

BOROUGH COUNCIL OF KING'S LYNN AND WEST NORFOLK

CABINET SCRUTINY COMMITTEE

**Minutes of a Meeting of the Cabinet Scrutiny Committee
held on Wednesday 16 December 2009 at 6.00pm
in the Committee Suite, King's Court, Chapel Street, King's Lynn.**

PRESENT:

Councillors I Gourlay (Chairman),
I Mack (Vice-Chairman), C Crofts,
J Legg (substitute for C Sampson), D Pope, J M Tilbury, A Tyler

Other Members Present:

Councillors N Daubney, Leader
Councillor J Law, Portfolio Holder for Regeneration
Councillor Mrs E Nockolds, Portfolio Holder for Sports, Arts and Open Spaces

Apologies for absence were received from Councillors P Burall, R Payn, and Sampson

CSC30: **MINUTES**

The minutes of the meeting held on 18 November 2009 were agreed as a correct record and signed by the Chairman.

CSC31: **URGENT BUSINESS UNDER STANDING ORDER 7**

There was none.

CSC32: **DECLARATIONS OF INTEREST**

There was none.

CSC33: **MEMBERS PRESENT PURSUANT TO STANDING ORDER 34**

There was none.

CSC34: **CHAIRMAN'S CORRESPONDENCE**

There was none.

CSC35: **RESPONSE TO PREVIOUS COMMITTEE RECOMMENDATIONS**

There was none.

CSC36: **MATTERS CALLED-IN PURSUANT TO STANDING ORDER 12**

There was none.

CSC37: **MINI SERVICE REVIEW – FINANCIAL ASSISTANCE SCHEME**

The Chairman asked when it was first considered that a review of the financial assistance scheme should be undertaken. In response, the Portfolio Holder for Sports, Arts and Open Spaces reminded Members that service reviews were being carried out across the Council, in order to identify potential budgetary savings, and the mini review was part of this process. The Accountancy Team had met with the Norfolk Community Foundation and ascertained that the service required could be provided at a cost which was acceptable. She indicated that the benefits of the proposal would be two-fold, as it would allow an officer to focus on enforcement work for the Community Safety Noise and Nuisance team, as well as provide an improved financial assistance scheme for residents.

Reference was made to the ability of the Foundation to introduce applicants to other funding sources and a query was raised as to whether the Council was not already able to do this. The Portfolio Holder explained that this could only be done in a small way and involved additional work by officers. The Foundation had access to a wider range of potential funding sources and could provide advice to applicants. With regard to monitoring, it was explained that scrutiny of grants allocated was currently undertaken and no payments were made to applicants where the requirements of a grant had not been met. The scheme offered by the Foundation would provide more robust monitoring through visits by a member of their team to advise and ensure that work was being carried out satisfactorily.

In response to a request for clarification, it was explained that the term 'top sliced' meant that the charges for the service would be paid from the existing budget, rather than an additional amount being added to the budget. The Deputy Chief Executive, Executive Director Finance and Resources advised that the full amount of the budget had not been allocated in the past two years, so grant payments were unlikely to be affected. Savings would be achieved in respect of the cost of the licence for the Grant Finder software and salary costs. It was considered that the service which would be provided by the Foundation represented good value for money.

With regard to operation and monitoring of the Foundation, it was explained that the organisation was based in Norwich, but was growing and wanted to expand into West Norfolk. The service was operated by a mixture of paid and voluntary staff, and funded by offering its services to organisations like the Council. The Foundation would be responsible for administering the financial assistance scheme, including providing advice and assistance to applicants. It was emphasised that decisions on awarding of grants would continue to be made by the Portfolio Holder under delegated powers.

The Vice-Chairman made reference to the capital grants awarded in 2008/09, which indicated that there was a significant demand for grants

above the £100,000 budget now proposed. Similarly, the revenue grants funding had been significantly reduced and reassurance was sought that sufficient funding would be available. He asked whether Cabinet had taken into consideration the added value of these grants to voluntary groups and whether it would be better to protect this part of the budget rather than to fund the Norfolk Community Foundation.

The Deputy Chief Executive, Executive Director Finance and Resources explained that the amount available for capital grants in 2008/09 had been £139,000. This included a sum which was carried forward from the previous year in respect of grants which were subsequently withdrawn or not taken up. Where the budget was underspent in this way, the balance was rolled over to the following year. With regard to revenue grants funding, he explained that no changes were proposed to the Sports and Arts Training and Coaching grants or to those groups funded on a SLA basis for 3 years. A reduction was proposed to the Parish Plan budget and arts, sports and heritage grants, which reflected the reduction in demand. It was emphasised that organisations should not be reliant on the Council for grant aid and expect to receive funding each year.

The Portfolio Holder for Sports, Arts and Open Spaces added that some organisations did receive funding each year, for example Hunstanton Festival, as the Council's support for such events was recognised and evidence showed that support for groups in villages was important. However, she emphasised that groups should raise their own funds before applying to the Council for assistance.

With regard to concerns about the service being remote and offering advice over the telephone rather than face to face, the Portfolio Holder stated that not many enquiries were dealt with face to face and most were made by telephone or email. She reminded Members that the Community and Culture Panel had previously reviewed the scheme and agreed a simplified application form and advised that the Foundation were also willing to visit applicants to assist them. She stated that she considered that the proposal would deliver an improved service to applicants.

The Vice Chairman asked whether an equalities assessment had been carried out. In response, the Deputy Chief Executive, Executive Director Finance and Resources stated that no assessment had been carried out, as it was not known which groups would be submitting grant applications or who would be affected.

CSC38: WATERFRONT REGENERATION AREA PROJECT REVIEW

Councillor Tyler stated that while he supported many aspects of the project, he had concerns about the marina, which he considered to be a brave aspiration in difficult economic times. He sought evidence of the detail and reassurance that the viability of a marina had been investigated.

In response, the Executive Director, Regeneration explained that a lot of work had been undertaken to ascertain the level of demand and potential interest for marina facilities in King's Lynn. Prior to the recession, interest had been expressed from an operator for a sea going marina, which would add to the facilities offered at other locations around The Wash and the growing market. In response to a question about the potential interest after the recession, he commented that while it was assumed that recessions were cyclical, the future situation could not be predicted.

In response to a further question, the Finance and Resources Manager added that discussions had taken place with seven operators on the south coast, three of whom had expressed an interest and one had shown a firm interest to help the Council with the development of its marina. Once built, the operation of the marina would be subject to tender.

The Portfolio Holder for Regeneration stated that the concerns and questions now raised by the Committee were not relevant to the recent Cabinet report or decision.

The Leader added that the decision to develop a marina had been made by full Council and there was nothing to gain by revisiting that decision. The latest Cabinet decision, which was the subject of scrutiny, related to how to move the project forward in light of the current recession.

The Vice-Chairman commented that the issue was the economic viability of building a marina in King's Lynn in light of the recession. He made reference to appointment of Drivers Jonas to provide specialist advice and to the findings which had been presented to the Council. He sought assurance that officers had taken these factors into account and looked at the full economic consequences of the recession when putting forward their recommendations to Cabinet. He also sought confirmation that Drivers Jonas had been asked to give their assessment within the context of the Council's policy to develop a marina.

In response, the Executive Director, Regeneration confirmed that everything had been taken into account when formulating the recommendations to Cabinet. When making their assessment, Drivers Jonas could only comment on conditions at the present time and would not speculate about the future. The recommendations reflected the advice received and the current economic situation, while allowing elements to be progressed which would not prejudice the future development of the site.

The Leader added that Council had agreed on the masterplan for the redevelopment of the area. Clearly, given the recession, it was necessary to review the project. A political steer was given on the basis that the long term vision remained for a marina in King's Lynn. Good

advice had been sought and the recommendations had been based on that advice.

The Vice-Chairman stated that the decision should be looked at in the context of the pre-budget report, the public sector deficit and implications for local government. This scheme would lock up a huge amount of capital for many years and asked if there was a better way to regenerate the area.

The Portfolio Holder for Regeneration stated that the shortfall in funding for the marina was based on land and property values and changes in the density of development to reflect market conditions. The project would only be attractive when these values improved. It was important to remember that the marina had a dual role and would serve to provide the capacity for surface water attenuation, which would be required to enable further development to take place.

The Leader acknowledged that there would be other capital projects which the Council would wish to undertake which were important and could not all be put off.

In response to a question relating to capital receipts, it was explained that all capital receipts and any interest gained was paid into the General Fund. It was confirmed that there was no marina funding which gained interest.

Concern was expressed about land acquired for the project which then failed to be developed.

The Deputy Chief Executive, Executive Director Finance and Resources advised that the area around the marina basin would not change in the near future, although there would be other areas of activity eg CIF transport route landscaping, water attenuation scheme. The Capital Programme would properly look at all the schemes proposed.

The Executive Director, Regeneration added that in putting the site together it was necessary to take a long term view. Acquisition of the Crown Estates land had not been easy and was a key acquisition for the potential development. He stated that he was convinced that the area would be developed long term in a quality form.

The Chief Executive advised that officers had been asked by the Leader to undertake a separate piece of work and prepare a report which looked forward at wider development issues. This report was expected to be presented to Cabinet in January 2010.

Councillor Crofts commented that the completion of the CIF road would give the whole area a lift and help future development. This view was supported by the Portfolio Holder for Regeneration, who stated that the CIF road enabled the housing cap on the NORA development to be lifted.

Improvements would be made at the South Gates roundabout and Government funding for a new academy had been approved in principle on the NORA site.

Clarification was sought in respect of the £0.5million additional Capital funding requirement for the CIF road. It was explained that the CIF route would be built from Wisbech Road across the existing sluice to Boal Street and be completed by March 2011. When the waterfront scheme development eventually took place this would need some realignment. The southern part of the route, which would not be realigned, could serve future development and it was considered better to provide this part to a higher standard which would facilitate servicing of that development.

The Chairman asked whether there was a Plan B. In response the Portfolio Holder for Regeneration stated that there was nothing wrong with Plan A as now recommended ie build the CIF route, provide a water attenuation scheme to facilitate development on NORA and time the major development to reflect improved market conditions in the future.

The Executive Director, Regeneration made reference to the report due to be presented to Cabinet in January, mentioned previously, which would set out what was likely to happen over the next ten years to provide for the creative use of land and capital funding to deliver future regeneration. He reminded Members of what had been achieved in the last ten years eg town centre redevelopment and The Walks project and others which were already starting to transform King's Lynn.

The Vice-Chairman stated that he considered that the issue was the political steer of the review and what could be put forward in opposition. He indicated that he did not wish to put forward a proposal at this time, but would consider putting forward a motion at Council.

CSC39: **PORTFOLIO HOLDERS' DECISIONS MADE UNDER DELEGATED POWERS**

The list of Portfolio Holders' Decisions made under Delegated Powers was noted.

CSC40: **DATE OF NEXT MEETING**

The Committee noted the date of the next meeting was scheduled for **Monday 25 January 2010** at 6.00 pm.

Meeting closed at 6.55 pm