigate against having to pay high interest charges back to central government, in October 2015 cabinet agreed that we will seek to:

- i) spend first on the council’s own housing capital programme; and
- ii) where we do not expect to be able to spend in full we will seek to pass the remainder to registered providers to develop social rented housing as a first priority and affordable rented housing where this is not possible.

Since agreeing this policy cabinet has approved a total of £8.8m in grant funding to registered providers for the delivery of 253 new affordable homes.

This has included the grant funding of £600,000 to Norwich Housing Society for the scheme at Leander Court.

This scheme is part of a wider development, by McCarthy and Stone, and is phase 1 of the Bartram Mowers site. This phase consists of 62 age restricted (over 55s) sheltered apartments and assisted living extra care accommodation with communal facilities. 20 of the 62 sheltered apartments are required to be affordable housing under the S106 agreement. Officers facilitated the introduction of Norwich Housing Society to McCarthy and Stone as they are a local registered provider who is a specialist in accommodation for older people.

The Society also previously owned 12 houses in the city which were let to general needs families. They decided to dispose of these properties as they wished to concentrate on accommodation for older people. The council held restrictive covenants over these properties which were agreed to be lifted providing the proceeds were used for additional affordable housing in Norwich. The proceeds have provided the additional funding needed for Leander Court. The former tenants were all found suitable alternative accommodation with assistance from the council’s Home Options team.

Report to Council
26 September 2017
Report of Chief finance officer and Chief internal auditor, LGSS
Subject External audit appointment

Item

7

Purpose

To consider the appointment of the external auditors as endorsed by cabinet and audit committee.

Recommendation

That council endorses the proposal from the panel of the Public Sector Audit Appointments Ltd (PSAA) that Ernst & Young LLP continues to be the council's external auditor.

Corporate and service priorities

The report helps to meet the corporate priority value for money services.

Financial implications: No direct financial implications.

Ward/s: All wards

Cabinet member: Councillor Kendrick – resources

Contact officers

Karen Watling, chief finance officer	01603 212440
Duncan Wilkinson, chief internal auditor (LGSS)	01223 715317
Jonathan Tully, principal audit manager (LGSS)	01603 212575

Background documents

None

Report

Background

1. There is a statutory requirement for the council's Statement of Accounts to be independently audited. The Local Audit and Accountability Act 2014 brought changes to the appointment process for external auditors (referred to in the Act as a local auditor).
2. The contract for the present external auditors, Ernst & Young LLP (EY), is due to expire 31 March 2018. The council must, by 31 December 2017, have appointed a local auditor to be in place by April 2018, to undertake the audit of the council's financial statements for 2018-19 onwards.
3. Appointments are made through an audit panel. On 20 September 2017 the Audit Committee approved using the Public Sector Audit Appointments Ltd (PSAA) to act as an audit panel. The PSAA have proposed that the local auditor for the Council continues to be EY, which will provide continuity.
4. The Local Audit and Accountability Act 2014 closed the Audit Commission and established transitional arrangements for the appointment of external auditors and the setting of audit fees for councils.
5. On 5 October 2015 the Secretary of State Communities and Local Government (CLG) determined that the transitional arrangements for local government bodies would be extended by one year to also include the audit of the accounts for 2017-18.
6. The council's current external auditor is Ernst & Young LLP (EY). The contract is currently managed by Public Sector Audit Appointments Limited (PSAA), the transitional body set up by the Local Government Association (LGA) with delegated authority from the Secretary of State CLG.
7. When the current transitional arrangements come to an end on 31 March 2018, the council will need to appoint a local auditor. The Act requires that a relevant authority, i.e. Norwich City Council, '...consult and take in to account advice from its audit panel when selecting and appointing a local auditor'.
8. The Local Government Association (LGA) successfully lobbied for councils to be able to 'opt-in' to a Sector Led Body (SLB) appointed by the Secretary of State under the Act. An SLB has the ability to negotiate contracts with external audit firms nationally, maximising the opportunities for the most economic and efficient approach to procurement of external audit on behalf of the whole sector. PSAA is the Sector Led Body.
9. On the 20 September 2016 the audit committee considered options for forming an audit panel and agreed that continuing to use the PSAA would be best value. The committee recommended to cabinet that this option should be progressed. Cabinet endorsed the recommendation, and PSAA was appointed as an audit panel by a full council decision on 29 November 2016.

Consultation for auditor proposal

10. The scope of the audit will continue to be specified nationally. The National Audit Office (NAO) is responsible for writing the Code of Audit Practice, which all firms appointed to carry out the council's external audit must follow.
11. The PSAA completed a tender exercise to identify who could be local auditors. Accounting firms had to demonstrate that they have the required skills and experience and be registered with a Registered Supervising Body approved by the Financial Reporting Council.
12. Subsequently the PSAA wrote to the council on 15 August 2017, proposing that Ernst & Young (EY) continues to be our local auditor.
13. Ernst & Young LLP (EY) is a multinational professional services firm with 231,000 employees based in over 150 countries worldwide. They provide assurance, tax, consulting and advisory services, and are one of the "Big Four" accounting firms. EY employs around 13,000 people in the UK. There are 240 staff including 14 Key Audit Partners who currently work full-time in the Government and Public Sector Assurance service team, who are also able to draw from an extensive pool of specialists.
14. In developing this appointment proposal, PSAA applied the following principles, balancing competing demands, based on the information provided by audited bodies and audit firms:
 - ensuring auditor independence, as required by the Regulations;
 - meeting commitments to the firms under the audit contracts;
 - accommodating joint/shared working arrangements where these are relevant to the auditor's responsibilities;
 - ensuring a balanced mix of authority types for each firm;
 - taking account of each firm's principal locations; and
 - providing continuity of audit firm if possible, but avoiding long appointments.
15. The council can object or confirm this proposal. Reasons for objection, could include an independence issue, partnership arrangements (i.e. if we wanted to change to the same auditor as a partner council), or dissatisfaction with the service. The PSAA can reject an objection. If they agreed to an objection, they would appoint another auditor for us.
16. The external auditor assesses their independence as part of their annual plan (reported annually to audit committee in March). There is also an opportunity to discuss perceived independence and objectivity, through the audit committee, as part of their audit results (reported annually in September). In addition the PSAA has a complaints process, and will undertake contract monitoring of the audit firms.

17. There is no prescribed process for consultation. For transparency, it has been agreed that the audit committee, cabinet and council would consider the proposal, reflecting the previous reports on external audit appointments. On 5 September 2017 the audit committee considered the report and recommended to cabinet that it endorsed the proposal from the Public Sector Audit Appointments Ltd (PSAA). At its meeting on 13 September 2017, cabinet resolved to:

“recommend to council that it endorses the proposal from the panel of the Public Sector Audit Appointments Ltd (PSAA) that Ernst & Young LLP continues to be the council’s external auditor.”

18. The council must respond to this consultation by 27 September. Following consultation, all appointments must be approved by the PSAA Board. This is scheduled for the meeting of the Board on 14 December, following which the PSAA will write to all opted-in bodies to confirm the appointments.

Summary

19. Section 7 of the Local Audit and Accountability Act 2014 (the Act) requires a relevant authority to appoint a local auditor to audit its accounts for a financial year not later than 31 December in the preceding year. Section 8 governs the procedure for appointment including that the authority must consult and take account of the advice of its auditor panel on the selection and appointment of a local auditor.
20. Further information on the auditor appointment process is available on the PSAA website: <https://www.psaa.co.uk/appointing-person/frequently-asked-questions/>
21. The auditor panel has proposed that EY continues to be our local auditor for the next 5 years. Cabinet may object to or support the proposed appointment.

Integrated impact assessment



NORWICH
City Council

Report author to complete

Committee:	Cabinet/council
Committee date:	13 September 2017/26 September 2017
Director / Head of service	chief finance officer / chief internal auditor
Report subject:	External audit appointment
Date assessed:	31 August 2017
Description:	Consultation

	Impact			
Economic (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Finance (value for money)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Other departments and services e.g. office facilities, customer contact	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
ICT services	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Economic development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Financial inclusion	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Social (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Safeguarding children and adults	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<u>S17 crime and disorder act 1998</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Human Rights Act 1998	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Health and well being	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

	Impact			
Equality and diversity (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Relations between groups (cohesion)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Eliminating discrimination & harassment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Advancing equality of opportunity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Environmental (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Transportation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Natural and built environment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Waste minimisation & resource use	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Pollution	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Sustainable procurement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Energy and climate change	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
(Please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Risk management	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Recommendations from impact assessment
Positive
Negative
Neutral
Issues