

# Public Document Pack



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To The Members of the Council

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Date: 24 January 2011

## AGENDA SUPPLEMENT

Dear Sir/Madam

### COUNCIL - THURSDAY 27 JANUARY 2011

I refer to the agenda for the above-mentioned meeting and enclose the following items:

Item No	Report Title	Page Nos
1(b)	<b>Minutes of the Special Meeting held on 11 January 2011</b> To confirm the minutes of the meeting held on 11 January 2011.	104 - 110
5.	<b>Cabinet Minutes - 11 January 2011</b>  Unconfirmed minutes of the Cabinet meeting held on 11 January 2011.	111 - 127
10.	<b>Audit Committee - 14 January 2011</b>  Unconfirmed minutes of the meeting of the Audit Committee held on 14 January 2011.	128 - 136

Yours faithfully

*Julie Britton*

Committee Officer



Public Document Pack Agenda Item 1b  
**BRECKLAND COUNCIL**

**At a Special Meeting of the**

**COUNCIL**

**Held on Tuesday, 11 January 2011 at 11.30 am in the  
Anglia Room, The Conference Suite, Elizabeth House, Dereham**

**PRESENT**

Mr S. Askew	Mr J.P. Labouchere
Mr G.P. Balaam	Mr K. Martin
Mrs J. Ball	Mrs S.M. Matthews
Mr S.G. Bambridge	Mr I.A.C. Monson
Councillor Claire Bowes	Mrs L.H. Monument (Chairman)
Mr A.J. Byrne	Mr D.G. Mortimer
Mr R.P. Childerhouse	Mr D.S. Myers
Mr P.D. Claussen	Mr J.W. Nunn
Mr J.P. Cowen	Mrs P. Quadling
Mr R.W. Duffield	Mr J.D. Rogers
Mr P.J. Duigan	Mr B. Rose
Mr M. Fanthorpe	Mr F.J. Sharpe
Lady Fisher	Mr I. Sherwood
Mr R.F. Goreham	Mr W.H.C. Smith
Councillor E. Gould	Mrs P.A. Spencer
Mr J.R. Gretton	Mr A.C. Stasiak
Mr A.P. Joel	Mrs A.L. Steward
Mr R. Kemp	Mrs L.S. Turner
Mr M.A. Kiddle-Morris	Mr N.C. Wilkin (Vice-Chairman)
Mr R.G. Kybird	

**In Attendance**

Dominic Chessum	- Marketing & Communications Officer
John Chinnery	- Solicitor & Standards Consultant
Jonathan Collison	- Web Officer
Phil Daines	- Development Services Manager (Capita Symonds for Breckland Council)
Terry Huggins	- Chief Executive
Helen McAleer	- Senior Committee Officer
Stephen McGrath	- Member Services Manager
Phil Mileham	- Senior Planning Policy Officer (Capita Symonds for Breckland Council)
Jane Osborne	- Committee Officer
Jamie Smith	- Environmental Planning Officer (Capita Symonds for Breckland Council)
David Spencer	- Principal Planning Policy Officer (Capita Symonds for Breckland)

**1/11 APOLOGIES (AGENDA ITEM 1)**

Apologies for absence were received from Mr Borrett, Mrs Chapman-Allen, Mr Chapman-Allen, Mr Francis, Mrs Hewett, Mr Hewett, Mrs Irving, Mr Lamb, Mrs Millbank, Mr Simon Rogers and Mr Spencer.

**Action By**

**Action By**

**2/11 DECLARATION OF INTEREST (AGENDA ITEM 2)**

The Solicitor and Standards Consultant was in attendance to give Members advice on declarations if required.

Advice in respect of the interest of Town Councillors was sought and the Solicitor explained that if the Town Council had been consulted only, no interest need be declared, however if the Town Council owned land to be discussed there might be a personal and prejudicial interest.

The following declarations were made:

Mrs Monument	Personal and prejudicial interest in land off Greenfields Road, Dereham, as she lived there.
Mr John Rogers	Personal interest in land in Watton as a Town Councillor
Councillor Bowes	Personal and prejudicial interest in specific sites in Watton as she had an interest in land there
Mr Sharpe	Personal interest in land in Swaffham as a Town Councillor
Mr Sherwood	Personal and prejudicial interest in land in Swaffham as a Town Councillor
Mrs Matthews	Personal and prejudicial interest in land in Swaffham as a Town Councillor
Mr Labouchere	Personal and prejudicial interest as a land owner in North Elmham
Lady Fisher	Personal and prejudicial interest in the Habitat directive concerning Stone Curlews
Mr Duigan	Personal interest in land at Dereham Cemetery as a Town Councillor
Mr Gretton	Personal interest in land at Dereham Cemetery as a Town Councillor
Mrs Turner	Personal interest in land at Dereham Cemetery as a Town Councillor
Mr Kemp	Personal and Prejudicial interest as a land owner in East Harling
Mr Cowen	Personal interest as an architect in practice in the district

**3/11 CHAIRMAN'S ANNOUNCEMENTS (AGENDA ITEM 3)**

The Chairman noted that she had attended the first presentation ceremony of the Elizabeth Cross and Scrolls to Norfolk people that had lost someone in action. She said it had been a sad and moving occasion. One Breckland resident had died in Afghanistan.

On a lighter note she advised Members that the next full Council on 27 January 2011 would mark the commencement of a sponsored slim in support of Young Carers in Norfolk. She would be taking part herself and encouraged others to consider doing so. More details would be announced at the next meeting.

**4/11 SITE SPECIFIC POLICIES & PROPOSALS DEVELOPMENT PLAN  
DOCUMENT 2001-2026 - PROPOSED SUBMISSION DOCUMENT  
(AGENDA ITEM 4)**

**Action By**

The Development Services Manager introduced the report which he hoped Members would agree had been worth waiting for.

**Elaine Rivett**

The Site Specifics Policy document did not include areas covered by the Thetford Area Action Plan or the Attleborough and Snetterton Heath Action Plan, but did cover the rest of the district. It set out the broad principles and parameters of growth and identified suitable sites for housing and employment.

The consultations had taken place over a long period of time which had given Parish Councils and other Stakeholders the opportunity to provide considered responses. The process had been thorough and inclusive. There had been lots of detailed discussions at the eight sessions of the LDF Task & Finish Group and at the additional mop-up meeting.

The Principal Planning Policy Officer and the Senior Planning Policy Officer then went through the summary of changes to the preferred options document by locations.

At this point it was clarified that the Officers would present their report in full before questions would be taken.

**Market Towns:**

Dereham

Three sites were recommended for residential and two sites for employment development. The employment site east of Dereham Business Park was amended to include the alternative site. Retail development proposals within the town centre remained the same. An area of land for Open Space and a new cemetery was allocated to the east of the football ground.

Swaffham

A single allocation for 250 homes, two employment areas near the A47 accessed via the Eco-tech site and two additional Open Space areas.

Watton

Four sites allocated for new housing - one of those sites to include additional land, for an extension to the high school.

**Local Service Centres:**

Harling

Originally proposed for an allocation of 50 homes, however, 65 homes had received recent planning approval therefore there was no need to release further land.

Narborough

50 homes allocated – as per the Preferred Options Document.

**Action By**

Shipdham

Allocation reduced to 85 (from 100) on one site (The other preferred site having received planning permission). A clarification on site references was provided following an enquiry from the Ward Member.

Swanton Morley

50 homes allocated on a single site.

**Settlement Boundaries:**

14 Settlement Boundary recommended for deletion or amendment had been reconsidered by the 'mop-up' LDF Task & Finish Group. The Group had recommended the retention of 11 of those. The changes were incorporated in the document and included an additional change to the Settlement Boundary of East Tuddenham to include land at 'The Baynings'.

**Habitats Regulations Assessment**

This had been prepared in accordance with the Core Strategy Document. Preliminary work had been undertaken already and indicated that there would be no adverse effects on European Sites from the allocations.

**Publication of the Document**

Approval was sought to publish the document prior to submission. The publication period was proposed to be 7 February 2011 to 21 March 2011. All evidence base information, consultation results, Habitats Regulations work and the Sustainable Appraisal would be made available for comment. A Statutory Notice would be published in the local press and details would be available on-line.

The publication was not for widespread consultation purposes. It would provide an opportunity for those who had participated in the process to comment on the soundness of the document. If no fundamental issues were raised with regard to soundness, the document would be submitted to the Government Inspector. However, if fundamental issues were raised, the document would come back to Council.

The potential timetable following publication was to submit the document in April, hold the Examination in Public in July, receive the Inspector's report by November and adopt the document by the end of December 2011.

All the changes to the Proposals Map and Settlement Boundaries, as recommended by the LDF Task & Finish Group had been included in the final document.

Members were then invited to put their questions.

Mr Askew sought clarification of exactly which Parishes were covered by the Attleborough and Snetterton Heath Area Action Plan (ASHAAP) (and therefore not covered by the Site Specifics document).

**Action By**

It was explained that Besthorpe, Snetterton and Quidenham (including Eccles, Hargham and Wilby) were covered by the ASHAAP. Other Parishes had been consulted on the Action Plan, but were not included. It was specifically clarified that East Harling was covered by the Site Specifics document and not the ASHAAP.

Appendix A to the Council report would form part of the Consultation Statement which would be submitted with the document and the final recommendations were in the sixth column of that appendix.

Mrs Matthews referred to paragraph 3.4.16 (on page 8 of the agenda). She objected to the words in the final sentence "The absence of any significant local or technical objection..." and wished it to be noted that historically the Town Council had strongly objected to the approval for 400 houses on a site to the south of Swaffham. The town was linear in form and served by one spine road which gave access to King's Lynn, Fakenham and Norwich and was already congested.

Mr Goreham asked if the points he had made earlier in the Cabinet meeting would be taken on board. For the benefit of those Members who had not been present at the earlier meeting he was asked to reiterate those points. As they referred specifically to Greenfields Road, the Chairman declared a personal and prejudicial interest and left the room.

**(Mr Wilkin, Vice-Chairman in the Chair)**

Mr Goreham explained that he and Mr Fanthorpe generally agreed with the future proposals for residential development in Dereham except for that at Greenfields Road. There had been a lot of public concern from residents that if the estate roads were interconnected it would create a rat-run. The Planning Officers had acknowledged these concerns but did not think that a connection would be detrimental. That was not the opinion of local people and Mr Goreham asked that it be noted that they had raised their concerns.

The Development Services Manager confirmed that Planning Officers were aware of the issue and that when a planning application was submitted it would be looked at very carefully.

The Vice-Chairman noted that a petition regarding this matter had been received by the Council.

**(Chairman in the Chair)**

Some small amendments to spellings, text errors and omissions, etc were noted and would be updated before publication. Members were concerned that some comments in the document had been submitted by e-mail and did not have full name and address details supplied.

The Senior Planning Policy Officer explained that as the Inspector might wish to invite those people to speak at the Examination in Public, the details would be sought at a later stage.

There were no further comments were made.

**Action By**

**RESOLVED** to:

- (1) agree to the publication of the Site Specific Policies and Proposals document, including the Cabinet Recommendations and amendments necessary for Appropriate Assessment, for a period of at least 6 weeks;
- (2) agree to the submission of the Site Specifics Policies and Proposals document to the Secretary of State for an Examination in Public by a Government appointed Inspector whose report would be binding on the authority, unless comments received during the 6 weeks of pre-Submission publication indicated that the document was unsound and should be withdrawn;
- (3) where Minor amendments were needed following publication, agree that these be delegated to the Executive Member in consultation with the Leader.

The Chairman thanked the Officers for their presentation.

**5/11 LAUNCH OF THE NEW WEBSITE (AGENDA ITEM 5)**

The Marketing & Communications Officer gave Members a short presentation on the new website which would be launched within the next week. The launch was just the start in a drive to provide more and more complex information on-line.

The changes to the website had been proposed to make information more easily accessible and to encourage more people to use the website which in turn would save the Council money.

To meet the tight timescales set, an outside web developer had been used and a completely new website had been prepared. As well as making the site easier to use, the objective had been to ensure that all information was accurate and up-to-date and software had been included to ensure it stayed that way, by prompting editors to check content on a regular basis. Finally, the project had been delivered within the very tight budget allowed.

The facilities on the new site were demonstrated and included a prominent picture box for good news stories or crisis information and a read aloud service for those with disabilities.

Each department had been colour coded for easy identification and there was a simple explanation of the services each department provided. No information was more than four clicks from the homepage.

All web editors had been trained and could edit pages quickly. Changes were checked and approved before publication. Links would also be checked regularly to ensure that none were broken. A Google analytic tool would be used to identify problems encountered by the public.

**Action By**

The biggest challenge of the project had been the data cleansing and migration which had taken longer than expected and had caused the launch to be put back from its original target date of 1 September 2010.

Prior to the launch a survey had been carried out to test the new website and assess user's satisfaction. The results had been positive and encouraging.

Members were unanimous in their appreciation of the work done by the Marketing & Communications Officer and the Breckland Web Officer and especially impressed that the project had been delivered under budget.

A Member asked if there would be a "Who is my Councillor?" link on the front page – as there was on the current site, and the Marketing & Communications Officer assured him that one would be added.

Members enquired about the potential for raising money from the new website by allowing advertising and the Marketing & Communications Officer confirmed that the website had that capability if required.

**Dominic  
Chessum**

The meeting closed at 1.00 pm

CHAIRMAN

**BRECKLAND COUNCIL**

**At a Meeting of the**

**CABINET**

**Held on Tuesday, 11 January 2011 at 9.30 am in  
The Anglia Room, The Conference Suite, Elizabeth House, Dereham**

**PRESENT**

Mr J.W. Nunn (Chairman)	Lady Fisher
Mr W.H.C. Smith	Mr M.A. Kiddle-Morris
Mr S. Askew	Mr A.C. Stasiak (Vice-Chairman)
Mr P.D. Claussen	

**Also Present**

Mr S.G. Bambridge	Mrs L.H. Monument
Mr J.P. Cowen	Mrs L.S. Turner
Mr M. Fanthorpe	Mr R.P. Childerhouse
Mr R.F. Goreham	

**In Attendance**

Terry Huggins	- Chief Executive
Mark Stokes	- Deputy Chief Executive
Maxine O'Mahony	- Director of Corporate Resources
Robert Walker	- Director - Community Services
Laura Apps-Green	- Community Development Officer
Mandy Ashton	- Revenue and Projects Accountant
Natalie Beal	- Planning Policy Officer (Growth Point)
Anita Brennan	- Assistant Director - Environmental Health & Housing
Julie Britton	- Senior Committee Officer
Alison Chubbock	- Accountancy Manager
Phil Daines	- Development Services Manager (Capita Symonds for Breckland Council)
Mark Finch	- Head of Finance
Zoe Footer	- Land Management Officer
Sharon Jones	- Strategic Manager (ARP)
Robert Leigh	- Assistant Director, Communications and Communities
Stephen McGrath	- Member Services Manager
Phil Mileham	- Senior Planning Policy Officer (Capita Symonds for Breckland Council)
Jane Osborne	- Committee Officer
Jamie Smith	- Environmental Planning Officer (Capita Symonds for Breckland Council)
David Spencer	- Principal Planning Policy Officer (Capita Symonds for Breckland)

**Action By**

**1/11 MINUTES (AGENDA ITEM 1)**

The Minutes of the meeting held on 30 November 2010 were confirmed as a correct record and signed by the Chairman, subject to the following typographical error being amended at Minute No. 121/10 (b) to read: £4,925 and not £4,295.

**2/11 APOLOGIES (AGENDA ITEM 2)**

There were no apologies for absence.

**3/11 DECLARATION OF INTEREST (AGENDA ITEM 4)**

Lady K Fisher declared a personal and prejudicial interest in agenda item 14 and left the room whilst this item was being discussed.

Mrs L Monument declared a personal and prejudicial interest in agenda item 8, the allocation of housing at Greenfields Road, Dereham in relation to the completion of a new through route to the south of the Windmill. Mrs Monument left the room whilst this matter was being discussed.

Mr P Cowen declared a personal interest in agenda item 8 and 14 of the agenda by virtue of his profession as an architect in practice.

**4/11 NON-MEMBERS WISHING TO ADDRESS THE MEETING (AGENDA ITEM 5)**

Mesdames L Monument and L Turner and Messrs G Bambridge, R Childerhouse, P Cowen, R Goreham and M Fanthorpe.

**5/11 MINUTES OF THE LDF TASK & FINISH GROUP: 15 DECEMBER 2010 (AGENDA ITEM 7)**

The Minutes of the LDF Task & Finish Group had been attached to the Cabinet agenda for information.

A Member said that he had been quoted in the Minutes under Minute No. 27/10 (f) as using the term 'large numbers' of the residents. He stated that if he indeed used the word 'large' at this particular point it would have been in error as his intentions would have been to use that term in respect of one of his other villages in his Ward and not Foxley. It had also been pointed out to him that this form of words could be interpreted as him implying that the Parish Council was out of touch with the people of the said village. This had not been his intention.

As far as the settlement boundary was concerned, he had always supported the views of the Parish Council, to retain the boundary but restrict future development.

Members were asked to raise any further comments under agenda item 8.

The Minutes were otherwise noted.

**Action By**

**6/11 SITE SPECIFIC POLICIES & PROPOSALS DEVELOPMENT PLAN  
DOCUMENT 2001-2026 - PROPOSED SUBMISSION DOCUMENT  
(AGENDA ITEM 8)**

The report sought Members' approval to publish then submit the Site Specific Polices and Proposals Document including any Cabinet recommendations and those changes required to satisfy Habitats Regulations. Publication and submission represented the last stage of document production and effectively represented the final opportunity for Breckland Council to shape the documents before it was considered at an examination in Public by a Government Inspector. Following consultation earlier in 2010 on a detailed Site Specifics document, the proposed submission version of the document had been further updated for consideration by Cabinet, to reflect those changes which were necessary as a result of previous responses received. During preparation of the document there had been 8 public meetings of the Council's LDF Task & Finish Group (T&F) and 2 meetings of Cabinet. This level of scrutiny, together with the considerable public consultation and evidence base which underpinned the document, meant that the Council could publish and submit a sound document which would help manage development in the market towns and rural parts of Breckland for the next 15-16 years.

The Principal Planning Policy Officer advised that the Minutes of the LDF Task & Finish Group held on 15 December 2010 were pertinent to this debate. He explained that the Site Specifics document had been referred to the Cabinet meeting on 30 November 2010 for discussion where representations had been received from East Tuddenham Parish Council outlining concerns that previously agreed changes to the Settlement Boundary for the village had not been carried forward into the final document. Additional concerns to the same effect had also been raised by non-Executive Members in attendance at Cabinet. In response to these concerns, Cabinet had agreed that the document be deferred for a one-off meeting of the LDF Task & Finish Group to discuss apparent discrepancies within the document. Cabinet had further requested that the document be referred back to a future meeting as expediently as possible in order to minimise delays to the publication of the document. The LDF Task & Finish Group then met on the 15<sup>th</sup> December and the agenda included discussions on the proposed allocations in Dereham, Shipdham and Watton and 14 rural settlement boundaries where further changes were being proposed and new Officer recommendations were being made.

Attached at Appendix A of the report was a table setting out the items reported to the LDF T&F Group and the recommendations to Cabinet. It had been recommended that the proposed allocation for D4 at Dereham (Nurseries, Shipdham Road, Toftwood) be removed and the settlement boundaries for Cockley Cley, Foxley, Guist, Ickburgh, Little Cressingham, Sparham, Stanfield, Stow Bedon and Tittleshall be re-instated. For East Tuddenham, the changes to the settlement boundary had been supported, subject to the inclusion of additional land north of Mattishall Road at the Baynings. In Shipdham, the Thomas Bullock Playing Field site was no longer proposed as a preferred option and there would now be only one allocation site for 85 dwellings on site SH.1 (the Coal Yard);

**Action By**

however, the allocation for Shipdham would now be reduced to 85 houses to take into account the recent planning permission granted in Shipdham at the Development Control Committee held on 5 January 2011.

Members were pleased to note that even with all the aforementioned amendments it still left the Council with a sound document.

The process for publication and submission was explained.

The Opposition Leader, and one of his colleague's who represented Dereham Central, did support the reduction in the allocation on site D2 in Dereham but still had reservations about the concept of joining Greenfields and Wheatcroft Way together by a through road. There had been a lot of public concern from residents that if the estate roads were interconnected it would create a rat-run. Members were informed that significant consultation had been carried out and the Highways Authority had been satisfied and comfortable with the proposal to provide two safe points of access onto Norwich Road. The Opposition Leader asked that it be noted that this concern had been raised.

It was further noted that another access could be achieved on land at the former Maltings on the Norwich Road. The Development Services Manager advised that if the Maltings site did come forward, the Highways Authority would almost insist on another access but the proposal would be tied up with a formal planning application.

The Vice-Chairman stated that he had been asked by the residents of Beeston that the settlement boundary be looked at again as the proposal, as it stood, offered no protection to the local shop. The Chairman felt that the point raised by the Vice-Chairman was not just about Beeston but was about the protection of all rural pubs and shops. He felt that village shops should be safeguarded and asked if there was a policy in place. If there was, it should stipulate that if a shop had to be removed to make way for new development another shop in the village should be provided. The Development Services Manager advised that there were two policies in the Core Strategy namely CP14 and DC18; however, these policies could not prevent shops from closing but would, through this process, be more robust. He reminded Members that all anomalies had been picked up through the LDF T&F Group and Beeston at that time had not been mentioned. The Principal Planning Policy Officer explained that Beeston had been looked upon favourably as there would only be a small scale of development to support the industry in the village. This proposal had been supported by the Parish Council and the only option to Cabinet at this stage was for the site to be taken out. The Chairman felt that if the Parish Council had given evidence of their support then the existing decision should remain. In respect of the shop, he hoped that this would be safeguarded through policies as part of any future development going forward. Members were reminded that the policy did require the applicant to go through quite a strenuous marketing exercise to demonstrate and prove that the shop was no longer required, and would then have to go through to the Development Control Committee for a decision.

A proposal to move the settlement boundary back was put forward but the proposal was lost and the original decision remained.

**Action By**

**Option A**

Members agree that the Council publishes the Site Specific Policies and Proposals document, including any Cabinet recommendations and any amendments necessary for appropriate assessment for a period of at least 6 weeks. Members further agree to submit the Site Specific Policies and Proposals document to the Secretary of State for an Examination in Public by a Government appointed Inspector whose report will be binding on the authority unless comments received during the 6 weeks of pre-submission publication indicate that the document is unsound and should be withdrawn.

**Option B**

Members do not agree that the Council publishes the Site Specific Policies and Proposals document, including amendments. Members also not agree to submit the Site Specifics Policies and Proposals document to the Secretary of State for an Examination in Public by a Government appointed Inspector.

**Reasons**

Members are asked to approve Option A in order to allow the timely progression of a sound development framework for the market towns, Local Service Centres and villages.

**RESOLVED** that the recommendations made by the LDF Task & Finish Group meeting on 15 December 2010 be noted and agreed.

**RECOMMEND** to Council that the Site Specific Policies and Proposals document be adopted and published for a period of at least six weeks prior to submission to the Secretary of State for an Examination in Public by a Government appointed Inspector whose report will be binding on the authority unless comments received during the 6 week of pre-submission publication indicates that the document is unsound and should be withdrawn.

David  
Spencer

**7/11 BUDGET SETTING REPORT (AGENDA ITEM 9)**

The Head of Finance presented the report which outlined the 2011/12 revenue and capital estimates for the General Fund, the proposals for the setting of discretionary fees and charges and the outline financial position through to 2015/16.

The Accountancy Manager and the Revenues and Projects Accountant were in attendance to answer questions.

Members were provided with a presentation which covered all key points and the recommendations within the report. It was noted that under the fees and charges schedule the pest control service would be amended to show that the domestic rats and mice service in 2011/12 would be free of charge.

**Action By**

A question was asked as to how the Homelessness Grant compared to the previous year. Members were informed that this grant had been increased from £60k. A further question on this matter related to what these monies were spent on. The Assistant Director for Housing and Environmental Health explained that the grant funding was used to prevent homelessness by working with those people to find solutions. There were many schemes available which refrained from putting families into bed & breakfast accommodation.

The Executive Member for the Corporate Development & Performance Portfolio thanked the Finance Team for all their hard work throughout the year. The Team had worked methodically with Members and had placed the Council in a much enviable position than many other authorities in the area. A number of years ago he had asked for growth to be looked at and was pleased that even though Council Tax had been frozen for three years prudent and sustainable growth had been maintained. He felt that the Council had responded well to the Value for Money agenda and had over achieved in the efficiency requirement to balance the budget; however, with regard to the funding gap, where it was being asked that this shortfall be met from a one-off contribution from the General Fund, he agreed that this process was necessary to continue with productivity but would not agree to this course of action in future. In concluding his discussion the Executive Member for the Corporate Development & Performance Portfolio wholeheartedly supported the budget.

The Chief Executive reminded Members that this was a draft budget settlement and with this in mind an opportunity had arisen for Breckland Council to make representations to Government. He explained that when the spending review was announced, it had been declared that the headline reduction for local authorities' budgets would be no more than 8.9% which included parish council precepts, this had in fact, brought Breckland's actual reduction to 10.5%. A meeting had been arranged with the Department for Communities and Local Government (CLG) to highlight this fact.

The Executive Member for Planning, Health & Housing asked where the Homelessness Grant sat within the budget. In response, Members were informed that this grant sat within the General Fund. The Executive Member was not happy with this response as he had concerns as to how the Housing Team was expected to deliver this service when the funding was in this particular pot. He asked what the process was going to be to enable the Housing Team to continue with its preventative work. Members were reminded that there was over £900k in the Strategic Housing and Homelessness budgets for service delivery. The Executive Member for Planning, Health & Housing still had great concerns and felt that this part of the Grant Settlement should be deferred. The Executive Member for the Corporate Development & Performance Portfolio strongly supported the aforementioned points and reminded the Cabinet that the procedure had been changed a number of years ago to allow for a rapid response to certain members of the population (which had actually driven down bed & breakfast costs). He urged Members to leave a certain amount in the pot to be used at the Housing Team's discretion then return the remainder into the General Fund to be used if and when required.

**Action By**

The Chairman was surprised by the amount in the Strategic Housing budget and asked for a paper to be brought to Cabinet to gain a better understanding how this £900k was spent rather than taking a certain amount out. He felt every service should be reviewed annually; therefore, justifying what this authority needed to put in the budget.

The Opposition Leader supported the aforementioned suggestion. He felt that the Government settlement, in his opinion, had not been a clever was grateful for Reserves but felt sorry for the many authorities that did not have such monies to fall back on. He knew that a decrease to the budget had been expected but felt that Breckland Council should not have been penalised as much as it had, as it had clearly demonstrated efficiencies.

The Overview & Scrutiny Commission Chairman echoed all the above sentiments. He asked about key risks and was keen to know more about the New Homes Bonus as he was not able to understand how this would deliver funding to authorities. The Chief Executive advised that this was a risk but a positive one, and although further details were awaited, the Government had indicated that the funding should be received in 2011/12 which should be equivalent to the Council Tax grant. It was anticipated that District Councils would retain 80% of the funding whereas County Councils would retain 20%. A greater understanding of how this new bonus would work was required to be able to maximise finances. The Executive Member for the Planning, Health & Housing Portfolio did not understand the element of the housing delivery and expressed his concerns. The Chairman assumed that the Housing Minister would be able to clarify a number of these concerns.

The Vice-Chairman conveyed his thanks to the Finance Team for doing such a grand job in such difficult circumstances.

**Options**

There were no alternative budget options presented; however, the Cabinet was able to make amendments before recommendation to Full Council.

**Reasons**

To comply with the budgetary and policy framework.

**RESOLVED** that a report be prepared for the next Cabinet meeting on 22 February 2011 so that Members have a greater understanding of what and how the Homelessness Grant monies are spent.

**Anita  
Brennan**

Subject to the charges for domestic rats and mice being continued as a free of charge service; it was **RECOMMENDED** to Council that:

**Mark  
Finch**

- 1) the Breckland revenue estimates and parish council special expenses for 2011/12 and outline position through to 2015/16 be approved;
- 2) the capital estimates and associated funding for 2011/12 and outline position through to 2015/16 be approved;
- 3) the revised capital estimates and associated funding for 2010/11 be

**Action By**

- approved;
- 4) the fees and charges shown at appendix 2/2B of the report, for adoption 1 April 2011, be approved;
  - 5) the Council Tax for a Band D property in 2011.12 be set at £64.05
  - 6) the changes to the Constitution for Reserves and Grants (detailed in appendix 6 of the report) be approved;
  - 7) up to £754,675 of the pre-incurred costs (detailed in section 3 of the report) relating to Thetford Enterprise Park (TEP) be written off to the General Fund; and
  - 8) the budget virements set out in appendix 8 of the report be approved.

**8/11 PROPOSAL TO EXPAND ANGLIA REVENUES PARTNERSHIP**  
**(AGENDA ITEM 10)**

The Head of Finance presented the report which concerned the expansion of the Anglia Revenues & Partnership (ARP) and the development of the telephony system at Breckland House. He explained that a report had been raised to clarify the expenditure required and efficiencies to be made, rather than expecting Members to refer back to Joint Committee reports.

The Strategic Director for ARP was in attendance to answer any detailed questions.

At the ARP Joint Committee meeting on 16 December 2010 it was agreed to expand the Partnership to include St Edmundsbury District Council. At the same meeting, the Committee also received a request for funding to replace and develop the partnership's telephony system.

The admission of a new partner offered the opportunity to grow the service and provide greater resilience as well as delivering significant savings for the new and existing partners. To achieve this level of savings, investment was required to the ICT systems to migrate the new partner onto the same platforms. There would also be a one-off cost for furniture as staff from Bury would be relocated to Thetford.

The costs had been set out in Appendix A of the report and included both capital and revenue costs.

Breckland Council's contribution would be £120,480 capital and £1,000 revenue for the expansion. The revenue contribution would be covered by savings elsewhere within the current year's budget and would not require a supplementary budget approval. The costs for the upgrade to the telephony system had been set out in Appendix B of the report. Breckland's contribution had been identified as £24,833 for basic upgrade and £45,507 as its share of the partnership costs which brought the authority's total contribution to £70,340. Members were informed that a paper had recently been received following the procurement exercise indicating likely cost reductions in delivering the project, which meant that the authority's contribution to the project could be reduced.

**Action By**

The Vice-Chairman said that the Partnership had served Breckland well over the years which could only benefit the residents.

The Executive Member for the Corporate Development & Performance Portfolio highlighted the savings that would be made and was quite pleased that St Edmundsbury Council was coming on board and hoped that this would encourage other authorities to follow suit.

**Options**

To recommend or not to recommend the expansion of the Partnership and the set up costs and telephony to Council for approval.

**Reasons**

To provide ongoing revenue savings through further shared working arrangements and economies of scale.

**RECOMMEND** to Council that:

- 1) the expansion of the Anglia Revenues and Benefits Partnership to include St Edmundsbury Council from 1 April 2011 be approved;
- 2) the supplementary budget for set up costs be approved which consists of £335,780 capital and £102,800 revenue, with grant funding and contributions from other partners reducing this amount for Breckland Council's contribution to £120,480 and £1,000 respectively; and
- 3) the supplementary budget for telephony costs be approved which consists of £140,640 capital, with contributions from other partners reducing this amount for Breckland Council's contribution to £70,340.

**Mark  
Finch/  
Sharon  
Jones**

**9/11 OLDER PEOPLE'S CHAMPION (AGENDA ITEM 11)**

The Community Development Officer presented the report which recommended to Members the appointment of an Older People's Champion and the formation of an Older People's Forum.

She said that in this period of austerity a need had arisen to give a voice, represent and indeed champion the needs of the senior members of Breckland's community. This need had been evidenced following the success of the Golden Age Fair held at East Harling in November 2010.

The Council's youth engagement programme had captured the imaginations of young people in Breckland and had provided, not just a voice, but a valuable opportunity to make a difference. A Breckland Older Peoples forum and champion would offer those same opportunities and help balance and compliment the provision for young people

This report recommended the formation of a Breckland Older People's Forum and to appoint a Member champion in order to give those people concerned a voice and support whilst recognising the value that they added to our communities.

This was of particular importance given the already high proportion of

**Action By**

older people in Norfolk which was expected to grow in the future.

The appointment of an Older People's champion and formation of an Older Peoples Forum would ensure that Breckland Council's services continued to reflect the needs and views of older people.

The Executive Support Member for Communities and Benefits felt that older people should be appreciated and valued as they made a huge contribution to society. These people were the ones with the energy to support Breckland's communities and had to face the same challenges as the young. She urged Members to support this request so that our older residents had a voice.

The Vice-Chairman reminded Members that over 25% of Breckland's population were over 60 and he commended the report for approval.

The Executive Member for the Corporate Development & Performance Portfolio agreed with the creation of a champion but asked that it worked in tandem with the Youth Council.

**Options**

- 1) To appoint an Older People's Champion for Breckland and support the formation of an Older People's Forum.
- 2) Not to appoint an Older People's Champion and not support the formation of an Older People's Forum.

**Reasons**

Breckland was the only District in Norfolk without an Older People's Champion or forum/partnership to ensure that the service development and provision takes into account of the views and needs of older people.

25% of the population in Breckland was aged over 60 or over and there was a proven need to give targeted support and assistance to help those people lead more fulfilling and independent lives.

**RECOMMEND** to Council that an Older People's Champion be appointed and the formation of an Older People's Forum be supported.

Laura  
Apps-  
Green

**10/11 PROPOSED TRANSFER OF LAND ADJACENT TO 'THE BRAMBLES', STEGGS LANE, WESTFIELD, DEREHAM (AGENDA ITEM 12)**

The Executive Member for the Economic & Commercial Portfolio introduced the report which requested approval to transfer all rights and interest in the land adjacent to "The Brambles", Steggs Lane, Westfield, Dereham to the Parish Council. He explained that he had tried to convince the Parish Council that Breckland Council did not own the title to this land.

The Land Management Officer said that this was just one of many pieces of land, known as former highway sites, that there was not any legal paperwork for that proved that the land had been transferred to Breckland Council as it had all been handled through an Act.

**Action By**

For this piece of land to be transferred to the Parish Council would be subject to a covenant restricting the use of the land to amenity purposes only. The land had been valued at £5,200 and Members were being asked to transfer the rights at nil consideration.

**Options**

- 1) To transfer all rights and interest (if any) in the land adjacent to "The Brambles", Steggs Lane, Westfield, Dereham (as shown edged red in the plan attached to the report) to Whinburgh and Westfield Parish Council at nil consideration subject to the imposition of a restrictive covenant "not to use this land for any other purpose other than amenity purposes only".
- 2) To refuse to transfer all rights and interest (if any) in the land adjacent to "The Brambles", Steggs Lane, Westfield, Dereham.

**Reasons**

To conclude this long standing matter.

**RESOLVED** to transfer all rights and interest (if any) in the land adjacent to "The Brambles", Steggs Lane, Westfield, Dereham (shown edged in red on the plan attached to the report) to Whinburgh and Westfield Parish Council at nil consideration subject to the imposition of a restrictive covenant "not to use the land for any other purpose other than amenity purposes only".

Zoe Footer

**11/11 1FUTURE 'PROPOSAL' - FLAGSHIP HOUSING GROUP (AGENDA ITEM 13)**

The Assistant Director for Housing & Environmental Health introduced Mr David McWade, the Chief Executive of Flagship Housing Group, who was in attendance to put his case forward and answer questions.

Members were being asked to consider a proposal by parent company Flagship Housing Group to amalgamate its three component housing associations to form a single new entity 'Flagship'. This proposal would be called 1Future.

Many of Flagship's tenants were Breckland residents and customer feedback from a recent survey that had been undertaken had been positive on the whole and in support of the proposal.

1Future would be based on five specific aims: To position and strengthen the Group in times of economic uncertainty, to organise the Group more efficiently, to improve the way the organisation was run and how they consult with its customers, to be more accessible at the local level to customers and to invest more in front line staff and services from savings achieved.

In response to a question in relation to Flagship being able to offer a commitment to Breckland Council going forward, Mr McWade reassured

**Action By**

Members that this was a positive proposal that would be good for Flagship and Breckland Council.

The Executive Member for the Planning, Health & Housing Portfolio asked what difference this would make to tenants. Members were informed that Flagship had a fairly large governance structure that would be reduced if this proposal went forward, it would also make on-going substantive savings that would be put back into front line services. Tenants would definitely see the benefits over time.

The 1Future proposal was forecast to achieve an initial cost saving of £800,000, increasing to over £1m per annum in future years which would be re-invested into front line services. These new services would include: a 24 hour, 7 day a week free phone number, 15 new community rangers, new customer service stations/hubs and a new community improvement fund.

Mr McWade stated that the real common agenda between both Breckland and Flagship was around the provision of affordable housing. If Members were mindful to approve the recommendation, Flagship would be in a position to make substantial changes. He felt it fair to say that he had a flavour of direction but as there would be many challenges ahead and until further details, guidance and procedures were in place, he was unsure how the new model would work for both Flagship and the people it served.

A Member said that he would like to hear of more local people getting housing priority. The Assistant Director for Housing and Environmental Health assured Members that the allocations policy had been changed to reflect this; all housing allocations came under a Breckland Council policy and not Peddars Way.

The Chairman of the Overview & Scrutiny Commission was interested in the word 'challenges' that Mr McWade had used and asked him what he meant by this. Members were informed that the challenges facing Housing Associations across the country were around the level of grant funding available in future, and the housing market in terms of developers' appetites. He was unsure how Housing Associations would dovetail into all of the above. He explained that there had also been a change of attitude in financial institutions lending money to housing providers. Housing providers were now being squeezed in a number of directions against a number of component parts, for example: planning, planning policy and changes to welfare and benefits payments. In response to the former question relating to housing allocations, Mr McWade stated that Flagship's priority had always been to deliver homes to local people.

A Member had concerns with regard to the membership of the Flagship Housing Group's Board and felt that there should be someone on it who would represent and support local people. Mr McWade assured Members that he would commit to this suggestion.

In response to a question, Mr McWade confirmed that none of the conditions listed at 3.2.3 of the report would cause Flagship any difficulties.

**Action By**

There was some debate about variances in the rental markets between privately rented and social rented properties, and how increased income should provide enough capacity to build new homes to cover the loss of some grants.

The Executive Member for the Planning, Health & Housing Portfolio was encouraged by the way this proposal was going forward and felt that the future could only be a good thing for Breckland and wholeheartedly supported the recommendation.

**Options**

- 1) To consent to Flagship Housing Group's request to amalgamate the existing group structure and in doing so deregulate Flagship Peddars Way.
- 2) Not to consent to Flagship Housing Group's request.

**Reasons**

The formation of the new organisation post Election and post Comprehensive Spending Review presented new opportunities for the partnership. In developing the localism and shared service agenda, the Council is considering new ways of delivering services and there were some potential future opportunities inherent in the Flagship proposal.

**RECOMMEND** to Council that consent be given to Flagship Housing Group's request to amalgamate its group structure and concomitant deregulation of Flagship Peddars Way subject to the following requirements:

- 1) Officers request that any consent forthcoming reflect:
  - The need to ensure that the obligations/rights contained within the stock transfer agreement remain and are transferred to the newly created single entity.
  - The need for the new organisation to demonstrate its ongoing strategic commitment to the growth and rural housing agendas and the local offer to tenants/leaseholders in the Breckland District
  - The need to agree an asset disposal strategy with the Council
  - The need for Flagship to actively demonstrate how the positive strategic and operational relationships that now exist can be maintained at non executive director/member level and how we ensure that a 'one size fits all' approach will not emanate from the new organisation. A suggestion in this regard was that rather than securing a place on the new board, Breckland be engaged on a 'scrutiny' level.
- 2) Breckland Council Legal Services request that any consent

**Anita  
Brennan**

**Action By**

forthcoming should be subject to the proviso that the successor body to Peddars Way Housing Association enters into a formal Deed of Novation to Breckland Council. Thereby ensuring that all Peddars Way Housing Associations contractual obligations arising from the Large Scale Voluntary Transfer are preserved.

**12/11 DRAFT FINAL THETFORD AREA ACTION PLAN/HOUSING TOPIC PAPER & CONSTRAINTS ANALYSIS/COMMITMENTS PAPER(AGENDA ITEM 14)**

Approval was sought to consult on the draft final Thetford Area Action Plan (TAAP) consultation document. The draft final TAAP would contain land allocations and policies to guide the growth and regeneration of Thetford over the next 15-20 years. The results from the final draft consultation would influence the content of the Submission Version of the TAAP.

The views and recommendations of both the Overview and Scrutiny Commission (6 December 2010) and the Moving Thetford Forward Board (15 December 2010) had been considered and had been taken into account as part of the overall consultation process. It was intended to undertake an extensive programme of public engagement including a summary leaflet and comments form sent to every home, with all feedback fully documented, assessed and presented as part of the final document.

The Principal Planning Policy Officer and the Planning Policy Officer (Growth Point) presented the report which at this stage was a consultation document.

Further evidence had come forward with regard to energy and transport issues since the Preferred Options consultation in early 2009; therefore, further consultation was required.

Many useful comments from both the Overview & Scrutiny Commission and Moving Thetford Forward Board (MTF) had been taken on board.

Construction of the dwellings and infrastructure would be phased and each phase would be self supportive i.e. each stage would provide homes, employment land, education and other supporting infrastructure, including allotments.

To support the consultation and help the Council to understand the consequences of the TAAP, a draft Housing Topic Paper and draft Commitments Paper had been produced which provided further technical details to accompany the approach taken in the draft final TAAP. It was recommended that the Cabinet considered the papers and that these be published for consultation alongside the draft final document.

The draft Housing Topic Paper analyses the results of the constraints to development analysis (attached at appendix B of the report) and the draft Commitments Paper highlighted the consequences of the TAAP and talked of further work required to aid the delivery (attached at appendix C of the report). Comments would be sought on both.

**Action By**

Members were also being asked what form this consultation should take i.e. leaflet, on-line, open days etc. The Planning Policy Team would be liaising with secondary schools in regard to how to engage their pupils and letters would be sent to statutory consultees. The draft consultation process would now be for five weeks instead of four to take account of the school half term in February. It would commence at the end of January and finish at 4pm on 4 March 2011. It was emphasised that any responses received would be considered, comments would be logged with the Officers responses, and recommendations to MTF and the Council would eventually be placed on the Council's website.

The Chairman felt that the key point to note was to listen to what local people had to say.

A Member asked the type of leaflet that would be sent round. In response the Planning Policy Officer (Growth Point) said that it was proposed to send a summary leaflet, similar to the one sent round in the Preferred Options consultation stage with a detachable comments form which included a freepost address. There were no specific questions to be asked other than 'what do you think of the plans?' - 'do you have any comments?' Residents would also be able to email their comments to the Council. The Member felt that that there should be just ten major questions formatted in certain a way so that responses were limited to 'yes' and 'no' answers.

The TAAP was a significant document not just for Thetford but for the whole of the district and the Overview & Scrutiny Commission Chairman felt that the people who should have the most interest in this consultation was the school children as they would be the ones who would have to live with the decisions that would be made. Their views would be fundamentally important, and with something of this scale, it was very important that the Council engaged with children of school age. The Development Services Manager was happy with the aforementioned comments.

It was proposed and agreed that the Planning Policy Team should arrange for an open event to be held in Croxton.

Referring to land disposal on page 277 of the document, the Chairman asked if the allocation of allotment land could be added. The Executive Member for Planning, Health & Housing pointed out that he had seen evidence that this had already been included in Pigeon's proposals, farm land had already been allocated for allotments.

**Option A**

To consider the contents of the report and agree the document, draft Housing Topic Paper and draft Commitments paper, subject to any changes, for a consultation period of five weeks starting at the end of January 2011.

**Option B**

**Action By**

Not to agree the document for consultation. This option represents a considerable risk to the Council as failure to make good progress with the Area Action Plan could result in the location of housing being determined through early applications for development without the appropriate contributions to the required strategic infrastructure for the town.

**Reasons**

The recommendation to endorse Option A of the report was to ensure that the Thetford Area Action Plan document was presented for public consultation in accordance with the Council's adopted Local Development Scheme timetable.

**RESOLVED** that the content of the final draft Thetford Area Action Plan, draft Housing Topic Paper and draft Commitments Paper be approved for public consultation for a period of 5 weeks commencing 28 January until 4<sup>th</sup> March 2011.

**Natalie  
Beal**

**13/11 REFERENCE FROM THE OVERVIEW AND SCRUTINY COMMISSION - LAND AT SWANTON MORLEY, TRANCHE 2 OF THE ACTIVE LAND MANAGEMENT PROGRAMME (AGENDA ITEM 15)**

This call-in was in relation to land management activities at Swanton Morley and after a very healthy and vigorous debate the Overview & Scrutiny Commission determined that the Cabinet's former decision should be continued, to offer the land for affordable housing. However, taking into consideration the strength of local opposition to the proposal, the Commission had requested that once the value of the land had been established, the final decision on its sale should be brought back to Cabinet for further discussion to explore best value and best return for the residents of Swanton Morley.

The Opposition Leader stated that a good debate had been had which centred round the whys and wherefores of Active Land Management. He said it was quite rare for a decision to be called-in but the residents had felt it warranted further debate.

Looking at the recommendation, the Chairman felt that both sides should be satisfied with the outcome. He asked Officers to ensure that all the relevant information was available before it came back to Cabinet.

**RESOLVED** that the previous decision that was agreed by Cabinet at its meeting on 30 November 2010, to offer the land for sale for affordable housing be re-approved, subject to a final decision on its sale being discussed at a future Cabinet meeting once the value of the land had been determined to take account of local opposition to the proposal.

**Zoe Footer**

**14/11 ANGLIA REVENUES AND BENEFITS PARTNERSHIP (AGENDA ITEM 16)**

a) St Edmundsbury Financial Case (Minute No. 29/10)

See Cabinet Minute No: 8/11 above.

**Action By**

- b) Partnership Telephony Report (Minute No. 30/10)

See Cabinet Minute No: 8/11 above.

- c) Adoption

**RESOLVED** that the Minutes of the Anglia Revenues and Benefits Partnership held on 16 December 2010 be adopted.

**15/11 NEXT MEETING (AGENDA ITEM 17)**

It was noted that the next meeting of the Cabinet would be held on Tuesday, 22 February 2011 at 9.30am in the Norfolk Room.

The meeting closed at 11.35 am

CHAIRMAN

**BRECKLAND COUNCIL**

**At a Meeting of the**

**AUDIT COMMITTEE**

**Held on Friday, 14 January 2011 at 10.30 am in  
Norfolk Room, Conference Suite, Elizabeth House, Dereham**

**PRESENT**

Mr C.R. Jordan (Chairman)                      Mr D.S. Myers  
Mr R.G. Kybird (Vice-Chairman)

**Also Present**

Mrs L.H. Monument

**In Attendance**

Chris Brooks	- Governance and Performance Accountant
Sandra C. King	- Head of Internal Audit
Julie Britton	- Senior Committee Officer
Alison Chubbock	- Accountancy Manager
Kevin Sharman	- Audit Manager

**1/11 MINUTES (AGENDA ITEM 1)**

**a) 24 September 2010**

The Minutes of the meeting held on 24 September 2010 were confirmed as a correct record and signed by the Chairman.

**b) 5 November 2010**

The Minutes of the Special meeting held on 5 November 2010 were confirmed as a correct record and signed by the Chairman.

**c) 19 November 2010**

The Minutes of the Special meeting held on 19 November 2010 were confirmed as a correct record and signed by the Chairman.

**2/11 APOLOGIES (AGENDA ITEM 2)**

Apologies for absence were received from Mr P. Balaam, Mr R. Childerhouse, Mr P. Hewett and Mr M. Finch.

**3/11 TREASURY MANAGEMENT STRATEGY REPORT 2011/12 (AGENDA ITEM 6)**

The Accountancy Manager presented the report which outlined the Council's prudential indicators for 2011/12 – 2013/14 and set out the expected treasury options for this period.

The following key points were highlighted:

- Although the local government settlement did not directly impact

**Action By**

**Action By**

the authority's treasury management activities and capital programme, it served to focus the mind on the importance of sound treasury practices to achieve a reasonable level of return to support the budget requirement without putting the Council at risk. Capital grant funding opportunities were likely to reduce from the levels the Council had experienced in the past, making the prudential management of limited capital resources more important than ever.

- The lending criteria had not changed, therefore the Council's current counterparty and lending limits would remain the same.
- MRP Policy had not changed.
- The CIPFA Prudential Code and CIPFA Treasury Management Code of Practice had been revised in November 2009. The revised guidance arising from these Codes had been incorporated within the report and appendices.
- An update on the latest Icelandic Bank situation had been attached at Appendix C of the report.
- The Treasury Management contract had been novated to Sector who had taken over from Butlers but services received would remain unchanged (see Appendix B of the report at paragraph 9)
- Sovereign issues were being kept under review and whilst the Treasury Strategy and Policy allowed for investing in non UK banks, at this time no non UK investments were being made.
- Changes had been made to the non specified limits (amounts over 1yr) to reflect the reducing cash balance available (Appendix B of the report at paragraphs 35 and 46)
- Due to the timing of this report, the forecasts for capital spend and cash available did not take into account of (1) the investment property purchase of £3.5m (2) spend in respect of the ARP partnership being considered separately by Council and (3) capital costs arising from the shared management structure.

The Accountancy Manager answered some questions of detail, from which the following points were noted:

- the treasury management contract, although novated to Sector, Butler's staff had been moved to Sector and exactly the same service would be provided.
- Referring to page 21 of the report at the end of section 12, the wording to the sentence: to undertake additional voluntary payments would be amended to "if the Council chose to".
- Members were being asked to approve the whole statement.

**RECOMMEND** to Council that approval is given to:

- 1) the Prudential Indicators and Limits for 2011/12 to 2013/14 contained within Appendix A of the report, including the Authorised Limit Prudential Indicator for 2010/11 – 2013/14;
- 2) the statement setting out the Council's Policy on the Minimum

**Action By**

- Reserve Provision (MRP) contained within Appendix A to the report;
- 3) the Treasury Management Strategy 2011/12 to 2013/14 and the Prudential Indicators contained within Appendix B to the report;
  - 4) the Investment Strategy for 2011/12 contained in the Treasury Management Strategy (Appendix B) and the detailed criteria included in Annex B1 and B2 of the report; and
  - 5) the Treasury Management Policy at Appendix B3 of the report.

**4/11 ANNUAL AUDIT LETTER 2009-10 (AGENDA ITEM 7)**

Mr Kevin Sharman presented the Audit Commission's Annual Audit Letter to Breckland Council for the year 2009-10.

The two primary findings from the 2009-10 audit work related to Financial Statements and Use of Resources; unqualified opinions had been issued in both cases meaning that the Auditor had not identified any significant issues from the audit.

Over the last five months, since the implementation of the new International Financial Reporting Standards ((IFRS), the Council's progress was presently on track in preparing for its first IFRS compliant accounts. The Audit Committee would be playing a key role in this process.

Given the scale of pressures facing public bodies in the current economic climate, the Audit Commission had been reviewing its work programme for 2010/11 onwards. Changes were ahead, and a new approach towards local value for money (VFM) audit work would be introduced. This work would be based on a reduce number of reporting criteria, specified by the Commission, concentrating on:

- securing financial resilience; and
- prioritising resources within tighter budgets.

The audit of the financial statements delivered by the Commission, were governed by a framework established by International Standards on Auditing (ISAs). These standards prescribed basic principles and essential procedures. As with all guidance and frameworks, auditing standards were often changed and updated. However, in 2009, the auditing profession completed a comprehensive project to improve the clarity of all the ISAs. This was known as the Clarity Project. The new clarified framework would apply to the audit in 2010/11 financial statements and the main changes and how they would impact on the Council were highlighted and explained (see page 80 – 82 of the report). Every Auditor would have to follow these changes.

The Annual Audit Letter had been discussed and agreed with the Chief Executive and the Head of Finance and full detailed findings, conclusions and recommendations in the areas covered by the Auditors had been included in the reports issued to the Council during the year.

Audit fees had been higher than expected because of extra audit work required to ensure the accounting treatment of the Private Finance Initiative (PFI) scheme followed the Statement of Recommended Practice.

**Action By**

The changes to the Statement of Recommended Practice for PFI and similar contracts were not known at the time the audit fees had been proposed in April 2009.

The Annual Audit Letter 2009/10 was otherwise noted.

**5/11 PROGRESS REPORT ON INTERNAL AUDIT ACTIVITY 2010/11 - COVERING THE PERIOD UP TO 16 DECEMBER 2010 (AGENDA ITEM 8)**

The Head of Internal Audit presented the report which sought to inform Members of the current progress made and performance achieved in delivering the Annual Audit Plan in the first 8½ months of the financial year to 16 December 2010 (170 days).

In seeking to draw comparisons with the previous financial year, the table at 3.2.1 of the report confirmed that planned work was progressing well. The days originally planned for 2010/11 had been revised and reduced to 247 and the Audit Services contractor was confident that the Plan would be substantially advanced by 31 March 2011 and audit opinions would be available in May/June as required for inclusion in the Council's Annual Governance Statement.

At the time the report was written, 69% of the Annual Audit Plan had been delivered, resulting in 7 completed audit assignments, the formal issue of 2 draft audit reports, the receipt and processing of an initial draft audit report which would be issued to management in due course, the fieldwork in progress or nearing completion in respect of 3 reviews, and the planning work underway with reference to a further 3 assignments. Some grant certification work, originally unforeseen, had also been processed in year and had been noted in the Activity Report.

One piece of work, in respect of the Homelessness audit, had been deferred as a result of the issues identified in the failure of the contractor to deliver Choice Base Lettings, and the current concerns that the Council had with respect to the management of the Housing Register provided by the contractor.

The number of assignments had been reduced from 18 to 17 and, of those, 16 were subject to action.

Appendix 2 of the report contained the abridged Management Summaries of the seven individual assignments completed at this stage in the financial year, of which, two "good" assurances had been given following a review of both Waste Management and Exchequer Services.

Given the on-going successful delivery of the Annual Audit Plan, and in full consultation and agreement with the Council's Section 151 Officer, it had been agreed that Internal Audit would not be exercising an element within the Code of Ethics for Internal Audit staff to rotate on a three yearly basis. This requirement had originally been formulated to ensure that the Council received an innovative service, and suitable independence of audit staff was maintained. However, the Auditing Practices Board now reflected a five year period of rotation, with up to seven years. To enforce this now could result in much greater levels of disruption and the auditors have since provided an explanation to the Board as to why it was felt in

**Action By**

appropriate at this stage.

Referring to Capita Symonds, a Member felt that the contract was not going quite according to plan and asked for feedback on contract monitoring to be reported. Members were informed by the Chairman and the Chief Executive that this matter was already being dealt with. Accordingly, it was noted that a report would be produced by the Head of Internal Audit for a future meeting. Members were reminded that the Internal Audit Activity report being discussed only included activity till the end of September 2010.

It was agreed that the assigned Officer for Capita Symonds be asked to attend the next meeting in March 2011.

A minor numerical correction was noted.

**RESOLVED** that the contents of the report and the progress that had been made in delivering the Annual Audit Plan for 2010/11 be noted.

**6/11 REPORT ON THE STATUS OF OUTSTANDING AUDIT  
RECOMMENDATIONS AT 30 SEPTEMBER 2010 (AGENDA ITEM 9)**

The Head of Internal Audit presented the report which informed Member of the progress made in relation to the implementation of audit recommendations that had arisen from final audit reports.

Due to the quarterly reporting requirements of the TEN performance management system, and the reporting timetable subsequently agreed for presenting the outcomes of audit follow up verification work to this Audit Committee meeting, the position statement provided, reflected the period from 1 April to 30 September 2010. A further status update to 31 March 2011 would be presented the Audit Committee in June 2011, alongside the Annual Report and Opinion of the Head of Internal Audit.

Appendix 1 of the report provided Members with an overview of the number of recommendations that had been raised in respect of individual audits, together with an indication as to the extent of management action initiated.

Appendix 2 and Appendix 3 of the report provided further information as to those systems and computer audit recommendations that remained outstanding.

**Systems Audit Recommendations**

As at 30 September 2010, of the 35 recommendations listed, only seven (20%) remained outstanding of which four related to one particular audit. However, Internal Audit had been satisfied with the rationale provided by the management as to why this was the case.

**Computer Audit Recommendations**

There had again been limited progress in implementing computer audit recommendations; disappointingly, only one of the 15 recommendations due by 30 September 2010 had now been implemented. The Head of ICT had explained the reasons as to why there had been setbacks.

**Action By**

Given the ICT contract was being transferred in-house at the end of March, a Member expected there would be great improvement.

**RESOLVED** that the progress made by management with reference to the completion of agreed audit recommendations that had arisen from final audit reports, and the positive impact that these developments would be having on the Council's internal control environment be noted.

**7/11 INTERNAL AUDIT'S TERMS OF REFERENCE, CODE OF ETHICS, AUDIT STRATEGY, STRATEGIC AND ANNUAL AUDIT PLANS, AND SUMMARY OF INTERNAL AUDIT COVERAGE FOR 2011/12 (AGENDA ITEM 10)**

This report provided an overview of the stages followed prior to the formulation of the Strategic Audit Plan for 2011/12 to 2015/16 and the Annual Audit Plan for 2011/12. Internal Audit's Annual Audit Plan would then serve as the work programme and initial terms of reference for the Council's Internal Audit Services Contractor, Deloitte Public Sector Internal Audit Ltd, and provide the basis upon which the Head of Internal Audit would subsequently provide an Audit Opinion on the systems of internal control at Breckland Council for the year 2011/12.

The report additionally seeks to demonstrate that there was clear linkage between Internal Audit's Terms of Reference, Internal Audit Strategy, and its Strategic and Annual Audit Plans, which collectively specify the way in which Internal Audit will operate at the Council in the year ahead, and in doing so, satisfy the CIPFA Code of Practice for Internal Audit in Local Government and CIPFA's recently published Statement on the Role of the Head of Internal Audit in Public Service Organisations.

In reviewing and approving Internal Audit's Terms of Reference, Internal Audit Strategy, Work Plans and Summary of Internal Audit Coverage, the Audit Committee would be effectively ensuring that the Internal Audit requirements as stated in the Accounts and Audit Regulations 2003, and Accounts and Audit (Amendment) (England) Regulations 2006, were being properly met, and due support was being given to securing an Internal Audit Service, which was compliant with CIPFA guidance on the subject.

Financial constraints had been recognised and a 'business as usual' ethic had been adopted.

The Plan was very much a living document and would be revised accordingly. One key issue drawn to the attention of the Audit Committee was the change in approach to the Head of Internal Audit's Opinion, that had arisen from the revisions suggested within the Strategic Audit Plan. As set out in the Internal Audit Strategy, three opinions had previously been awarded, in respect of systems of internal control, corporate governance and risk management. In light of the positive assurances provided, the audit coverage in this area would be now reduced as these opinions were not required by statute, and CIPFA, in its recent statement of the role of the Head of Internal Audit, endorsed an approach whereby one annual audit opinion was awarded.

The Terms of Reference had been attached at Appendix 1 of the report and had been subsequently revised to include the proposed management

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structure that will soon be in operation.

The Code of Ethics sets out the expected behaviours of Internal Audit staff had been reported in Agenda item 8.

It had been identified that the Council had assessed strategic and operational risks which Internal Audit did not intend to scrutinise and would not now be providing assurances. The reasons why these assurances would not be provided were highlighted in section 6 of Appendix 3 of the report.

It was reported that Internal Audit would not be able to provide the Council with a final view on the Computer Audit Needs Assessment; therefore, a revised Strategic and Annual Audit Plan would be presented to the Audit Committee in March 2011 for approval.

The number of days to undertake audit projects was being reviewed, and could possibly be reduced from 40 to 30 days year on year.

**RESOLVED** that approval be given to:

- 1) the Internal Audit's terms of Reference for 2011/12;
- 2) the Internal Audit's Code of Ethics for 2011/12;
- 3) the Internal Audit's Strategy for 2011/12;
- 4) the Strategic Audit Plan for 2011/12 to 2015/16;
- 5) the Annual Audit Plan for 2011/12; and
- 6) the Summary of Internal Audit Coverage for 2011/12.

**8/11 GOVERNANCE & PERFORMANCE MONITORING - QUARTERLY RISK REPORT (QUARTER 2 2010/11) (AGENDA ITEM 11)**

The Governance & Performance Accountant presented the Quarterly Risk Performance Monitoring Report for Quarter 2 2010/11.

There had been a number of new risks identified during the quarter which could be seen from pages 164 to 168 of the agenda.

Members' attention was drawn to Risk R-SR17 in relation to the Coalition Government's transparency agenda. This matter had been discussed at a previous meeting and it had now been included on the Strategic Risk Register.

Risks R-SR18 to R-SR24 had been added in the last quarter. These risks considered the transfer of the existing Steria ICT Support Service back as an "in-house" function. These risks covered operational, staffing and technological issues and had been identified by the Head of ICT and would be owned by the Director of Corporate Resources.

Another area of significant risk to the Council was the current Shared Management project. This had not been covered in the report; however, the Governance & Performance Accountant had been working with the Project Team to develop a Project Risk Register which could be regularly updated and reviewed by the Project Board. Risks would be continually monitored and new risks would be identified as the Council moved towards implementation of the new structure and into phase 2 of the project.

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The Medium Term Financial Strategy risk score had been increased from 6 to 9 due to the recent announcements regarding the Comprehensive Spending Review and budget cuts.

A number of risks in Quarter 2 had been closed (these could be found on pages 171-172 of the agenda). However, these risks would still remain visible within the Performance Management System for future reference.

Pages 173 to 178 of the agenda covered the risks that were rated as "outside the Council's agreed tolerance level" for risk.

Risk R-SR03 was highlighted as a good news example - given the current economic climate the investment property portfolio continued to perform well.

The current occupancy target of 90% had been exceeded and currently stood at 96% and the forecast income for year was just over £2m.

A Member queried Risk R-SC06 (Sustainable Communities) with regard to the lack of resources available. Members were informed that this had been due to long term sickness absence which had since been resolved.

**RESOLVED** that the report be noted.

**9/11 WORK PROGRAMME (AGENDA ITEM 12)**

An updated work programme had been attached to the agenda.

It was agreed that the following two items would be added to the work programme for the meeting in March:

- Capita Symonds Contract Monitoring
- Match Funding Applications in relation to Diss Rugby Club

It was further agreed that:

- the Annual Audit Fee Letter 2011/12 be brought forward a committee cycle to the 10 June meeting.
- the Audit Opinion Plan 2010/11 be brought forward to the 25 March meeting; and
- the Updated Audit Plan 2011/12 due to come forward to the 25 March meeting be removed.

**10/11 EXCLUSION OF PRESS AND PUBLIC (AGENDA ITEM 13)**

**RESOLVED** that under Section 100(a)(4) of the Local Government Act 1972, the press and the public be excluded from the meeting for the following item of business on the grounds that it involves the disclosure of exempt information as defined in paragraph 1 of Part 1 of Schedule 12A to the Act.

**11/11 APPOINTMENT OF INDEPENDENT MEMBER OF THE COMMITTEE (AGENDA ITEM 14)**

The Chairman reported on the results of the interviews for the selection of

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an independent (non-voting) member of the Committee which had taken place prior to the meeting.

Four candidates had applied for the position, all of whom were of a high calibre, and the Chairman was pleased to announce that two applicants had been chosen. However, to appoint a further independent member would require a change to Standing Orders and agreement at Full Council.

The Senior Committee Officer was asked to put the necessary procedures in place and respond to the unsuccessful and successful applicants.

**RECOMMEND** to Council that the constitution of the Audit Committee be increased by one to allow for the appointment of an additional independent person co-opted onto the Committee as a non-voting member (6 members & two substitutes – politically balanced, plus 2 non-voting lay advisers appointed by the Committee)

**RESOLVED** that:

- 1) the appointment of one independent non-voting member to replace Mr L Peacock (former independent member) be confirmed; and
- 2) subject to the recommendation being agreed at Full Council on 27 January 2011, the appointment of a second independent member be confirmed.

**12/11 NEXT MEETING (AGENDA ITEM 15)**

Arrangements for the next meeting on 25<sup>th</sup> March 2011 were noted.

The meeting closed at 11.30 am

CHAIRMAN