

BOROUGH COUNCIL OF KING'S LYNN AND WEST NORFOLK

CABINET

**Minutes from the Meeting of the Cabinet held on
Wednesday, 10 September 2014 at 5.30pm in the Committee Suite,
King's Court, Chapel Street, King's Lynn**

PRESENT: Councillor N J Daubney (Chairman).
Councillors A Beales, B Long,
Mrs E Nockolds, D Pope and Mrs V M Spikings.

Apologies for absence were received from Councillors Lord Howard
and A Lawrence.

**CAB50: SUSPENSION OF STANDING ORDER 36 – RECORDING OR
BROADCASTING OF MEETINGS**

RESOLVED: That in order to comply with Statutory Instrument
2014 no 2095, The Openness of Local Government Bodies
Regulations 2011, Standing Order 36 be suspended for the duration
of the meeting.

CAB51: MINUTES

RESOLVED: The Minutes of the Meeting held on 29 July 2014
were approved as a correct record and signed by the Chairman.

CAB52: URGENT BUSINESS

There was no urgent business.

CAB53: DECLARATIONS OF INTEREST

None

CAB54: CHAIRMAN'S CORRESPONDENCE

None.

CAB55: MEMBERS PRESENT PURSUANT TO STANDING ORDER 34

None

CAB56: CALLED IN MATTERS

None

CAB57: FORWARD DECISIONS LIST

The forward decision list was noted.

CAB58: **MATTERS REFERRED TO CABINET FROM COUNCIL BODIES**

i) **Resources and Performance Panel: 2 September 2014**

The Panel made the following recommendations to Cabinet, which were dealt with when Cabinet considered the reports on the agenda:

RP49: Cabinet Report: Coastal Communities Fund Stage 2 Application

RESOLVED: That the Panel support the recommendations to Cabinet as follows, subject to Recommendation 3 being amended as set out below:

(1) Cabinet approves the submission of 'Active Hunstanton' Stage 2 application in partnership with Hunstanton Sailing Club and Watersports Centre.

(2) The Cabinet allocated £60,000 from the Hunstanton Regeneration capital programme for 2015/16 as match funding towards the project.

(3) The Council enters into a Memorandum of Understanding (MoU) with the centre to set out each parties' roles and responsibilities to develop the stage 2 application and deliver the project if CCF funding is secured. Relevant conditions (relating to open membership, monitoring arrangements, progress reports, etc) be attached to the grant contribution from the Borough Council

(4) If successful, Cabinet accept the CCF grant for the 'Active Hunstanton' project if awarded by the Big Lottery Fund and for the Council to act as the accountable body.

RP50 Cabinet Report: 2015/2016 Council Tax Support Scheme (CTS) For Consultation

RESOLVED: That the Panel support the recommendations to Cabinet as follows:

Members:

(1) Note the consultation responses from Norfolk County Council and Norfolk's Police and Crime Commissioner.

(2) Agree the Council Tax Support Scheme for 2014/2015 as the draft Council Tax Support Scheme for 2015/2016 to go to public consultation.

(3) Agree a consultation period running online over a six week period from 19 September 2014 to 31 October 2014.

RP51: Cabinet Report: Broadband Provision In West Norfolk

RESOLVED: That the Panel support the recommendations to Cabinet as follows:

That:

- (1) Cabinet earmark £500k from the corporate project budget towards this programme.
- (2) The Chief Executive, in consultation with the Leader of the Council and Portfolio Holder for Regeneration, makes the final commitment to spend, based on an assessment of the detailed information from BBfN.
- (3) That prior to finalising the detail of the roll out of the service, the Cabinet Member for Regeneration be consulted.

ii) Resources and Performance Panel: Audit and Risk Committee: 8 September 2014

The Committee made the following recommendations to Cabinet, which were dealt with when Cabinet considered the reports on the agenda:

ARC49: Cabinet Report: Statement Of Accounts 2013/2014 Report To Those Charged With Governance (ISA UK&I) 260

RESOLVED: That Cabinet be informed that the Resources and Performance Panel – Audit and Risk Committee supports the recommendation as follows:

It is recommended that Cabinet:

- (1) Approve the authority for any changes required to the Statement of Accounts is delegated to the Chief Financial Officer, in consultation with the Leader of the Council, to authorise amendments and if necessary present an updated Statement to Council.
- (2) Notes the comments of the auditor in the ISA260.

It is recommended that Council:

- (1) Approve the Statement of Accounts for 2013/2014.
- (2) Notes the comments of the Auditor in the ISA260.

ARC50: Cabinet Report: Annual Governance Statement 2013/2014

Resolved: That Cabinet be informed that the Resources and Performance Panel – Audit and Risk Committee supports the recommendation as follows:

It is recommended that the Annual Governance Statement for the 2013/2014 year as attached be approved for adoption and that the Leader of the Council and the Chief Executive sign accordingly.

iii) **Regeneration Environment and Community Panel on 3 September 2014**

There were no recommendations from the Regeneration Environment and Community Panel on 3 September 2014.

CAB59: **STATEMENT OF ACCOUNTS 2013/14 AND REPORT TO THOSE CHARGED WITH GOVERNANCE**

The Principal Accountant presented a report which set out the Statement of Accounts (SOA) 2013/2014. The Statement was the final accounts set out in a format which included the Council's balance sheet and associated notes. The Accounts which followed the budget outturn on 30 June had to be signed off by the Council by 30 September 2014.

The report also considered the report from the auditor on the audit for the accounts 2013/2014 – the International Auditing Standard (ISA 260). It was explained that the Council's External Auditors had attended the Audit and Risk Committee meeting the previous Monday and presented an updated version of the ISA 260 following further discussions on the accounts. Although there would be continued discussions on some issues raised over the coming two weeks, the Auditors had indicated that they expected to issue an Unqualified Opinion on the Accounts.

The Chief Financial Officer presented the updated ISA 260 and explained the comments contained within which showed that the bulk of the points raised had been resolved and therefore showing as updated in the document.

The Auditors had recommended the provision of a further £0.5m in the Business Rates Appeals pool which would be updated accordingly. Councillor Daubney asked if the Auditor would normally make such recommendations or whether they would usually just check accuracy and misstatements. The Chief Financial Officer confirmed that the Auditor would review the approach and prudence of the provision. They had considered that the increased sum was more prudent because of the new pooling arrangements, which officers had agreed with.

Councillor Pope asked why the capital receipt received for the property on a 99 year lease referred to in the report was classed as a misstatement and had to be accounted for £4,000 per annum rather than in a lump sum. The Chief Financial Officer explained that the lump sum for the lease had been paid at the beginning of the lease, but the Auditors view was that in the Accounts it should show spread through the life of the lease. Councillor Beales questioned whether a lease over 50 years would then become a freehold. It was agreed to look into this question. *(clarification sought post meeting is as follows: It has been confirmed that at the end of the 99 year lease the land will remain in the Council's ownership.)*

Councillor Long asked whether if the lessee broke the terms of the 99 year lease a refund of the money would have to be made. It was explained that this scenario and its implications would be set out in the lease.

The Chief Financial Officer drew attention to the statement on page 12 of the report regarding Housing Benefits Debtors which wasn't included in the Accounts. She explained that the figure had been held on the Housing Benefits system which wasn't linked to the ledger, so the transfer had to be carried out manually. This had meant that the net impact was to increase the general fund balance by £0.43m.

Councillor Long asked how the level of the "material" or "insignificant" was assigned, if £86,000 was deemed as insignificant. The Deputy Chief Executive explained that this was the choice of the Auditors. He commented that the majority of the points raised related to presentational issues which may be missing in one section, but were present in another. The "Material" issue was deemed more than a "Significant" issue and could potentially qualify the accounts.

Councillor Pope asked about the reference to Employee Expenses being significantly incorrect. The Chief Financial Officer explained that the figures presented in June were reconciled, they related to employee expenses and some support costs being included in the accounts, which was a presentational issue.

Councillor Beales drew attention to the fact that with the majority of issues on presentational points it proved difficult to assess the value of the Audit on the material matters needing addressing.

Councillor Daubney thanked officers for their presentation and reminded members that the minor amendments would continue to be made up to the Council meeting when the final accounts would be agreed.

The Audit Committee had considered the report and supported the recommendations.

RESOLVED: 1) That authority for any changes required to the Statement of Accounts be delegated to the Chief Financial Officer, in consultation with the Leader of the Council, to authorise amendments and if necessary present an updated Statement to Council.

2) That the comments of the auditor in the updated ISA260 be noted.

RECOMMENDED: 1) That the Statement of Accounts for 2013/2014 be approved

2) That the comments of the auditor in the updated ISA260 be noted

CAB60: **ANNUAL GOVERNANCE STATEMENT FOR THE YEAR 2013/14**

The Chief Executive presented a report which explained that the preparation and publication of an Annual Governance Statement (AGS) was a statutory requirement under the Accounts and Audit Regulations (England) Regulations 2011. The AGS was a public statement that described and evaluated the Council's overall governance arrangements during a particular financial year.

The report sought Cabinet approval of the Council's Annual Governance Statement covering the 2013/14 year.

Councillor Pope referred to the assessment of the skills required of Officers and Members and asked if the training offered was provided internally or externally. The Executive Director Central and Community Services explained that a range of training was provided, for example continued professional development and management development, which were provided from a mix of internal and external providers or validators. Councillor Daubney reminded Members that the Council had a reputation for training its own staff and developing them for the future.

The Audit Committee had considered the report and supported the recommendations.

RECOMMENDED: That the Annual Governance Statement for the 2013/14 year as attached to the report be approved for adoption and that the Leader of the Council and the Chief Executive sign accordingly.

CAB61: **2015/16 COUNCIL TAX SUPPORT SCHEME FOR CONSULTATION**

The Deputy Chief Executive presented a report which explained that the Council must review and agree its Council Tax Support scheme each financial year. The report proposed no change to the Council Tax Support scheme for 2015/2016 which would need to be agreed by full Council by 31 January 2015.

The process included consulting with major preceptors, publishing a draft Council Tax Support scheme and then consulting with interested parties before the final Council Tax Support scheme was approved. The report detailed the consultation responses from Norfolk County Council and Norfolk's Police and Crime Commissioner, and the recommended draft Council Tax Support scheme to go to public consultation. Following the public consultation process the report would be brought back to Cabinet and Council for consideration.

Councillor Long asked why the Council had to go to consultation if there were to be no changes to the scheme, and those affected by the scheme had already commented if they wished during the course of this year. The Deputy Chief Executive explained it was a statutory requirement to carry out the consultation.

Councillor Beales commented that the requirements of the scheme made the calculation of the tax base that much more difficult. He asked if the work incentives disregards were per week. It was agreed to check this issue. *(Following the meeting the information set out below was confirmed: That the work incentive disregards set out in the policy are weekly amounts.)*

The Resources and Performance Panel had considered the item and supported the recommendations.

RESOLVED: 1) That the consultation responses from Norfolk County Council and Norfolk's Police and Crime Commissioner be noted.

2) That the Council Tax Support scheme for 2014/2015 as updated for changes in Benefit Legislation during 2014/2015 together with uprating of allowances and premiums for pension age claimants be approved as the draft Council Tax Support scheme for 2015/2016 to go to public consultation.

3) Agree a consultation period running online over a six week period from 19 September 2014 to 31 October 2014.

4) Note that a further report detailing the proposed final Council Tax Support scheme for 2015/2016 will be presented to Cabinet, for recommendation to Council, before 31 January 2015

CAB62: **EFFECTIVENESS OF THE AUDIT AND RISK COMMITTEE**

The Audit Manager presented a report which provided Cabinet with the results of the 'Review of the Effectiveness of the Audit and Risk Committee' for 2013-14 carried out using CIPFA guidance. The review confirmed that the Committee was fulfilling its stated purpose set out in the Accounts and Audit Regulations 2011, which was 'to provide independent assurance of the adequacy of the risk management

framework and the associated control environment, independent scrutiny of the Council's financial and non-financial performance to the extent that it affects the Council's exposure to risk and weakens the control environment, and to oversee the financial reporting process'.

Councillor Daubney asked whether the meeting was considering the right things in accordance with the requirements. This was confirmed.

Councillor Long drew attention to the fact that the Committee had considered a number of issues, and considerable time and effort had been put into it.

Councillor Pope drew attention to the fact that the Audit Manager had not met in private with the Audit Committee, and asked for clarification. The Audit Manager explained that in the Committee's terms of reference was the facility to meet with Auditors in private without other officers being present should it wish to do so. There had not been a need to hold such meetings in the past year.

RESOLVED: That the contents of the report be noted.

CAB63: **BROADBAND PROVISION IN WEST NORFOLK**

Councillor Daubney presented a report which sought agreement to earmark funds of up to £500,000 towards the Norfolk County Council-led Better Broadband for Norfolk initiative. This would be matched by government funding through the Better Broadband for Norfolk (BBfN) programme. The commitment to spend would not be confirmed until the BBfN programme had let the next contract, towards the end of this financial year, which would provide an opportunity to assess detailed information about the programme's roll-out and the impact for West Norfolk. He drew attention to the importance of such investment for the individuals and businesses in the rural areas of the Borough.

The Chief Executive explained that there had been a number of phases to improve Broadband provision in Norfolk, the first being the commercial roll out, the second being the County Council match funded scheme of £15m, Department for Culture Media and Sports and LEP funding to bring coverage up to 83-90%. A further £4m had been made available if it could be match funded to which the County Council would provide £1m and District Councils provide the remainder. This provision should raise the coverage to an average of 95%. He acknowledged that there would be small Hamlets which would not be reached with the roll out due to the cost effectiveness of it.

Councillor Pope asked if the budget was available when the budget setting had been carried out. The Deputy Chief Executive explained that it had not been specifically identified at that time, and it was not possible to take funding from any other Capital Projects in the budget,

but £250,000 in each year was available in the Corporate Projects budget.

Councillor Spikings in acknowledging that it was a large amount of money to commit drew attention to the impact the project would have on the individuals and businesses in the rural areas, which would mean that the longer term gain would outweigh that contribution.

Councillor Nockolds commented that at a meeting she had attended recently where the broadband coverage was so bad she had been unable to download some of the documentation for the meeting.

Councillor Long drew attention to a village in his County area which was still on “dial up”.

Councillor Beales commented that it would have been nice to know at this stage where the coverage would be but understood that it was not possible. He drew attention to the clear pay off in business terms for the rural areas.

Councillor Daubney in proposing the recommendations encouraged support for this project. He drew attention to the issue of mobile coverage in rural areas which had been raised at a meeting he had recently attended. It was hoped that the issue would be able to be resolved commercially as the mobile companies earned large amounts of money from them.

RESOLVED: 1) That £500k be earmarked from the corporate project budget towards this programme.

2) That the Chief Executive, in consultation with the Leader of the Council and Portfolio holder for Regeneration, be authorised to make the final commitment to spend, based on an assessment of the detailed information from Broadband for Norfolk.

3) That prior to finalising the detail of the roll out of the service, the Leader and Cabinet Member for Regeneration be consulted.

CAB64: **COASTAL COMMUNITIES FUND APPLICATION**

Councillor Beales and the Regeneration Programmes Manager presented a report which explained that the Borough Council in partnership with Hunstanton Sailing Club & Watersports Centre (the Centre) had submitted a Stage 1 application to the Coastal Communities Fund (CCF) in April 2014 for funding towards the ‘Active Hunstanton’ project.

The report sought authorisation to proceed with submission of a stage 2 application to the CCF. If successful, the CCF would provide the capital funding required to construct the training and competition/event facilities at the Centre and revenue support to deliver a destination marketing campaign and training and events programme which was

currently run by volunteers. The Council would be required to allocate £60,000 which would be taken from the Hunstanton Regeneration Capital Programme for 2015/16 to match fund the project if the application was successful. The Regeneration Projects Manager explained that the project, if successful, would enable more events, competitions and training courses to be organised and held which would create direct and indirect jobs by the additional visitor spend generated in by participants and spectators. The expansion of the water sports offer was identified as a high priority in the Council's Hunstanton Town Centre and Southern Seafront masterplan, specifically the masterplan objective for '*An Active Town*' - *expanding the existing water sports and activities offer.*'

It was further explained that the reason the application was coming from the Borough Council was that the application would stand a better chance with a local authority lead as the CCF preferred that reassurance for large projects.

In discussing the report, Councillor Pope stated that he felt that the disadvantage stated in Option 1 that the application would not deliver to the wider physical improvements to the resort was not in fact the case, as he felt that the knock on effects of the scheme would assist with it. The Regeneration Projects Manager explained that this comment related to potential inclusion in the bid of other improvements to the resort (like public conveniences) but the CCF were looking for job outputs from the applications and it was not possible to demonstrate how jobs would be created by these other improvements. .

The discussions held at the Resources and Performance Panel were referred to and their recommendation to include additional clauses in the Memorandum of Understanding to ensure wider availability of use of the club for both visitors and locals. It was noted that although that was fully the intention of the club, it would be more appropriate to include the comments and requests in a letter offering grant aid to the club.

Councillor Beales commented that he felt the scheme would be an asset for visitors and the community which would add a lot to Hunstanton and the offer of the town.

RESOLVED: 1) That the submission of 'Active Hunstanton' stage 2 application in partnership with Hunstanton Sailing Club & Watersports Centre be approved.

2) That the £60,000 be allocated from the Hunstanton Regeneration Capital Programme for 2015/16 as match funding towards the project.

3) That the Council enters into a Memorandum of Understanding (MOU) with the Centre to set out each parties roles and responsibilities to develop the stage 2 application and deliver the project if CCF

funding is secured, and the additional points raised by the Resources and Performance Panel be addressed in a letter to the Club.

4) That if successful, Cabinet accept the CCF grant for the 'Active Hunstanton' project if awarded by the Big Lottery Fund and for the Council to act as the accountable body.

CAB65: **APPOINTMENT OF REPLACEMENT REPRESENTATIVE ON COASTSHARE**

Following of Councillor de Winton's resignation as an Executive Board Member on Coastshare Limited, Cabinet was requested to appoint a representative to join the Coastshare Executive Board. Councillor Daubney proposed that Councillor Geoffrey Hipperson be appointed to serve on the Body.

RESOLVED: That Councillor G Hipperson be appointed to join the Coastshare Executive Board.

The Meeting closed at 6.43 pm