

BOROUGH COUNCIL OF KING'S LYNN & WEST NORFOLK

CABINET SCRUTINY COMMITTEE

**Minutes of a Meeting of the Cabinet Scrutiny Committee
held on Wednesday 20th March 2013 at 6pm
in the Committee Suite, King's Court, Chapel Street, King's Lynn.**

PRESENT:

Councillors C Joyce (Chairman)
B Ayres, D J Collis (substitute), J Collop, A Lovett, T Manley,
G Sandell and M Tilbury.

Other Members Present:

Councillor N Daubney, Leader and Portfolio Holder for Corporate/Strategic Issues and Resources

Councillor A Lawrence, Portfolio Holder for Community

Apologies for absence were received from Councillor I Mack and A Tyler.

CSC106: APPOINTMENT OF VICE CHAIRMAN

AGREED: That Councillor M Tilbury be appointed as Vice-Chairman for the meeting.

CSC107: MINUTES

The minutes of the meeting held on 18th February 2013 were agreed as a correct record and signed by the Chairman.

CSC108: URGENT BUSINESS UNDER STANDING ORDER 7

There was no urgent business to report.

CSC109: DECLARATIONS OF INTEREST

There were no declarations of interest.

CSC110: MEMBERS PRESENT PURSUANT TO STANDING ORDER 34

There were no Members present under Standing Order 34.

CSC111: CHAIRMAN'S CORRESPONDENCE

The Chairman had no correspondence to report.

CSC112: RESPONSE TO PREVIOUS COMMITTEE RECOMMENDATIONS

There were no previous Committee recommendations.

CSC113: MATTERS CALLED-IN PURSUANT TO STANDING ORDER 12

There were no matters called-in pursuant to Standing Order 12.

CSC114: HOLIDAY/TOURING/RESIDENTIAL CARAVAN SITES – LICENSING PROCEDURES AND STANDARD CONDITIONS

Councillor J Collop questioned why the Cabinet report had specified that there was no financial implications associated with implementing the proposals when the inspection and enforcement of the procedures and conditions would require considerable officer time and resource and therefore subsequent substantial costs. Vicki Hopps, Environmental Health Manager (Commercial) explained that currently there was no provision in the legislation to permit the Council to charge a fee for carrying out such work. There was also no such provision under the Localism Act 2011. The Council had a statutory duty under the legislation to issue a site licence providing the applicant met the necessary conditions. She also highlighted that work associated with the enforcement and inspection of relevant caravan sites was already being undertaken by the necessary officers within the Environmental Health team. In response to a further query raised by Councillor J Collop as to whether the legislation explicitly stated that no charge could be made, Vicki Hopps explained that the original legislation (The Caravan Sites and Control of Development Act 1960) dated back to 1960 and central government had revised the standards intermittently, with the most recent being issued in 2008, however in doing so, had subsequently acknowledged that the primary legislation had omitted to address the issue of the provision to allow local authorities to make a charge. It was anticipated that such a provision would be introduced as part of subsequent secondary legislation.

In response to Councillor J Collop's question as to how often inspections were carried out on each site, Vicki Hopps explained that it was largely dependent on the size of the site and on risk assessment implications. Sites which had three or less units were not generally inspected unless a complaint was received.

Councillor Tilbury also referred to the financial implications of the Council carrying out enforcement and inspections and questioned whether it was appropriate for the Local Government Association to lobby central government to ensure that such a provision to charge for this service was included in any secondary legislation. Vicki Hopps stated that she agreed that there should be a provision to allow the Council to make a charge and as part of the latest government consultation conducted early last year, the Council had made representations to this effect. The Leader also stated that any necessary representations were being made and although the provision of charging a fee did not form part of the

recommendation within the report, he acknowledged it was an issue that needed to be addressed.

The Chairman further queried whether the current legislation prohibited the Council from making a charge. Vicki Hopps reiterated that the Council had a statutory duty to issue a site licence (providing the necessary conditions were met) and although the legislation did not explicitly state that the Council could or could not make a charge; no other District Council's charged a fee. She acknowledged that this was contrary to other licensing functions provided by the Council and Members could ultimately decide to introduce a charge if they deemed it appropriate, however this would be contrary to current Government legislation.

CSC115: TREASURY MANAGEMENT STRATEGY

Councillor J Collop questioned, that given the current financial climate and turmoil within the wider European markets, whether the Council were monitoring closely their investments and were in a position to react quickly if circumstances, such as inflation rates, changed. The Leader confirmed that the situation was monitored carefully with a monthly budget monitoring report being prepared and issued to all Councillors. A review was also being undertaken in relation to the Council's investment policy. The Council had also planned accordingly to ensure that they avoided any investments being involved in the Icelandic financial bank collapse some five years ago.

Councillor J Collop questioned whether the downgrading of the UK's Sovereign rating from AAA status to AA1 would have an impact on the Council's investments. The Leader referred to a recent article that had been submitted in the Members' Bulletin by the Chief Accountant that had clearly outlined the situation and he also stated that it would have little impact on the Council's investments. The Chief Accountant also explained that investments were monitored regularly with quarterly meetings (more regular if required) being held with the Council's treasury advisor, Sector Treasury Services Ltd. Investments were also spread across a number of counterparties and for varying periods (i.e. one, three, six or twelve months). Updates were also received on a weekly (or daily basis if appropriate) from Sector on the borrowing undertaken by the Council.

Councillor J Collop further questioned if circumstances dictated, whether the Council would be in a position to access any necessary money instantly. The Chief Accountant reiterated that borrowing was undertaken on both short term and long term basis. The forecast for interest rates was also monitored as part of Sector's service to the Council and it expected that there would be no movement until at least 2015. The Council also participated in a Treasury Management Group that benchmarked investments etc. against other local authorities. Councillor D J Collis took the opportunity to inform the Committee that, as a result of his request, the monthly budget monitoring report was now considered formally as part of the Resources & Performance Panel meetings.

The Chairman questioned how much investigation had been undertaken into the Council self-financing any loans. The Chief Accountant explained that the Council did undertake internal borrowing when appropriate and also explained that the Council could borrow from other local authorities at a current interest rate of 0.29%.

CSC116: ANNUAL PAY POLICY STATEMENT

Councillor J Collop referred to the annual pay award which had been agreed at 1% for the year 2013/2014 but had been frozen for the previous two years and questioned whether this had an impact on staff turnover and whether the Leader had any views on the likely pay award for next year. The Leader highlighted that the pay award decision had been the subject of a previous Cabinet report that the Committee would have had an opportunity to scrutinise, the report in question was in relation to the Annual Pay Policy Statement which was a requirement under the Localism Act 2011. The Leader clarified that, at this stage, he could not forecast what the pay settlement would be next year.

The Chairman questioned how long it would take for an employee on the bottom of a grade to reach the mid-point taking into consideration any relevant annual pay award and performance related pay. The Executive Director, Central Services explained that it would take approximately ten to twelve years but this would be dependent on the performance against agreed targets of an individual employee. It would take longer if an employee did not meet their agreed targets and underperformed.

The Chairman referred to the remuneration of the Council's Head of Paid Service and questioned whether there was any opportunity for the additional duties undertaken in relation to the various elections, to be carried out by another member of staff. The Leader explained that although the fees paid were initially met by the Borough Council, there was a subsequent recharge made to the relevant body. The Executive Director, Central Services also explained that the Chief Executive did not have to be designated as the Returning Officer (or Deputy) and therefore these duties did not form part of their job description which also avoided double accounting. However, it was normal practice within local authorities that the Chief Executive did act as Returning Officer (or Deputy).

CSC117: PORTFOLIO HOLDERS' DECISIONS MADE UNDER DELEGATED POWERS

- **North Norfolk Coast and Countryside – Destination Management Organisation**

Councillor Manley, whilst supporting the recommendations outlined in the delegated decision, questioned whether a formal review was planned to evaluate how the organisation was performing and whether it should continue after the initial three year period. He suggested such a review should be undertaken after two years. The Portfolio Holder, Assets stated that he believed that the proposal offered excellent value for money and

that the Borough Council's contribution of £5,000 per annum could be met from the existing tourism and publicity budget. The main aim of establishing such a company was to provide a consolidated approach to marketing the coast across north Norfolk. The organisation would also actively pursue additional sources of funding via the private sector, the success of which would also help determine whether the organisation continued. He also explained that the Borough Council would take a seat on the Board of Directors. The Chief Executive also explained that the level of commitment achieved from the private sector, which was projected at £50k in year one rising to £86k in year three, would be a good test of any to determine the success and therefore continuation of the organisation. He also reiterated that the Council would have a seat on the Board of Directors and the Council's contribution would be discussed annually with the Portfolio Holder.

RESOLVED: The Portfolio Holders' decision in relation to North Norfolk Coast and Countryside – Destination Management Organisation be noted.

CSC118: **DATE OF NEXT MEETING**

It was noted that the next meeting of the Cabinet Scrutiny Committee was scheduled to be held on Wednesday 17th April 2013 at 6pm.

Meeting closed at 6.40pm