

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, 29 November 2016

19:30

Agenda

Pages

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

4 Petitions

5 Minutes

To approve the accuracy of the minutes of the council meeting held on 27 September 2016

7 - 30

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

Purpose - To approve the Sector Led Appointment of external auditors from 2018-19

31 - 48

8 Motion - Unaccompanied refugee children

Proposed by councillor Wright and seconded by councillor Ackroyd

The refugee crisis has continued over the summer including refugees from Syria but also from other countries, with an estimated 88,000 unaccompanied children believed to be travelling through continental Europe, vulnerable to

falling prey to exploitation and abuse.

Council **RESOLVES** to:

1) welcome the central government's commitment in the Immigration Act 2016 to create a resettlement scheme to bring unaccompanied refugee children from continental Europe to safety in the UK, but notes the very slow progress that has been made in implementing a scheme to cater for this highly vulnerable group.

2) endorse Liberty's "statement of support" pressuring central government to honour its commitment without delay and also call on council members to pledge their individual support via Liberty's website www.liberty-human-rights.org.uk/campaigning/protect-refugee-children

3) recognise the important role that the residents of Norwich have been playing in caring for children and their families seeking sanctuary.

4) urge central government, by asking group leaders to write to appropriate Ministers, to work closely with local government to ensure that councils have the funding and support to build the essential regional infrastructure necessary to secure the placement and support of children across the country, especially in relation to housing provision, educational needs, and English language provision, and help us build them a brighter, safer future.

9 Motion - Housing-related support budget reductions

Proposed by Councillor Harris and seconded by Councillor Thomas

Norwich City Council works closely with a number of statutory and voluntary sector organisations, some of which the council commissions, to provide significant support to people affected by homelessness and to meet the housing needs of some of the most vulnerable people in the city.

Norfolk County Council is proposing budget reductions of £4.678m to the £9.1m housing related support budget in Norfolk in 2017/18. This will impact significantly upon services commissioned by Norfolk County Council in Norwich for housing related (accommodation based) support and floating support for people in their own accommodation.

Council **RESOLVES** to:

1) note that if Norfolk County Council's proposals are implemented, it could lead to increased demand on Norwich City Council services which are already under pressure and an increase in costs of £677,000 per annum because of increased pressure upon housing options prevention and statutory homelessness work, the neighbourhood housing service and an increase to rough sleeper outreach contract costs.

2) support Norfolk County Council to reconsider these proposed cuts in light of the evidence that this will expose some of the most vulnerable in our society to even greater risk.

3) ask the Leader of the Council to write to Norwich MPs highlighting, once again, the impact of central government cuts on local government and the direct impact of these on the most vulnerable people in Norwich.

10 Motion - Accessibility in the city centre

Proposed by Councillor Haynes and seconded by Councillor Grahame

People with disabilities – including learning disabilities or neurological disabilities – can face barriers to getting around Norwich, including road crossings that are difficult to use, street clutter and lack of accessible toilets. Changes and temporary roadworks pose particular problems, as reported in the EDP on 23rd July 2016 and to Scrutiny committee members during an ‘access walk’ in July. Alterations that may seem small can determine whether or not a person is able to navigate the city independently.

Other councils including Hull have worked with local access groups to develop a ‘street charter’, setting out the council’s promise to people with disabilities regarding highways issues.

Council **RESOLVES** to:

1) recognise access issues within its corporate priorities

2) ask cabinet :

a) in association with disability groups, to create an accessibility charter for Norwich which sets out the council’s promise to people with disabilities.

b) when planning highways changes, to ensure people with disabilities are included in the process from the start, not only consulted at the end.

c) to organise an access walk whenever a new major project is created, including representatives with a variety of types of disability.

d) to ensure non-visible disabilities such as autism are considered when planning access requirements.

e) to continue to fund and promote the Norwich Access Group and their efforts to highlight access issues in the city.

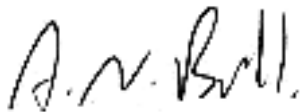
11 Motion - Homes fit for an aging population

Proposed by Councillor Lubbock and seconded by Councillor Ackroyd

Through the adoption of the 'Norwich Standard', this council accepts the need to provide adequate living conditions for its tenants which is especially important as they grow older.

Ensuring elderly tenants retain their independence and dignity, living in their homes as long as possible must be an essential part of this council's housing services.

Council **RESOLVES** to ask cabinet to ensure choice is offered to tenants when upgrades to bathrooms are scheduled to properties - the choice of having a walk-in shower installed instead of a bath, with emphasis that this choice should be given to tenants without the need to prove that they are disabled or have certain medical conditions.



Anton Bull
Director of business services

For further information please contact:

Andy Emms, democratic services manager
t: (01603) 212459
e: andyemms@norwich.gov.uk

Democratic services
City Hall, Norwich, NR2 1NH
www.norwich.gov.uk

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COUNCIL

7.30pm – 9.45pm

27 September 2016

Present: Councillor Maxwell (Lord Mayor), Mr Marks (Sheriff), Councillors Ackroyd, Bradford, Bremner, Bogelein, Brociek-Coulton, Button, Carlo, Coleshill, Davis, Fullman, Grahame, Harris, Haynes, Herries, Jackson, Jones(B), Jones(T), Kendrick, Lubbock, Manning, Maguire, Packer, Peek, Price, Raby, Ryan, Sands(M), Sands(S), Schmierer, Stonard, Waters, Woollard and Wright

Apologies: Councillors Driver, Henderson, Malik, Thomas(VA) and Thomas (VI)

1. LORD MAYOR'S ANNOUNCEMENTS

The Lord Mayor said that since the last meeting she had undertaken nearly 60 engagements. She had enjoyed them all but commented on two highlights. One was the Battle of Britain celebrations for which there was an impressive parade by the RAF outside City Hall, a fly past by a spitfire and a service at the cathedral. She had been particularly pleased to be invited to start the Norwich Pride parade in which 7,000 people took part.

At the invitation of the chair, Councillor Brociek-Coulton updated council on Norwich in Bloom's recent success at the Anglia in Bloom awards, as follows:-

City category - Norwich category winner and Gold award
Business Improvement Area category – Norwich BID category winner and Gold award
Urban communities category – Mancroft ward Gold award; Sewell ward Silver Gilt award
Best Hotel category – The Assembly House Silver Gilt award
Best Restaurant category - The Assembly House category winner and Silver Gilt award
Churchyard category - St Stephens Church gold award
Best Public House category – Adam and Eve PH category winner and Gold award
Best new Entrant – Adam and Eve PH

Councillor Brociek-Coulton said that, yet again, Norwich in Bloom had been very successful and she thanked everybody who had contributed to that success.

Members of the council showed their appreciation in the usual way.

2. DECLARATIONS OF INTEREST

Councillors Grahame and Price declared an 'other' interest in item 11 – motion on business rates and clean energy.

3. QUESTIONS FROM THE PUBLIC

Public question 1

County councillor Andrew Boswell, Nelson division, asked the cabinet member for cabinet member for environment and sustainable development:

“Norwich City Council has a commitment to “a healthy city with good housing” and “access to affordable decent homes” in its corporate plan. It risks failing in this commitment because current development control is inadequate to ensure developers provide affordable housing in accordance with their legal obligations.

The economic viability of development has become an important consideration as part of the planning system nationally, both in terms of plan-making and when determining planning applications. There are well-documented cases where developers are overestimating costs and underestimating development value in their viability assessments in order to claim they cannot provide affordable housing - pulling the wool over the eyes of planners, councillors and communities.

Some authorities and cities are already developing supplementary planning guidance (SPG) on viability assessments and there is a growing body of expertise. A Norwich SPG could, for instance, provide a framework for rigorous evaluation of development proposals, checking of secondary data such as indices or other information sources generated by third parties, using best practice from Royal Institute of Chartered Surveyors, Royal Town Planning Institute and other authorities.

Will the cabinet member for environment and sustainable development ask officers to take a paper to the Sustainable Development Panel on developing a Supplementary Planning Guidance on Viability Assessments?”

Councillor Bremner, cabinet member for environment and sustainable development responded as follows:

“The city council plays a leading role in delivering its corporate plan priorities relating to a healthy city with good housing” and “access to affordable decent homes”.

The council is already building new affordable housing itself, with eight social and four shared ownership dwellings completed at Eglinton Mews; two just completed at Riley Close and ten under construction at Hansard Close. Construction is due to start in the next few months of 105 units at Goldsmith Street.

The council has also take an ambitious step through establishing its own development company “Norwich Regeneration Ltd” which will shortly be taking forward its first development at Three Score with 172 dwellings in phase 2. Three Score phase 2 will deliver 33% affordable housing and the council has already agreed to take on the first 18 social units in the scheme; 112 of the units at Three Score phase 2 will be constructed to passivhaus standards, as will Goldsmith Street and Hansard Close. Passivhaus housing will significantly reduce energy bills for residents as well as contributing to carbon reduction. The council also uses its land assets to enable affordable housing provision by housing associations, with a further 75 dwellings planned in the latest batch of small sites that are now being taken forward.

So the council itself is making a significant contribution towards new high quality housing for sale and rent and new social housing in addition to the provision by the private sector.

With regard to the viability, the city council already has published supplementary planning guidance in relation to this. In our case this is incorporated into our Affordable Housing Supplementary Planning Document which was published in March 2015 following a cabinet decision in accordance with the recommendation of sustainable development panel.

Our approach to viability assessment requirements are addressed in some detail in section 11 and appendix 4 of this document.

This is a matter on which practice is evolving rapidly in the light of legal decisions and frequent changes to planning legislation and regulation. Because of this and especially due to the impact of the starter homes initiative it is likely that the Affordable Housing SPD will need to be reviewed shortly.

The sustainable development panel will be involved in any review which will also give an opportunity to reflect on best practice available so that we maximise both the rate of housing development taking place within the city generally and the number of genuinely affordable homes to meet very pressing needs.”

County Councillor Boswell asked, as a supplementary question, if, as part of the review of the affordable housing SPD, the cabinet member would support a dedicated supplementary planning guidance on viability assessments? Councillor Bremner emphasised that what the council was doing was working well. The council frequently reviewed viability in a number of ways including in respect of section 106. The council had to follow clear Tory government guidance in the level of affordable housing it had to accept in new developments. It was better that we achieved 20 percent of something rather than 33 percent of nothing.

4. PETITIONS

David Huband of Amnesty International, presented the following petition:

“We are very concerned about the recently reported rise of racist and xenophobic incidents and hate crimes. We believe that we all have a duty to stand up and stamp out racism and xenophobia.

We ask you to please table this motion at your next council meeting:

“We are proud to live in a diverse and tolerant society. Racism, xenophobia and hate crimes have no place in our country. Our council condemns racism, xenophobia and hate crimes unequivocally. We will not allow hate to become acceptable.

We will work to ensure that local bodies and programmes have the support and resources they need to fight and prevent racism and xenophobia.

We reassure all people living in this area that they are valued members of our community.”

We call on you to publicly condemn any such attacks and make it clear what steps the council will take to tackle this racist, xenophobic and criminal behaviour.”

Councillor Waters, leader of the council, responded:

“Mr Huband, many thanks indeed for bringing the petition to us this evening. This council shares the concerns of your organisation and we agree that the responsibility to stamp out racism, xenophobia – and hate crime in general – lies with us all.

We do – of course – roundly condemn any such attacks. Your petition requests the tabling of a specific motion, but I’m sure you’ll be pleased to note that at our last council meeting in July, a motion was agreed which stated our pride in our engagement with all communities; expressed our pleasure at the multicultural nature of the events and festivals which take place in our fine city; and emphasised how equality is embedded in all that we do. On that specific point, I have a copy of the council’s *Equality policy* here which I shall pass to you shortly Mr Huband.

On Thursday 30 June this year, a joint statement was released by all three Norwich party leaders, including myself. I’d like to repeat that statement here:

‘In 2013, following a unanimous vote of Norwich City Council, the leaders of the three political groups signed the following declaration as community leaders:

We in Norwich are proud of our diverse and multi-racial heritage, which we regard as a source of cultural, social and economic strength. We will work vigorously to combat all forms of racism in Norwich and to enshrine the principle that individuality and universality are the

foundations of justice and peace."

Now, as then, there is no case for injustice of any kind in society.

Following Thursday's referendum result there are members of our community in Norwich who feel fearful about what the future may hold for them in our country. In some areas of this country, there are people, including children, who find themselves on the receiving end of racist hate mail.

Importantly we, as people of Norwich, should be reminded and encouraged to take pride in our ethnic and cultural diversity and rejoice in what we can share with and learn from others. Above all, we should be on our guard against anything or anyone who sets out to destroy it.

As an institution, which is an integral part of city life, we once more declare our abhorrence and utter rejection of any form of injustice and pledge ourselves anew to celebrating cultural diversity and to ensuring that all members of our city feel nurtured and embraced.¹

It is up to all of us to ensure that Norwich continues to be the outward-looking, generous and hospitable city that it always has been.

As such, I welcome this opportunity to reiterate our commitment to challenging all expressions of hatred and continue to work with our partner organisations to reassure residents from diverse communities that they are safe and welcome in our city."

5. MINUTES

RESOLVED, unanimously, to agree the minutes of the meeting held on 19 July 2016.

6. QUESTIONS TO CABINET MEMBERS AND COMMITTEE CHAIRS

The Lord Mayor said that 13 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.

Question 1 Councillor Coleshill to the cabinet member for customer care and leisure on foot golf income.

Question 2 Councillor Maguire to the cabinet member for neighbourhoods and community safety on the 'don't bin it, bring it' event.

Question 3 Councillor Woollard to the cabinet member for environment and sustainable development on cycle route improvements.

Question 4 Councillor Fullman to the cabinet member for neighbourhoods and community safety on the Russell Street community centre.

- Question 5** Councillor Jones(B) to the cabinet member for council housing on homelessness prevention.
- Question 6** Councillor Button to the cabinet member for council housing on the switch and save scheme.
- Question 7** Councillor Sands(M) to the leader of the council on the World War 1 memorial 'Roll of Honour'.
- Question 8** Councillor Davis to the leader of the council on school uniform costs.
- Question 9** Councillor Price to the cabinet member for environment and sustainable development on speed restrictions in Wolfe Road.
- Question 10** Councillor Grahame to the cabinet member for neighbourhoods and community safety on an extension to the alcohol free zone.
- Question 11** Councillor Jackson to the leader of the council on city council representation on the Greater Norwich Development Partnership.
- Question 12** Councillor Carlo to the leader of the council on bollards near Clarendon Road.
- Question 13** Councillor Jones(T) to the cabinet member for environment and sustainable development on flood prevention within the planning system.

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

7. TREASURY MANAGEMENT FULL YEAR REVIEW 2015-16

Councillor Stonard moved and Councillor Harris seconded, the recommendations in the annexed report.

RESOLVED, unanimously, to note the treasury activity for the year up to 31 March 2016.

8. FOUR YEAR FINANCIAL SUSTAINABILITY PLAN

Councillor Stonard moved and Councillor Waters seconded, the recommendations as set out in the annexed report.

RESOLVED, with 32 voting in favour, none against and two abstentions, to –

- (1) pursue the offer of a four year funding settlement by publishing an efficiency plan by 14 October 2016 and sending a link thereto to the department for communities and local government;

- (2) approve the draft four year financial sustainability plan as recommended by cabinet to meet the requirements of both the four year efficiency plan and the flexible use of capital receipts strategy.

9. ADOPTION OF A NEW SINGLE BYE-LAW CONSOLIDATING ACUPUNCTURE, TATTOOING, SEMI-PERMANENT SKIN-COLOURING, COSMETIC PIERCING AND ELECTROLYSIS REGULATIONS

Councillor Button moved and Councillor Kendrick seconded, the recommendations in the annexed report.

RESOLVED, unanimously, to adopt the consolidated model bye-laws for the control of acupuncture, tattooing, semi-permanent skin-colouring, cosmetic piercing and electrolysis as set out in the appendix to the annexed report and following the adoption of such bye-laws the existing bye-laws be revoked.

10. MOTION – REDUCING SINGLE-USE PLASTIC USE IN NORWICH

Councillor Schmierer moved and Councillor Price seconded, the motion as set out on the agenda.

RESOLVED, unanimously, that –

“According to recent research, 8 million metric tonnes of plastic waste ends up in the world’s oceans each year, endangering marine life. A resource where ??? understanding of the risks posed to human health by toxic chemicals present in plastic.

Six months after the introduction of the 5p bag charge, use of single-use plastic bags had already dropped by 85 percent while the TV programme Hugh’s War on Waste has raised public awareness of the problems of our throwaway culture. It is time for Norwich to take a lead on this issue.

Council **RESOLVES**, to ask cabinet to –

- (1) develop a robust strategy to make Norwich City Council a ‘single-use – plastic-free’ authority by the end of 2017 and encourage the city’s institutions, businesses and citizens to adopt similar measures;
- (2) end the sale and provision of single-use plastic (SUP) products such as bottles, cups, cutlery and drinking straws in council buildings;
- (3) encourage traders on Norwich Market to sell re-usable containers and invite customers to bring their own, with the aim of phasing out SUP containers and cutlery on the Market Stalls by the end of 2017;
- (4) investigate the possibility of requiring pop-up food and drink vendors at large council events to avoid SUPs as a condition of their contract;

- (5) work with tenants and commercial properties owned by Norwich City Council to encourage the phasing out of SUP cups, bottles, cutlery and straws.”

11. MOTION – BUSINESS RATES AND CLEAN ENERGY

Councillor Bremner moved and Councillor Davis seconded, the motion as set out on the agenda.

RESOLVED, unanimously, that –

“Norwich City Council has worked closely with residents and businesses to expand the use of solar panels across the city.

Current government plans to update tax rates for business properties could leave companies installing solar panels on their rooftops with a tax bill that is six to eight times higher than they are currently paying to generate clean energy on their property.

This change risks making it uneconomical for many more businesses to generate their own clean energy and further damages the clean energy sector.

Council **RESOLVES**, to ask the government to –

- (1) pause and bring forward its plans for proper scrutiny before the valuation office agencies review of business rates is concluded on 30 September 2016;
- (2) cease further undermining of the clean energy sector which has suffered 12,000 job losses and a crisis in investor confidence since 2015;
- (3) support the low-carbon and clean energy economy, which was worth £46.2 billion in 2014, supporting nearly a quarter of a million jobs.”

LORD MAYOR

Question 1

Councillor Coleshill asked the cabinet member for customer care and leisure:

“Over the summer I was pleased to learn that a new foot golf course - to compliment the one in Eaton Park - was opened at Mousehold, near Heartsease Lane.

Can the cabinet member for customer care and leisure give his opinion on the success achieved so far with foot golf, and the additional income generated for the council?”

Councillor Ryan, cabinet member for customer care and leisure’s response:

“At a time when we are having to explore ways of increasing income, I am pleased to be able to report on the success of a new service that has not only developed a new income stream with low level investment, but has also brought a new sport to the city and a new opportunity for children and families to get active.

Foot golf caters for a different audience to pitch and putt and its introduction targeted low use periods of the course to minimise the impact on pitch and putt income and clubs who regularly use the course. The cost to develop and open Foot golf at Eaton Park in August 2015 was £5000. In the first 12 months of this new provision, 4,271 people used the facility, generating £26,000 in income. It is also pleasing to see the role footgolf is playing in getting children and families active, with the proportion of ticket sales for juniors and families playing foot golf being greater than for pitch and putt.

Following on from the successful outcomes at Eaton Park, and with a national decline in the number of people playing pitch and putt, foot golf was introduced at Mousehold in August 2016. In the first month since opening it has generated £3,350 in income. The course makes foot golf more accessible to residents living on the east side of the city; it has different opening times to Eaton; so foot golf can be played in Norwich every day of the week except Wednesdays during the summer sports season; and it provides a different experience and challenge to the Eaton Park course, which should maintain player interest and participation.”

Question 2

Councillor Maguire asked the cabinet member for neighbourhoods and community safety:

“The summer ‘Don’t bin it, bring it!’ event held at Norwich Airport Park helped raise more than £6,000 for the British Heart Foundation. Recycling unwanted electrical goods has saved items going to expensive landfill and generated extra money for this important charity.

Can the cabinet member for neighbourhoods and community safety comment on the success of the event and the chance for it to run again in the future?"

Councillor Kendrick, cabinet member for neighbourhoods and community safety's response:

"These events have proved popular with the public as they provide a convenient opportunity to donate waste electrical and electronic equipment in the knowledge that it will be repaired and then sold by the British Heart Foundation (BHF). So donating your electronic equipment avoids the environmental damage of landfill and raises money for an important charity.

At the last event a total of 273 items were presented, included TVs, DVDs, phones, vacuum cleaners, microwaves and even a domestic air-conditioning unit. Of these, 259 items were taken by the BHF for refurbishment and re-use and the value of these was calculated as £6,300. The remaining 14 items were unsuitable for re-use and were sent for recycling into their component parts. The total weight diverted from landfill was over 2.1 tonnes.

Another event is planned for 29 October and this will be publicised as soon as the date and venue are confirmed.

Later this year there will be a further improvement in the kerbside recycling service as Norwich will become the first council in Norfolk to provide collections of textiles and electronic equipment alongside the regular refuse and recycling service. A new fleet of vehicles will be phased-in and from December residents will be able to recycle small electrical items and textiles on both their refuse and recycling collection days. This means that electrical items such as kettles, irons, toasters, torches and batteries along with clothes, shoes, hats, coats and other textiles can be placed next to the recycling or refuse bin on collection day. Items must be contained in a standard-sized carrier bag - approximately 35 x 40cm. Details are available on the collection calendars provided to every household and will also be published on the council website and in the winter edition of Citizen."

Question 3

Councillor Woollard asked the cabinet member for environment and sustainable development:

"Creating a safe and welcoming environment for cyclists, especially in congested areas, remains a priority for the administration.

Can the cabinet member for environment and sustainable development give his views on the improvements achieved for cyclists with the changes delivered in Valley Drive, Little Bethel Street and the Tombland area?"

Councillor Bremner, cabinet member for environment and sustainable development's response:

"In the last few years cyclists in Norwich has seen some fabulous improvements to cycling facilities across the city with many more to come in future years. This is primarily thanks to our great success in being chosen of one of only eight cities nationwide that have been awarded Cycle City Ambition grant funding from the Department for Transport. However it has not stopped there with significant investment in cycling measures forthcoming from the Local Enterprise Partnership as well.

You asked for my views about three specific schemes. Let us look first at Valley Drive. This was once a muddy track linking Gurney Road to Heartsease Lane. It was a very convenient route for kids attending the schools in the local area and for leisure walkers, but not at all an attractive or inviting route, especially after dark. Today we have a smooth, surfaced route wide enough for both pedestrians and cyclists to enjoy. And the icing on the cake is the motion sensitive lighting that we have installed, which lights the path in the hours of darkness when it is being used. The beauty of the scheme is that when there is no one around the lights dim down, reducing light pollution in the area and saving energy. Norwich has been one of the pioneers nationwide in the use of motion sensitive lighting on public routes and I'm sure we will see this innovative idea adopted more widely. Valley Drive is now a great routes for cyclists and pedestrians alike and best of all it offers a traffic free environment for those less confident cyclists.

Little Bethel Street - I recall the many long hours I have sat in the Norwich highways agency committee debating what could be done about the traffic in Little Bethel Street. It used to have very narrow pavements and very tight junctions with Bethel Street and Chapel Field North and which was, for many years, a route HGVs regularly used to access the Chapelfield Mall. Look what we have now - a traffic free route for cyclists where they do not have to squeeze past HGVs and, where they do encounter HGVs on Chapel Field North, cyclists have priority via the new parallel zebra / cycle crossing. This is a brilliant example of a major traffic improvement in the city centre that has benefited everyone, particularly cyclists.

Lastly Tombland – I think it's fair to say that we all are aware of the challenges we faced in Tombland when we decided to funnel key elements of the pedalway network through it. But I hope you all agree that the pain of the road works a year ago was well worth the effort. In Tombland we have taken away redundant carriageway space and given it back to pedestrians and cyclists, while at the same time retaining the capacity for buses, deliveries and cars. What's more all this has been done at the same time as enhancing the setting of this historic area of the city.

Three schemes have been highlighted today. These are just three of 70 projects that have benefitted people on bikes since 2011 or are under development. Ones to look out for in the future are along the length of Newmarket Road, Lakenham Way through to All Saints Green and Magdalen Road. This is showing in the number of extra cyclists we are counting. I really hope that Norwich can continue to be successful in securing funding to improve cycling infrastructure.

To cap it all on Friday night I was honoured to attend the National Cycle Planning Awards in London. We were one the three shortlisted for the award for the best cycling network strategy in the country. All the officers and members who have supported the work on the city and county deserve thanks and praise for all their hard work.

Question 4

Councillor Fullman asked the cabinet member for neighbourhoods and community safety:

“I was pleased that ‘The Sports Factory’ has taken over the Russell Street Community Centre as part of a community asset transfer.

Given the importance of maintaining - wherever possible - valued community assets, is the cabinet member for neighbourhoods and community safety hopeful that this template can be used again, where necessary, in the future?”

Councillor Kendrick, cabinet member for neighbourhoods and community safety’s response:

“Following the cabinet decision in June to community asset transfer Russell Street to the Sports Factory, the lease arrangements are being finalised so that the Sports Factory can take occupation and start to develop the centre as a real community asset and run the exciting range of activities it has proposed.

This includes activities for children and adults, including meals, health and fitness sessions, community entertainment as well as support services for local residents. The group also indicate that the community centre will be open and available to hire by local residents, which was a requirement of the community asset transfer policy.

On completion of these final stages, the process to community asset transfer the building will be reviewed with the Sports Factory themselves, officers from NPS Norwich who have managed the process and the community enabling team. This will ensure that the community asset transfer policy and procedure is robust, as well as flexible, to achieve the desired outcomes.

On the basis of progress so far, and with the Sports Factory’s plans, I am very hopeful that the community asset transfer policy will be a useful template for the future and in particular retaining and enhancing community use of community assets.”

Question 5

Councillor Beth Jones asked the cabinet member for council housing:

“As autumn approaches, I am aware that the issue and consequences of rough sleeping and homelessness will become more ever more apparent.

Can the cabinet member for council housing comment on the support and advice offered to prevent homelessness but also assist those who do become homeless within the city?”

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

“Our view is that the most effective way to deal with homelessness is to prevent it from happening and we place great emphasis on this approach through the provision of specialist housing advice and assistance to all those facing homelessness or in housing difficulty in the city.

The housing options team provides a range of options and advice to such clients, including a homeless prevention fund, a private sector leasing scheme, mediation, legal advice and referrals to supported accommodation. Over the past year, this pro-active approach has directly prevented over 600 households from experiencing homelessness and assisted many hundreds more in resolving their own housing issues.

The council's approach has been recognised as best practice and a recent peer review of the service, reinforced this, praising the high quality, accessibility and effectiveness of the housing options department in preventing homelessness in Norwich and the innovative range of options available to our clients.

As well as performing our statutory obligations regarding homelessness, we are also aware that Norwich, as the centre of a wide rural area, is a magnet for those facing homelessness or rough sleeping in the region. Since 2010 we have employed a dedicated rough sleeper co-ordinator and funded an outreach team to work intensively with individual rough sleepers in the city to find pathways into accommodation and support.

The perception of rough sleeping in Norwich can be quite different to the reality and our last street count showed we have 13 verified rough sleepers in the city. While this is 13 too many, there will always be a number of individuals who refuse our assistance or who are already accommodated but choose, for their own reasons, to rough sleep and this group makes up a significant proportion of current rough sleepers. Be assured however that we and colleagues in the police and voluntary sector are making every possible effort to address the underlying issues which are causing some rough sleepers to refuse our offers of assistance.

While these remain difficult times, with external pressures and ongoing welfare reforms continuing to affect vulnerable people, I have confidence that this council's commitment to innovation, our ongoing work with partners and our focus on providing a client centred service will continue to provide the best possible support for people facing homelessness in Norwich.”

Question 6

Councillor Button asked the cabinet member for council housing:

“The now famous Norwich Big Switch and Save is open once again, offering homes and business in the city the chance to switch energy providers and secure real savings.

Can the cabinet member for council housing update council once again on the successes achieved so far with the scheme and how residents can be encouraged to join in?”

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

“Thank you for your timely question. With the recent change in weather our citizens will be thinking about energy bills and considering their affordability. Thankfully we are helping our citizens reduce their fuel bills via the switch and save.

We are currently running the tenth round of our successful collective energy switching scheme. Through the power of collective purchasing we work to secure the lowest energy prices for our registrants: therefore helping to reduce the cost of energy and offset rising energy prices. The previous round of the Norwich Big Switch and Save has delivered average savings of £230 a year per household.

In the last nine tranches overall 16,000 people registered for the Switch and Save. Norwich has repeatedly had the highest national conversion rates, with over 2,000 switches in total. Overall the average saving per household is £230. This means Norwich residents have saved a total of £460,000.

If all homes took up the offered savings a total of at least £3.5 million would be saved on energy bills by Norwich residents.

Norwich City Council has engaged with fuel poor households to ensure that they are aware of the scheme. This has been done via direct mail outs, leafleting in fuel poor areas, roadshows, energy workshops and working in partnership with charities and relevant organisations.

In addition to this, the small fee we receive from the Switch and Save goes back into affordable warmth work. This has been invaluable for vulnerable residents, as it has provided urgent heating need for them in the winter.

Residents can be encouraged to join by talking to them when canvassing, handing out leaflets and talking to relevant partner organisations, encouraging them to cascade the information to their service users. Register at www.bigswitchandsave.co.uk

Question 7

Councillor Mike Sands asked the leader of the council:

“Like many members of this council, I was particularly pleased to learn that the historic ‘Roll of Honour’, designed to commemorate those who fell during World War I, will be installed in the City Hall main foyer.

Will the leader of the council agree that the transfer of such an important and poignant reminder of human sacrifice to City Hall – so close to the Lutyens War Memorial – is a fitting tribute? Will he also thank those involved in the project to secure its restoration, transfer and the important funding required?”

Councillor Waters, leader of the council's response:

"Thank you for your question which gives me the opportunity to pay tribute to the 3,544 Norwich men who gave their lives in World War I and to welcome the project to move the the Roll of Honour, which has been in Norwich Castle since 1931, to be on display in City Hall.

The Roll of Honour was designed by Sir Edwin Lutyens when it was clear the Norwich War Memorial which he also designed would not be large enough to contain so many names. It consists of an oak case with doors containing 12 double-sided hinged and four fixed single-sided panels painted with the names and units of those killed.

Over the years the panels have suffered structural damage when being viewed. Now thanks to this wonderful project initiated by the Norwich War Memorial Trust and involving Norwich City Council and Norfolk Museums Service, it is being fully conserved before going on permanent display in the foyer of City Hall, just across the road from the main memorial. One of the key aims of the project is to make it more publicly accessible and people will be able to book viewing appointments via the council's website and City Hall reception.

Its official opening will take place on 11 November to coincide with the time of remembrance and marking the centenary of 1916, a pivotal year in World War I.

I would like to thank the Norwich War Memorial Trust for championing this project; officers at Norwich City Council and the Norfolk Museums Service who have worked on the technical aspects and grant applications; Richard Rogers Conservation and the following organisations and individuals who have generously provided financial support:-

- the National War Memorials Trust,
- Town Close Estate Charity,
- Geoffrey Watling Trust,
- RG Carter
- Homes & Communities Agency - Restoration Project Fund
- Diana Benoy, granddaughter of Walter Burridge, who made the original oak doors for the Roll of Honour. "

Question 8

Councillor Davis asked the leader of the council:

"I have been contacted by a number of constituents regarding the spiralling cost of school uniform. Many schools, particularly those which have become academies, have begun limiting the choice of uniform providers. Parents and carers are often forced into buying from one, two or maybe three specified shops, which all have very similar price structures.

Furthermore, the choice to buy reasonably priced uniform from supermarkets has been all but abolished in many cases. This is putting families under an incredible amount of pressure – with the average high school uniform costing over £150.00. Children grow

quickly and often a uniform will not last a whole school year. Under this present government, the issue will become even more problematic as more primary schools are forced down the route of academisation and high schools (all of which are already academies in Norwich city) branch into grammars and comprehensives – creating a two-tier education system and stripping democracy and local accountability from education. I have sent the Leader an open letter from the Competitions and Markets Authority from October 2015 to all head teachers, governing boards and uniform suppliers, which states:

‘There is strong evidence that this practice has increased the cost of uniforms significantly - by as much as £5 to £10 per item - and this is a real concern to large numbers of parents and carers across the country, who have to foot the bill. Head teachers, governing boards and school uniform suppliers are all in a position to influence the arrangements which schools put in place for the supply of uniforms to help ensure that prices are competitive and deliver good value for money.’

Given the significance attached to the priority of financial inclusion this administration rightly gives I am interested in any steps that might be taken to ensure that schools are offering competitive prices and good value for money.

Can the Leader comment whether he thinks it fair that due to the inflated uniform costs in Norwich, local charities (such as Norwich Consolidated Charities which work closely with the City Council), are by default funding exclusivity deals between schools and selected retailers and given these multiple concerns would he ask Clive Lewis MP to also raise this question in parliament?”

Councillor Waters, leader of the council’s response:

“One of the benefits of schools that have a uniform for its pupils is to diminish economic and social barriers between students which is a commendable aim. However, the increased use of a limited number of suppliers can, by its very nature force costs up, which can be an intolerable financial burden for a family on low income who has a child at school and which can be compounded when several children may be of school age. This becomes particularly acute with the introduction of overelaborate uniforms. I am grateful to Councillor Karen Davis for the price comparison work she has done which shows that, were parents able to shop around and if school uniform requirements were more standardised, the costs would be between a third and a quarter of the costs of using uniform providers specified by schools.

The city council has limited opportunity to influence this itself, but through the advice services it commissions, income maximisation and budgeting advice are two of the outcomes to ensure people have more money in their pocket.

The council works very closely with Norwich Consolidated Charities and work is in progress to ensure that front line officers are aware of the grants available from the charities to support residents who are in financial crisis and the types of needs that Norwich Consolidated Charities can support so that the right referrals can be made.

Budgeting Advice is available to all city council tenants to maximise income and the money advice team can also advise on grants.

These initiatives can help mitigate the financial burden of school uniforms, but I would urge head teachers to make sure that costs are kept to minimum and where appropriate review school uniform policy to allow parents to find the best deals from a range of different outlets. In the city there are over 20,000 households earning below £15,000 a year and the median household income for Norwich is £22,825. Low household incomes mean that expensive school uniforms become barriers to social and economic inclusion and that is not acceptable.

I shall certainly ask the MP for Norwich South to raise this issue in Parliament.”

Question 9

Councillor Price asked the cabinet member for environment and sustainable development:

“I am pleased that the council has recently introduced more 20mph speed limits in parts of north Norwich. I have made several requests over the last four years for 20mph limits to be brought in on Wolfe Road and surrounding streets, but nothing has changed, despite the fact that nearby Britannia Road and Vincent Road have recently had 20mph limits introduced. Rat running is common in the area around Wolfe Road, and with Lionwood infant and junior schools in the neighbourhood, there are significant safety concerns among residents.

Will the cabinet member for environment and sustainable development support Thorpe Hamlet councillors and residents by using his position on Norwich highways agency committee to call for speed limits in the Wolfe Road area to be reduced to 20 mph?”

Councillor Bremner, cabinet member for environment and sustainable development’s response:

“I am sure that Councillor Price is aware that it is the corporate aim of this administration that all residential streets – aside from the main road network – are subject to a 20mph speed restriction. Therefore of course I support the introduction of the speed limit in Thorpe Hamlet.

However the challenge we face is funding these measures. In many areas 20mph signs are sufficient but in others we have to look at introducing traffic calming features to ensure that the limit is adhered to. Traffic calming is expensive, but signed only schemes also incur significant costs given the consultation that we are legally obliged to carry out before implementing a speed restriction, alongside the sheer number of signs that we need to put up.

As you have heard me say repeatedly since 2010, funding for highway improvements works has been cut severely and the Norwich highways agency committee no longer has budgets available to carry out ad hoc speed management schemes. Currently the only mechanism we have for funding the roll out of the 20mph speed limits is on the back of other transport investment schemes.

Through the City Cycle Ambition funding that I referred in response to an earlier question, we are looking to ensure that all residential routes with 400m of a pedalway have a

20mph speed restriction on them. This means to date we have introduced the limit in the vicinity of the pink pedalway and thereby taking in the Heartsease estate, the Britannia Road area, the city centre and the area around the outer section of The Avenues. Looking forward to next year we will be implementing the 20mph restriction around the blue and yellow pedalways. This will include much of the Catton Grove, Sewell, Town Close, Lakenham and Eaton Wards.

The green pedalway runs through Thorpe Hamlet. Therefore if funds become available for this route, we would look to introduce the 20mph restriction in Councillor Price's ward when that pedalway is implemented. At present there is no funding for the green pedalway, however, so I am unable to say exactly when this could be.

Of course in the meantime as well, should an alternative source of funding become available officers will do their best to secure it."

Question 10

Councillor Grahame asked the cabinet member for neighbourhoods and community safety:

"I submitted an enquiry to officers on 9 September about extending the current no-drinking zone, but am still awaiting a response. Would the cabinet member be happy to support an extension of the alcohol-free zone currently in operation to the parts of Thorpe Hamlet around Rosary Road, St Leonards Road and Gas Hill where street drinking is consistently reported?"

Councillor Kendrick, cabinet member for neighbourhoods and community safety's response:

"Whilst the control of alcohol zones is designated by local authorities under powers contained in the Criminal Justice and Police act 2001, designation is based on evidence of street drinking related anti-social behaviour reported to the police who enforce such zones. The police have powers to respond to street drinking and this area does not currently appear as a hotspot on reports shared with the council. Control of alcohol zones do not in themselves become alcohol free. The powers enable a police constable to require a person to stop drinking alcohol in a designated place. It also allows a police constable to seize any opened container of alcohol if problems are occurring.

Any extension to the current zone covering the city centre would be in response to an evidenced based request from the Constabulary and progressed via a Public Space Protection Order (PSPO) due to change in legislation. The council would also need to be certain that issues could not be resolved with existing powers.

I would support any intervention that resolves anti-social behaviour caused by street drinking if it can be evidenced to be an issue. I will ask officers to raise this area with the police to establish what the issues are and what intervention could be best considered.

In terms of the question you have submitted to officers, I will find out why a response has not been provided and ensure you receive a reply."

Councillor Grahame asked, as a supplementary question, if the cabinet member would be willing to meet with local councillors and the police to discuss issues of concern and move things forward? **Councillor Kendrick** said that he was always happy to meet with councillors and the public to discuss important issues. He emphasised that the public must report incidents as the more information the police had the more likely it was that they would be able to act.

Question 11

Councillor Jackson asked the leader of the council:

“At the sustainable development panel held on 25 May this year, Councillor Grahame expressed concerns that Norwich would not be sufficiently represented on the Greater Norwich Development Partnership as it works on developing a Greater Norwich Local Plan. The chair assured the panel that “the partnership arrangements had worked well in the past with each authority co-operating and being represented on an equal level”. He did not consider that people in Norwich had been disadvantaged.

At the meeting of the Greater Norwich Development Partnership on 5 September, only one of Norwich’s three representatives was present, with two absent and no substitutes provided. Green councillors would have been happy to substitute – indeed, two were in the public gallery – but they were not asked.

Does the leader of the council agree that this unnecessary underrepresentation does in fact considerably disadvantage the people of Norwich?”

Councillor Waters, leader of the council’s response:

“I would like to reaffirm the previous assurances made by the chair of the sustainable development panel with regard to Greater Norwich Development Partnership Board that “the partnership arrangements had worked well in the past with each authority co-operating and being represented on an equal level.”

The terms of reference for the Greater Norwich Partnership Board show that the board advises the decision making of the individual partner authorities with regard to matters relating to the preparation and monitoring of the Greater Norwich Local Plan. In practice this means that any recommendations arising from the work of the Greater Norwich Development Partnership have to be agreed by each of the three councils in the first instance. We are at the initial stages of the review of the Local Plan and as the work develops the sustainable development panel and the cabinet will be fully engaged in ensuring that Norwich’s best interests are fully served.

It was unfortunate that the Greater Norwich Development Partnership Board meeting on 5 September was called at relatively short notice which meant that two of our representatives were unable to attend due to prior engagements. The number of representatives attending the meeting is not an issue as the process requires that all three councils reach agreement on the review of the Local plan before it can be taken forward.”

Councillor Jackson said that he did not agree that the number of representatives attending these meetings from the city council was not an issue. He said if votes were

taken residents of Norwich would be disadvantaged if Norwich representatives were not there. He asked, as a supplementary question, if the leader of the council would consider sending substitutes if city council representatives were unable to attend, including members of the opposition parties. **Councillor Waters** said no. The city council has a leader and cabinet structure and currently has a one party cabinet and the representation on the Greater Norwich Development Partnership reflected that structure. He was pleased to see Green Party councillors at the meetings and hoped that this would help to inform their group's contribution to future GNDP related debates and help shape the final decisions. As Councillor Jackson would be aware, each individual council needed to approve GNDP proposals individually.

Question 12

Councillor Carlo asked the leader of the council:

"I wrote to the cabinet member for environment and sustainable development on 6 September to ask which cabinet member had authorised the removal of the ironwork bollards from the alleyway in Clarendon Road. My email was passed on to officers, and Councillor Waters then replied. However, I have still not had an answer to my question about who took the decision to have the bollards removed.

Which cabinet member authorised the removal of the bollards, and did the member concerned take into account the Heigham Grove Conservation Area Appraisal which describes the ironwork in Clarendon Road as an important element in contributing to the heritage value of the conservation area?"

Councillor Waters, leader of the council's response:

"This council, unlike some, has not delegated any powers through its constitution to individual cabinet members and decisions are either made collectively by the cabinet or full council as a whole, or delegated to officers.

The decision made was not to remove the bollards but was about replacing the existing fixed bollards with removable bollards thereby allowing the council greater access to various alleyways and passages across the city. The assessment in removing these bollards was driven by practical considerations allowing access for maintenance vehicles; sweepers and gully-emptiers. The decision was taken as part of the day to day operational business of the council by officers, guided by council agreed priorities in the corporate plan.

Keeping this area free from flooding when gullies need to be emptied was a prime consideration for this work, and residents in the area had already expressed their concern about flooding.

Whilst the council's streetscape design manual encourages the retention of locally distinctive features, it acknowledges that this is not always possible. The replacement bollards are the so-called "Norwich Bollard" design which is used widely in the city and is the preferred bollard for installation in conservation areas in line with the streetscape design manual. This bollard type is common-place in the city centre being used both as a bollard and as part of post and rail cycle stands.

As Councillor Carlo mentions, the conservation area appraisal identifies “Several surviving cast iron railings along Clarendon Road [that] are particularly fine and rare examples of once common Victorian ironwork...” The provenance of the bollards is more recent, however. Whilst it is difficult to pin-point exactly when they were put in, historical mapping shows they were not there prior to 1928. It is likely that bollards were introduced in response to increased motor car use during the second half of the twentieth century.

The current bollards weigh 80 kilos, and I am sure that none of us would expect any refuse worker to even attempt to lift those if they were adapted to ‘drop down’.

The new bollards are of a sympathetic design to the area in which they sit, and, like the current bollards, they pay homage to 19th Century iron work.

Be assured we always endeavour to reuse any removed bollards; for example they are sometimes incorporated into a design for a cycle rack or placed in an area which doesn’t require a drop down bollard. In this case we would also be very happy to hear from the residents if they have any ideas for their reuse. “

Councillor Carlo invited the leader of the council to have a look at photographs she had in her possession which challenged the suggestion that the bollards were late 20th century installations. She asked, as a supplementary question, if the leader of the council would, therefore, review the decision to remove these bollards from this conservation area. **Councillor Waters** said that he would be happy to have a look at the photographs. However, he emphasised that the decision was based on a strategy for keeping the alleyways clean. He was concerned about what happened to bollards and similar items once removed. He understood that some were recycled for use elsewhere in other schemes and he was open to any ideas of how the bollards could be relocated ie such as in places like the Plantation Garden.

Question 13

Councillor Tim Jones asked the cabinet member for environment and sustainable development:

“Norfolk County Council is a statutory consultee on planning applications as lead local flood authority. I am concerned that planning officers nonetheless recommended a recent planning application for approval without a Flood Risk Assessment.

Would the cabinet member give his opinion on whether Norwich City Council is doing enough through the planning system to prevent flooding in the city?”

Councillor Bremner, cabinet member for environment and sustainable development response:

“Through its up to date policies that identify critical drainage areas and provide clear guidance for developers the city council is doing all that it can to reduce the risk of flooding and minimise the harm done by it where it does occur.

As is pointed out it is the county council who is the lead local flood authority (LLFA) and a statutory consultee on "major development with surface water drainage", major developments being those with 10 houses or more. Notwithstanding the definition of 'major' developments and the statutory requirements placed up them, Norfolk County Council has indicated that it will normally not respond to consultations but rely on published 'standing advice' on developments of less than 250 houses or under 5 hectares, unless the site itself is at direct risk of flooding, or is major development on a 'flow path'.

The reason given by the county council for not providing site specific advice on all major developments relates to a lack of resources within the Flood and Water Management Team following the withdrawal of funding for LLFAs from central government.

This has created a degree of uncertainty for local planning authorities over whether they should consult the LLFA or if they do whether the LLFA will respond if they do. Such is the concern over the impacts of this that the matter was raised recently at the Norfolk Chief Executives Forum at which the county council agreed to meet the local planning authorities to discuss their concerns and take the matter forward.

This situation can create confusion in Norwich as the LLFA has confirmed that all developments within critical drainage areas identified in the Local Plan do not meet the criteria for consultation as they are not necessarily on flow paths or at direct risk of flooding. The LLFA have now agreed to provide further information with regard to flow paths and areas at direct risk of flooding to provide greater clarity on when they wish to be consulted.

However, irrespective of whether the LLFA will comment on an application, the city council as a planning authority has a duty to investigate flood issues and consider them as they would any other material planning issue. In order to do this it does insist on a flood risk assessment for a far greater range of applications that the LLFA will comment on. The validation framework requires flood risk assessments for the following types of application:

- all operational development involving sites of ≥ 1 hectare or creation of ≥ 10 dwellings or creation of $\geq 1000\text{sq.m}$ of new floorspace;
- all operational development < 1 hectare unless in flood zone 1;
- non-residential extensions with a footprint of less than 250sq.m unless in flood zone 1;
- a change of use resulting in development which is defined as highly vulnerable or more vulnerable, as defined on page 6 of the NPPF Technical Guidance;
- a change of use from a water compatible use to a less vulnerable use, as defined on page 6 of the NPPF Technical Guidance;

This effectively leaves the planning authority assessing flood risk assessments on a number of developments without any support or comment from the LLFA.

So I can assure you that the city council is doing all that it can to prevent flooding in the city and working in strict accord with the legislation and I would encourage Councillor Jones to ask the same question of the LLFA."

Councillor Jones (T) said he was sympathetic to the city council's position and understood that Norfolk County Council was responsible for flood risk. He asked, as a supplementary question, whether just to be sure that the city council was doing all that it could, would it set a default that Norfolk County Council would always be consulted as lead local flood authority on all planning applications that were relevant. **Councillor Bremner** said that it was his view that Norfolk County Council should be consulted if the planning application was in a relevant area.

Report to Council
29 November 2016
Report of Chief finance officer / Chief internal auditor, LGSS
Subject External audit appointment

Item

7

Purpose

To approve arrangements for the appointment of the council's external auditors for 2018-19 and beyond.

Recommendations

To approve the Sector Led Appointment of external auditors from 2018-19.

Corporate and service priorities

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

Financial implications

None directly

Ward/s: All wards

Cabinet member: Councillor Stonard – Resources and business liaison

Contact officers

Justine Hartley, chief finance officer 01603 212440

Duncan Wilkinson, chief internal auditor (LGSS) 01223 715317

Jonathan Tully, principal audit manager 01603 212575

Background documents

None

Report

Background

1. 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.
2. On 5 October 2015 the Secretary of State for 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.
3. The council's current external auditor is Ernst & Young LLP (EY). Following closure of the Audit Commission 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.
4. When the current transitional arrangements come to an end on 31 March 2018 the council will be able to move to local appointment of the auditor. There are a number of routes by which this can be achieved.
5. 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', i.e. the external auditor.
6. An audit panel established under the Act must be appointed by the council, or by the council and one or more other relevant authorities. This includes the option for appointment by a sector led body.
7. The Act also requires that the audit panel must consist of a majority of independent members, or wholly of independent members, including the Chair. An existing committee, or sub-committee, or panel, can be appointed to act as an audit panel if they comply with the above requirements of the Act. However, the requirement for a majority of independent members means that existing committees are unlikely to meet the requirements for councils. Alternatively, Public Sector Audit Appointments Ltd (PSAA) has now been specified as the sector-led appointing body under the Local Audit (Appointing Person) Regulations 2015.
8. Current audit fees are based on discounted rates offered by the firms in return for substantial market share. When the contracts were last negotiated nationally, by the Audit Commission, they covered NHS and local government bodies and offered maximum economies of scale.
9. 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 audit must follow. Not all accounting firms will be eligible to compete for the work, they will need to demonstrate that they have the required skills and experience and be registered with a Registered Supervising Body approved by the Financial Reporting Council. The registration process has not yet commenced and so the number of firms is not known but it is reasonable to expect that the list of eligible firms may include the top 10 or 12 firms in the

country, including our current auditor. It is unlikely that small local independent firms will meet the eligibility criteria.

Options

10. Essentially there are 3 options for the future appointment of external auditors permitted under the 2014 Act:
 - Option 1 – to make a stand-alone appointment
 - Option 2 – joint appointment via joint audit panel
 - Option 3 – opt-in to a ‘sector led’ appointment body (Recommended)

Option 1 – Stand Alone

11. In order to make a stand-alone appointment the council would need to set up an Auditor Panel which must consist of at least a majority of independent members, and must be chaired by an independent member.
12. Independent members for this purpose are independent appointees, this excludes current and former elected members (or officers) and their close families and friends.
13. The panel is created in order to facilitate the appointment of the external auditor, and also:
 - advises the council on maintaining an independent relationship with its auditor
 - must publish its advice to the council
 - must be provided any information held by the authority that is of relevance to the auditor panel’s work upon request
 - should be served by a member or officer of the council and can require members / officers to attend to provide information / answer questions.
14. The council must consult its auditor panel and take its views into account when selecting and appointing an auditor.
15. For local authorities operating executive arrangements the appointment of the auditor must be undertaken by full council and not the executive.
16. The council must publish a notice within 28 days of making the appointment that: states it has made the appointment; the term of that appointment; who the appointed auditor is; sets out the auditor panel’s advice; and if that advice has not been followed, the relevant authority’s reasons for not following it.
17. The constitution of an audit panel means that councillors will not have the majority input to assessing bids and choosing which firm of accountants to award a contract for the council’s external audit.

Advantages

18. Setting up an auditor panel allows the council to take maximum advantage of the new local appointment regime and have local input to the decision.

Disadvantages

19. Recruitment and servicing of the Auditor Panel, running the bidding exercise and negotiating the contract is estimated by the LGA to cost in the order of £15,000 plus ongoing expenses and allowances.
20. The council will not be able to take advantage of reduced fees that may be available through joint or national procurement contracts. Albeit possible that individual procurement may result in a reduced fee it is considered more likely that fees would be higher through this route.

Option 2 - Set up a Joint Auditor Panel

21. The Act enables the council to join with other authorities to establish a joint auditor panel. As with option (1) this will need to be constituted of wholly or a majority of independent appointees. Further legal advice will be required on the exact constitution of such a panel having regard to the obligations of each Council under the Act and the council would need to liaise with other local authorities to assess the appetite for such an arrangement.
22. Such joint arrangements could be progressed:
 - Through existing regional / geographic partnerships e.g. a Local Enterprise Partnership or Norfolk councils.
 - With LGSS partners (i.e. with Cambridgeshire County Council, Northamptonshire County Council and Milton Keynes Council) and subsidiary arrangements.
 - Any other joint arrangement.
23. This option could be complicated where an individual council creates an 'independence issue' with one specific bidder. An independence issue occurs where the auditor has recently or is currently carrying out work such as consultancy or advisory work for the council. Where this occurs some auditors may be prevented from being appointed by the terms of their professional standards.
24. There is a tension between obtaining economy of scale pricing from larger contracts under joint arrangements that also:
 - increase the risk of procurements being complicated by independence issues for individual councils, and,
 - may deter bids if providers evaluate the risk of preventing profitable consultancy work across a wide area.

Advantages

25. The costs of setting up the panel, running the bidding exercise and negotiating the contract will be shared across a number of authorities.
26. There is greater opportunity for negotiating economies of scale by being able to offer a larger combined contract value to the firms.
27. The panel will be more independent of individual council partners.

Disadvantages

28. The decision making body will be further removed from local input, with potentially no input from elected members where a wholly independent auditor panel is used.
29. The appointment will need to manage any complications arising from independence issues or arrangements operating across several councils.

Option 3 - Opt-in to a sector led body

30. 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 would have 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.
31. The LGA have already asked for indications from councils whether they would consider opting into such arrangements and the council was one of many local authorities who expressed an interest in this arrangement. Subsequently Public Sector Audit Appointments Ltd (PSAA) has now been specified as the sector-led appointing body under the Local Audit (Appointing Person) Regulations 2015.
32. LGA analysis indicates that using PSAA would be far cheaper for councils than every council procuring their external auditor separately. It would avoid the need for hundreds of separate procurement exercises and has the advantage for councils of saving the time and costs that would otherwise have been associated with establishing independent panels. Discussion between Norfolk chief finance officers has supported the use of PSAA as the recommended option going forwards in preference to a Norfolk wide panel.

Advantages

33. The costs of setting up the appointment arrangements and negotiating fees would be shared across all opt-in authorities
34. By offering large contract values the external audit firms would be expected to offer better rates and lower fees than are likely to result from local negotiation
35. Any conflicts at individual authorities would be managed by the SLB who would have a number of contracted firms to call upon.

36. The appointment process would not be ceded to locally appointed independent members. Instead a separate body set up to act in the collective interests of the 'opt-in' authorities.

Disadvantages

37. Individual elected members will have less opportunity for direct involvement in the appointment process other than through the LGA and/or stakeholder representative groups.
38. In order for the SLB to be viable and to be placed in the strongest possible negotiating position the SLB will need councils to confirm their intention to opt-in before final contract prices are known.

Additional considerations

39. Early consideration by the council of its preferred approach will enable detailed planning to take place to achieve successful transition to the new arrangement in a timely and efficient manner.
40. The cost of establishing a local or joint auditor panel outlined in options 1 and 2 above would need to be estimated and included in the council's budget for 2016/17 and 2017/18. This would include the cost of recruiting independent appointees (members), servicing the Panel, running a bidding and tender evaluation process, letting a contract and paying members fees and allowances.
41. Opting-in to a national SLB provides opportunity to limit increases by entering in to a large scale collective procurement arrangement and would remove the costs of establishing an auditor panel.
42. 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.
43. Section 12 makes provision for the failure to appoint a local auditor: the authority must immediately inform the Secretary of State, who may direct the authority to appoint the auditor named in the direction or appoint a local auditor on behalf of the authority.
44. Section 17 gives the Secretary of State the power to make regulations in relation to an 'appointing person' specified by the Secretary of State. This power has been exercised in the Local Audit (Appointing Person) Regulations 2015 (SI 192) and this gives the Secretary of State the ability to enable a Sector Led Body to become the appointing person.

Consultation

45. Audit committee met on 20 September 2016 and considered the three options. During discussion members considered that an opt-in to a sector led body would be the most cost effective and efficient option. The chair said that the advantages of being part of a wider collective outweighed the disadvantages of elected members having less opportunity for direct involvement in the appointment process other than through the Local Government Association and/or stakeholder representative groups. The committee resolved, unanimously, to recommend to cabinet that option 3 – opt-in to a sector led body be progressed.
46. Cabinet met on 16 November 2016 and considered the three options. Members also agreed that an opt-in to a sector led body would be the most cost effective and efficient option. Cabinet agreed to recommend to Council that option 3 – opt-in to a sector led body is approved.
47. Council should consider the options, and approve their preferred option so that it can be progressed.

Summary

48. The council has until December 2017 to make an appointment. In practical terms this means one of the options outlined in this report will need to be in place by spring 2017 in order that the contract negotiation process can be carried out during 2017.
49. The LGA have developed a Sector Led Body (SLB) known as Public Sector Audit Appointments (PSAA). Greatest economies of scale will come from the maximum number of councils acting collectively and opting-in to a SLB. In order to strengthen the LGA's negotiating position, and enable it to more accurately evaluate the offering, the council responded positively when asked to consider whether it was interested in the option of opting in to a SLB. The response was made without obligation and did not form a binding commitment. PSAA have now issued a formal invitation letter (Appendix 2) and an Opt in form (Appendix 1). The formal decision to opt-in is required by 9th March 2017.
50. The disadvantages of options (1) and (2) are considered sufficient to recommend option (3) to the council. Whilst a decision is not needed imminently the creation of a Norwich audit panel or the development of a joint audit panel with other councils would require the investment of officer time and costs.
 - A local Audit Panel would require a minimum lead in period of 6-12 months to recruit additional independent members and undertake the necessary procurement exercise.
 - A joint Audit Panel would require an additional 6 months to discuss and agree the terms of a joint panel. Thus work towards a joint panel would need to commence now.
51. Given all the issues set out in this report including the fact that any appointed auditor must comply with the national code as determined by NAO, Option (3) is recommended.

Integrated impact assessment



NORWICH
City Council

The IIA should assess **the impact of the recommendation** being made by the report

Detailed guidance to help with completing the assessment can be found [here](#). Delete this row after completion

Report author to complete

Committee:	Council
Committee date:	29 November 2016
Head of service:	Chief finance officer
Report subject:	External audit appointment
Date assessed:	
Description:	This report presents options for appointment for external auditors

	Impact			
Economic (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Finance (value for money)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The option appraisal sets out alternatives for procurement. The greatest efficiency is expected to be made through collaborative procurement using a sector led body
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"/>	
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"/>	There is no current risk. However, if the organisation fails to appoint an external auditor the Secretary of State will appoint on our behalf which will lead to reputational risk. Also, failure to start the process on time will limit the options of the Council, and will make the options difficult to implement as they are time critical.

Recommendations from impact assessment	
Positive	
Negative	
Neutral	
Issues	

Appendix 1 – Opt in form

Form of notice of acceptance of the invitation to opt in

(Please use the details and text below to submit to PSAA your authority's formal notice of acceptance of the invitation to opt into the appointing person arrangements)

To: appointingperson@psaa.co.uk

Subject: [Name of authority]

Notice of acceptance of the invitation to become an opted-in authority

This email is notice of the acceptance of your invitation dated 27 October 2016 to become an opted-in authority for the purposes of the appointment of our auditor under the provisions of the Local Audit and Accountability Act 2014 and the requirements of the Local Audit (Appointing Person) Regulations 2015.

I confirm that [name of authority] has made the decision to accept your invitation to become an opted-in authority in accordance with the decision making requirements of the Regulations and that I am authorised to sign this notice of acceptance on behalf of the authority.

Name: [Name of signatory]

Title: [Role title] (authorised officer)

For and on behalf of: [Name of authority]

Date:

27 October 2016

Email: appointingperson@psaa.co.uk

Laura McGillivray
Norwich City Council
City Hall
St Peter Street
Norwich NR2 1NH

Copied to: Justine Hartley, S151 Officer, Norwich City Council
Victoria McNeill, Norwich County Council's Head of Law and Monitoring
Officer, Norwich City Council

Dear Ms McGillivray

Invitation to opt into the national scheme for auditor appointments

As you know the external auditor for the audit of the accounts for 2018/19 has to be appointed before the end of 2017. That may seem a long way away, but as there is now a choice about how to make that appointment, a decision on your authority's approach will be needed soon.

We are pleased that the Secretary of State has expressed his confidence in us by giving us the role of appointing local auditors under a national scheme. This is one choice open to your authority. We issued a prospectus about the scheme in July 2016, available to download on the [appointing person](#) page of our website, with other information you may find helpful.

The timetable we have outlined for appointing auditors under the scheme means we now need to issue a formal invitation to opt into these arrangements. The covering email provides the formal invitation, along with a form of acceptance of our invitation for you to use if your authority decides to join the national scheme. We believe the case for doing so is compelling. To help with your decision we have prepared the additional information attached to this letter.

I need to highlight two things:

- we need to receive your formal acceptance of this invitation by 9 March 2017; and
- the relevant regulations require that, except for a body that is a corporation sole (a police and crime commissioner), the decision to accept the invitation and to opt in needs to be made by the members of the authority meeting as a whole. We appreciate this will need to be built into your decision making timetable.

If you have any other questions not covered by our information, do not hesitate to contact us by email at appointingperson@psaa.co.uk.

Yours sincerely



Jon Hayes, Chief Officer

Appointing an external auditor

Information on the national scheme

Public Sector Audit Appointments Limited (PSAA)

We are a not-for-profit company established by the Local Government Association (LGA). We administer the current audit contracts, let by the Audit Commission before it closed.

We have the support of the LGA, which has worked to secure the option for principal local government and police bodies to appoint auditors through a dedicated sector-led national procurement body. We have established an advisory panel, drawn from representative groups of local government and police bodies, to give access to your views on the design and operation of the scheme.

The national scheme for appointing local auditors

We have been specified by the Secretary of State for Communities and Local Government as the appointing person for principal local government bodies. This means that we will make auditor appointments to principal local government bodies that choose to opt into the national appointment arrangements we will operate for audits of the accounts from 2018/19. These arrangements are sometimes described as the 'sector-led body' option, and our thinking for this scheme was set out in a prospectus circulated to you in July. The prospectus is available on the [appointing person](#) page of our website.

We will appoint an auditor for all opted-in authorities for each of the five financial years beginning from 1 April 2018, unless the Secretary of State chooses to terminate our role as the appointing person beforehand. He or she may only do so after first consulting opted-in authorities and the LGA.

What the appointing person scheme will offer

We are committed to making sure the national scheme will be an excellent option for auditor appointments for you.

We intend to run the scheme in a way that will save time and resources for local government bodies. We think that a collective procurement, which we will carry out on behalf of all opted-in authorities, will enable us to secure the best prices, keeping the cost of audit as low as possible for the bodies who choose to opt in, without compromising on audit quality.

Our current role means we have a unique experience and understanding of auditor procurement and the local public audit market.

Using the scheme will avoid the need for you to:

- establish an audit panel with independent members;
- manage your own auditor procurement and cover its costs;
- monitor the independence of your appointed auditor for the duration of the appointment;
- deal with the replacement of any auditor if required; and
- manage the contract with your auditor.

Our scheme will endeavour to appoint the same auditors to other opted-in bodies that are involved in formal collaboration or joint working initiatives, if you consider that a common auditor will enhance efficiency and value for money.

We will also try to be flexible about changing your auditor during the five-year appointing period if there is good reason, for example where new joint working arrangements are put in place.

Securing a high level of acceptances to the opt-in invitation will provide the best opportunity for us to achieve the most competitive prices from audit firms. The LGA has previously sought expressions of interest in the appointing person arrangements, and received positive responses from over 270 relevant authorities. We ultimately hope to achieve participation from the vast majority of eligible authorities.

High quality audits

The Local Audit and Accountability Act 2014 provides that firms must be registered as local public auditors with one of the chartered accountancy institutes acting in the capacity of a Recognised Supervisory Body (RSB). The quality of registered firms' work will be subject to scrutiny by both the RSB and the Financial Reporting Council (FRC), under arrangements set out in the Act.

We will:

- only contract with audit firms that have a proven track record in undertaking public audit work;
- include obligations in relation to maintaining and continuously improving quality in our contract terms and in the quality criteria in our tender evaluation;
- ensure that firms maintain the appropriate registration and will liaise closely with RSBs and the FRC to ensure that any quality concerns are detected at an early stage; and
- take a close interest in your feedback and in the rigour and effectiveness of firms' own quality assurance arrangements.

We will also liaise with the National Audit Office to help ensure that guidance to auditors is updated as necessary.

Procurement strategy

In developing our procurement strategy for the contracts with audit firms, we will have input from the advisory panel we have established. The panel will assist PSAA in developing arrangements for the national scheme, provide feedback to us on proposals as they develop, and helping us maintain effective channels of communication. We think it is particularly important to understand your preferences and priorities, to ensure we develop a strategy that reflects your needs within the constraints set out in legislation and in professional requirements.

In order to secure the best prices we are minded to let audit contracts:

- for 5 years;
- in 2 large contract areas nationally, with 3 or 4 contract lots per area, depending on the number of bodies that opt in; and
- to a number of firms in each contract area to help us manage independence issues.

The value of each contract will depend on the prices bid, with the firms offering the best value being awarded larger amounts of work. By having contracts with a number of firms, we will be able to manage issues of independence and avoid dominance of the market by one or two firms. Limiting the national volume of work available to any one firm will encourage competition and ensure the plurality of provision.

Auditor appointments and independence

Auditors must be independent of the bodies they audit, to enable them to carry out their work with objectivity and credibility, and in a way that commands public confidence.

We plan to take great care to ensure that every auditor appointment passes this test. We will also monitor significant proposals for auditors to carry out consultancy or other non-audit work, to protect the independence of auditor appointments.

We will consult you on the appointment of your auditor, most likely from September 2017. To make the most effective allocation of appointments, it will help us to know about:

- any potential constraints on the appointment of your auditor because of a lack of independence, for example as a result of consultancy work awarded to a particular firm;
- any joint working or collaboration arrangements that you think should influence the appointment; and
- other local factors you think are relevant to making the appointment.

We will ask you for this information after you have opted in.

Auditor appointments for the audit of the accounts of the 2018/19 financial year must be made by 31 December 2017.

Fee scales

We will ensure that fee levels are carefully managed by securing competitive prices from firms and by minimising our own costs. Any surplus funds will be returned to scheme members under our articles of association and our memorandum of understanding with the Department for Communities and Local Government and the LGA.

Our costs for setting up and managing the scheme will need to be covered by audit fees. We expect our annual operating costs will be lower than our current costs because we expect to employ a smaller team to manage the scheme. We are intending to fund an element of the costs of establishing the scheme, including the costs of procuring audit contracts, from local government's share of our current deferred income. We think this is appropriate because the new scheme will be available to all relevant principal local government bodies.

PSAA will pool scheme costs and charge fees to audited bodies in accordance with a fair scale of fees which has regard to size, complexity and audit risk, most likely as evidenced by audit fees for 2016/17. Pooling means that everyone in the scheme will benefit from the most competitive prices. Fees will reflect the number of scheme participants – the greater the level of participation, the better the value represented by our scale fees.

Scale fees will be determined by the prices achieved in the auditor procurement that PSAA will need to undertake during the early part of 2017. Contracts are likely to be awarded at the end of June 2017, and at this point the overall cost and therefore the level of fees required will be clear. We expect to consult on the proposed scale of fees in autumn 2017 and to publish the fees applicable for 2018/19 in March 2018.

Opting in

The closing date for opting in is 9 March 2017. We have allowed more than the minimum eight week notice period required, because the formal approval process for most eligible bodies, except police and crime commissioners, is a decision made by the members of an authority meeting as a whole.

We will confirm receipt of all opt-in notices. A full list of authorities who opt in will be published on our website. Once we have received an opt-in notice, we will write to you to request information on any joint working arrangements relevant to your auditor appointment, and any potential independence matters that would prevent us appointing a particular firm.

If you decide not to accept the invitation to opt in by the closing date, you may subsequently make a request to opt in, but only after 1 April 2018. The earliest an auditor appointment can be made for authorities that opt in after the closing date is therefore for the audit of the accounts for 2019/20. We are required to consider such requests, and agree to them unless there are reasonable grounds for their refusal.

Timetable

In summary, we expect the timetable for the new arrangements to be:

- Invitation to opt in issued 27 October 2016
- Closing date for receipt of notices to opt in 9 March 2017
- Contract notice published 20 February 2017
- Award audit contracts By end of June 2017
- Consult on and make auditor appointments By end of December 2017
- Consult on and publish scale fees By end of March 2018

Enquiries

We publish frequently asked questions on our [website](#). We are keen to receive feedback from local bodies on our plans. Please email your feedback or questions to: appointingperson@psaa.co.uk.

If you would like to discuss a particular issue with us, please send an email to the above address, and we will make arrangements either to telephone or meet you.

