

BOROUGH COUNCIL OF KING'S LYNN AND WEST NORFOLK

CABINET

**Minutes from the Meeting of the Cabinet held on
Tuesday, 7 February 2012 at 5.30pm in the Committee Suite,
King's Court, Chapel Street, King's Lynn**

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

An apology for absence was received from Councillors A Beales
and Lord Howard.

Under Standing Order 34, Councillor D J Collis
attended for items CAB146, 148, 149, 150 and 151.

Mike Press, Member of the Independent Members Allowances Panel
attended.

CAB139: **MINUTES**

RESOLVED: That the Minutes of the Meeting held on 10
January 2012 be approved as a correct record and signed by the
Chairman.

CAB140: **URGENT BUSINESS**

There was no urgent business. However a late item was considered
requesting permission to waive contract Standing Orders in order to
employ legal advice to pursue any legal action which may prove
necessary to further the Council's policy of opposition to the
incinerator.

CAB141: **DECLARATIONS OF INTEREST**

None

CAB142: **CHAIRMAN'S CORRESPONDENCE**

None

CAB143: **CALLED IN MATTERS**

None

CAB144: **FORWARD DECISIONS LIST**

The forward decision list was noted.

CAB145: **MATTERS REFERRED TO CABINET FROM COUNCIL BODIES**

i) **Resources and Performance Panel: 31 January 2012**

The Committee had made the following recommendations to Cabinet, which was dealt with when Cabinet considered the reports on the agenda.

RP106: Financial Plan 2011 - 2015

RESOLVED: That Cabinet be advised that the Resources and Performance Panel supports the recommendations as set out in the report to Cabinet as follows:

Recommendation 1

It is recommended that Council approve the revision to the Budget for 2011/2012 as set out in the report.

Recommendation 2

Council is recommended to reaffirm the Balances and Reserves Policy and the maximum balances set for the reserves as noted in the report.

Recommendation 3

It is recommended that Council:

- 1) Approves the budget of £16,901,700 for 2012/2013 and notes the projections for 2013/2014 and 2014/2015.
- 2) Approves the level of Special Expenses for the Town/Parish Councils as detailed in the report.
- 3) Approves the Fees and Charges 2012/2013 detailed in Appendix 3.
- 4) Approves a Band D council tax of £111.97 for 2012/2013.

Recommendation 4

Council is recommended to approve a minimum requirement of the General Fund balance for 2012/2013 of £881,669.

RP107: Capital Programme 2011 – 2015

RESOLVED: That Cabinet be advised that the Resources and Performance Panel supports the recommendations as set out in the report to Cabinet as follows:

It is recommended that:

- 1) Cabinet recommends to Council the amendments to capital schemes and resources for the 2011-2015 Capital Programme as detailed in the report.
- 2) Cabinet recommends to Council that new capital bids of £499,500 are to be funded from available capital resources and included in the Capital Programme 2012-2015.

3) Cabinet note the forecast for capital expenditure for the 10 year period to 2021/2022.

ii) Regeneration, Environment and Community Panel Meeting: 1 February 2012

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

REC64: Financial Plan 2011 – 2015 & Fees And Charges

RESOLVED: That Cabinet be informed that the Regeneration, Environment & Community Panel support the recommendations to Cabinet as follows:

Recommendation 1

It is recommended that Council approve the revision to the Budget for 2011/2012 as set out in the report.

Recommendation 2

Council is recommended to reaffirm the Balances and Reserves Policy and the maximum balances set for the reserves as noted in the report.

Recommendation 3

It is recommended that Council:

1. Approve the budget of £16,901,700 for 2012/2013 and note the projections for 2013/2014 and 2014/2015.
2. Approve the level of Special Expenses for the Town/Parish Councils as detailed in the report.
3. Approve the Fees and Charges 2012/2013 detailed in Appendix 3.
4. Approve a Band D council tax of £111.97 for 2012/2013.

Recommendation 4

Council is recommended to approve a minimum requirement of the General Fund balance for 2012/2013 of £881,669.

REC65: Capital Programme 2011 – 2015

RESOLVED: That Cabinet be informed that the Regeneration, Environment & Community Panel support the recommendations to Cabinet as follows:

- Cabinet recommends to Council the amendments to capital schemes and resources for the 2011-2015 capital programme as detailed in the report.
- Cabinet recommends to Council that new capital bids of £499,500 are to be funded from available capital resources and included in the capital programme 2012 – 2015.
- Cabinet note the forecast for capital expenditure for the 10 year period to 2021/2022.

CAB146: **REPORT OF THE INDEPENDENT MEMBERS ALLOWANCES PANEL FOR 2012/13**

Cabinet considered an item which introduced the report of the Independent Members Allowances Panel for the 2012/2013 financial year and invited the Cabinet to consider the content and recommendations and then make formal recommendations to Council accordingly.

Mike Press, of the Independent Panel attended and presented the report to Cabinet. He commented that the Independent Panel was very conscious of the Council's financial situation, and that nationally. He drew attention to the fact that the Panel had re-iterated its recommendations originally made in 2008/09, but not implemented, along with the recommendation of the 1.1% which was awarded by Council in 2010/11. In respect of the year 2012/2013 the Panel whilst still recommending their overall level of increase made in years 2008/09 and 2010/11, did not recommend any further increase on those figures.

He reminded Cabinet that all Councillors had been invited to either come along to speak to the Panel about the Allowances, or if not able to do so, then to submit any comments in writing. Only the Leader had spoken to the Panel and 3 comments had been received from Members.

Mr Press explained that the new position of Assistant to the Leader had been discussed and the Panel felt that the position should be awarded 10% of the Leaders allowance, with this level to be examined once the position had been in place for a year and there was further clarity for the workload of the position.

With regard to the membership of the Planning Committee the Panel was conscious of the responsibility and commitment required in order to carry out that role, so still felt that the Committee Members should be awarded a special responsibility allowance to reflect this.

Mr Press drew attention to the Panels ongoing recommendation that the Chairman of the Standard's Committee, an independent person, should receive an allowance equivalent to the Overview and Scrutiny Panel chairmen in order that the responsibility of that position should be recognised. The Panel was aware that the Standards Committee would change in line with legislation in the short term, but could only deal with the position as it currently stood.

In mentioning the level of allowances recommended for travelling, Mr Press reminded Cabinet that any amount paid above the new 45p per mile recommendation from the tax office would incur additional workload on the Council and have tax implications for all Members. He

drew attention to the calculations set out in the report for mileages and associated costs.

He also drew attention to the danger of allowance drift, and any large increase being required to be made in the future to catch up when no increases had been made for a number of years.

In summing up, Mr Press also explained that in coming to its conclusion, the Panel had taken into account the levels paid to other authorities, and also the advice of Dr Declan Hall.

Councillor Daubney thanked Mr Press and the Panel for their deliberations. He acknowledged that the Council in previous years had not been in a position to increase allowances in line with the recommendations of the Panel, but the Council had to take a decision, having considered the advice of the Panel. He proposed that because of the current financial climate, and staff pay freezes, no further increase be made to the current level allowances for Members. He proposed that the new position of Assistant to the Leader be awarded the same level of allowance as the Vice-Chairmen of a Panel – ie £870. He proposed that no payments be made for Planning Committee Members.

Councillor Mrs Spikings thanked the Panel for acknowledging the level of work carried out by and commitment of Planning Committee Members, but acknowledged that the current financial situation could not allow the recommendations, but that did not prevent it in the future should the position improve.

Councillor Long asked whether the situation regarding Members admission to the Pension Scheme was likely to change with changes in legislation, to which it was confirmed that the changes did not affect Members.

Under Standing Order 34, Councillor Collis commented that the report was comprehensive and considerable thought had gone into the issues raised. He felt that the recommendation relating to the Planning Committee Membership was a worthy one. He questioned whether the role of the LDF task group had been taken into account, and suggested that if there were any areas it did not feel fully briefed on it should request a briefing. He asked whether the Panel had ever interviewed opposition group leaders, and said he would like to have spoken to them. Councillor Collis drew attention to the need to recognise the needs of Councillors and the fact that all Councillors spent money in doing their job. He informed Cabinet that when the matter came before Council for decision he would recommend accepting the proposals, but with an implementation date a year in advance.

RECOMMENDED: 1) That the Panel be thanked for their consideration of the allowances scheme.

- 2) That in the current climate, Members Allowances remain at the existing levels.
- 3) That the newly formed position of Assistant to the Leader be given an allowance equivalent to the Vice-Chairman of a Panel (£870).
- 4) That the updated Scheme of Allowances 2012/13 be approved.

CAB147: **FINANCIAL PLAN 2011-2015**

Cabinet was presented with a report which explained that on an annual basis, as part of the council tax setting process, the Council updated its longer term Financial Plan to take account of any changes in grant settlements, inflation on service costs and revised priorities of the administration.

The report went on to explain that in February 2011 the Council set out a Financial Plan for 2010/2014 that took account of the coalition government's aim of reducing the national deficit quickly and in doing accelerated the reduction in Government grant to councils. The Plan showed the formula grant to the Council reducing by 30% in cash terms over the period 2011/2014. This period remained the most difficult period since the Council came into being in 1974 in terms of containing levels of spending whilst maintaining services to residents, businesses and visitors to the borough

In the grant settlement announced by Government on 8 December 2011 it was confirmed that the grant to the Council had been reduced by £1.4m from £12.3m in 2011/2012 to £10.9m in 2012/2013. In 2013 the Government intended to replace the current formula grant system with an arrangement by which the Council would retain a proportion of the business rates that it collected. Full details of the new scheme were not yet available and there were no provisional figures for this new system of 'grant' for 2013/2014 or 2014/2015.

The Council's record over the past few years showed it to be 'ahead of the game' and it had quietly gone about its business in seeking efficiencies and different ways of delivering services producing significant levels of savings and reductions in staffing and as a consequence the paybill. During 2010 and 2011 alone service reviews had reduced ongoing annual spending each year rising to £5.2m savings in 2013/2014. Very few authorities were able to match the record of the Council and many still had difficulties in dealing with the budget for the current year yet alone future years. The Council's early actions had provided it with breathing space to properly consider measured and well managed changes to services as necessary. The costs of services of the Council have been updated. Once again the impact of the recession and the uncertainty of the economy made the longer term picture difficult to project.

- Containing spending – a number of service budgets had been held at 2011/2012 levels and increases had been made only where known price increases had occurred.
- Projecting levels of income in certain services including planning/car parks and industrial estates remained difficult in this period and a cautious approach had been taken in projecting forward into 2012/2015.
- There were at the time of writing the report a number of Government documents/consultation papers under consideration. Setting planning fees at local level, a local council tax discount scheme and the proposed retention of business rates would all affect the medium/long term Financial Plan but as yet firm details were not available and a cautious approach had been taken on the impact the changes could have on the finances of the Council.

The report went on to set out that when producing the revised estimates and projections for the full term of the Financial Plan use was made of working balances and reserves to protect the Council from volatile changes in the cost of services and receipt of income. The effect of using the balances in this way was to provide the Council with time to consider in a more proactive and measured way how to deal with situations like the reduction in grant or changes in income from services. At no time does the Plan take working balances below the minimum level as stated in the Balances and Reserves Policy of the Council.

As part of the grant settlement the Government had once again included an incentive for councils to hold council tax to current levels. If the Council sets council tax Band D at £111.97 – no increase – then the Government would provide extra grant equivalent to 2.5% of council tax income. This would equate to £157,890 for the Council but would only be paid for one year in 2012/2013. The Financial Plan for 2012/2015 assumes no increase in council tax for 2012/2013.

The report informed members that the new Plan assumed an increase in council tax for 2013/2014 of 2.5% and in 2014/2015 of 2.5%. (based on the grant level for freezing council tax)

	2012/2013	2012/2013	2013/2014
Council tax increase	Nil	2.5%	2.5%
Council Tax Band D	£111.97	£114.77	£117.64

The record of the Council on council tax over the past few years had been exceptional. If the Council delivered council tax at the proposed levels in the Plan then over a period of 10 years since April 2005 the council tax would have risen from £108.67 to £117.64 - by only 8.25%. The Council could balance the budget for 2012/2013 and 2013/2014 but the impact of rising costs, uncertain levels of income and reducing

'grant' resources and controlled levels of council tax meant that there was a shortfall in 2014/2015 of £1.5m. The Council had planned to use working balances and reserves to allow for time to properly plan and organise changes in services and ways of service delivery.

Councillor Daubney drew attention to and commended the informed debates held in the Panel meetings at which Cabinet Members had been present. He drew attention to the savings achieved and his confidence in being able to maintain that fiscal position, and continue making savings in the future. He reminded members that only firm savings made had been included in the figures within the report, and projects in the pipeline would be included in future figures.

He commended all those involved in making the savings and the Accountancy Team for the delivery of the Financial Plan.

RECOMMENDED: 1) That Council approves the revision to the Budget for 2011/2012 as set out in the report.

2) That Council re-affirms the Balances and Reserves Policy and the maximum balances set for the reserves as noted in the report.

3) That Council :

3.1) Approves the budget of £16,901,700 for 2012/2013 and notes the projections for 2013/2014 and 2014/2015.

3.2) Approves the level of Special Expenses for the Town/Parish Councils as detailed in the report.

3.3) Approves the Fees and Charges 2012/2013 detailed in Appendix 3 of the report.

3.4) Approves a Band D council tax of £111.97 for 2012/2013

4) That Council approve a minimum requirement of the General Fund balance for 2012/2013 of £881,669.

CAB148: CAPITAL PROGRAMME 2011-2015

Cabinet considered the report which

- revised the 2011/2012 projections for spending on the capital programme
- set out an estimate of capital resources that would be available for 2011-2015
- detailed new capital bids that were recommended to be included in the capital programme for the period 2012-2015
- outlined provisional figures for capital expenditure for the 10 year period to 2021/2022.

Councillor Daubney drew attention to the constantly moving matter of the Capital Programme, and the fact that the Council's aspirations were affected by the national economic situation with regard to things such as land sales and capital receipts. He reminded Cabinet that a

sensible Council had to live within its budgets and the capital programme presented was a realistic and sensible one. Councillor Daubney also drew attention to the full debates on the issue held in the Panel meetings.

Under Standing Order 34, Councillor D J Collis drew attention to the fact that the Fisher Fleet was not on the programme, and reminded Members that it was still in need of investment and repairs. He also asked about the valuation of the Council's property portfolio. He drew attention to his concern that developers would be in a position to carry out major projects. Councillor Daubney reminded Councillor Collis that the Council also had investments. The Deputy Chief Executive explained that the Property Services Manager was intending bringing a presentation to the Resources and Performance Panel on the Council's property holdings.

RECOMMENDED: 1) That Council approve the amendments to capital schemes and resources for the 2011-2015 capital programme as detailed in the report.

2) That Council agree that new capital bids of £499,500 are to be funded from available capital resources and included in the capital programme 2012-2015.

3) That the forecast for capital expenditure for the 10 year period to 2021/2022 be noted.

CAB149: NOTICES OF MOTION 4/11 – COUNCILLOR MACK AND 9/11 COUNCILLOR COLLIS – PARISHING OF KING'S LYNN

Councillor Daubney presented a report which considered and made recommendations concerning the Notice of Motion 4/11 submitted by Councillor Ian Mack to Council on 29 September 2011 and Notice of Motion 9/11 submitted by Cllr David Collis on 27 October 2011. Both resolutions related to representations in the non-parished areas of the Borough, and the perceived need to address the consequent lack of representation at the First Tier Level of Local Government. Councillor Daubney explained that it was proposed to set up a Task group of 9 Members (6 Conservatives, 2 Labour and 1 Lib Dem or Independent) to give consideration to the future possibilities and to ensure the Council knew the financial and resource implications of the proposals.

Under Standing Order 34, Councillor D J Collis explained that there was a requirement to look at the issue, and supported the recommendation. He indicated that he would be pleased to have input to the criteria for the working group to ensure that the pertinent factors were reviewed.

RESOLVED: That Officers be instructed to set up a Cabinet Task Group of 9 Members to give consideration to both Councillors' Notices of Motion, to the issues raised, their financial and resource implications.

CAB150: **APPOINTMENT OF REPRESENTATIVES ON THE CONSERVANCY BOARD**

Cabinet was reminded that the Council was invited to nominate four representatives in total to serve on the King's Lynn Conservancy Board. Appointments were made for a three year period and representatives were able to serve for three terms, plus a further term if they become the Chairman, those appointments are staggered.

Cabinet was informed that Alderman Ansell's third term of office expired on 31st January 2012. Under the King's Lynn Conservancy Board's Constitution, Alderman Ansell was not eligible to be re-nominated by the Council. The Council has been requested, by the King's Lynn Conservancy Board, to submit a new nomination. Councillor Daubney informed Members that he had also received the resignation of Capt R Payn from the Conservancy Board, so making a second vacancy. Councillor Daubney proposed that the Executive Director Regeneration and Development be nominated to replace Alderman Ansell and Councillor B Long be nominated to replace Capt Payn.

Under Standing Order 34 Councillor D J Collis addressed the Cabinet putting himself forward as a nominee for either position.

On being put to the vote, Mr Geoff Hall and Councillor B Long were approved as nominations.

RESOLVED: 1) That the Executive Director Regeneration and Development be nominated as the Borough Council representative to serve on the King's Lynn Conservancy Board from 1st February 2012 until 31st January 2015.

2) That Councillor B Long be nominated to replace Capt R Payn who had recently resigned from the Board.

CAB151: **REQUEST TO WAIVE THE COUNCIL'S CONTRACT STANDING ORDERS**

Councillor Daubney presented a late report which sought authority to waive the Council's contract standing orders in order to facilitate the urgent appointment of a firm of solicitors to support the Council's Legal Services Manager. This was a requirement to pursue any legal action which may prove necessary to further the Council's policy of opposition to the incinerator proposal for King's Lynn being promoted by Norfolk County Council and their preferred contractors. The report reminded

Members that this may include work in relation to the recent decision of the Secretary of State (DEFRA) to award PFI credits; the current planning and environmental permit applications, and to assist in presenting a strong case to the Secretary of State (DCLG) seeking a 'call-in' of any decision on the planning application made by the Norfolk County Council.

Under Standing Order 34, Councillor D J Collis acknowledged the tight timeframes the Council was working to in order to carry out the task, and the fact that assistance was needed. He asked for members to be given the specification and the identified firms in order that Members could see that a coherent choice had been made.

The Deputy Chief Executive informed Members that they would be looking at where similar challenges had been made and legal representatives were involved. The findings would be reported to Members. Councillor Daubney gave assurances that Members would be kept informed of progress.

RESOLVED: That Contract Standing Orders are waived to enable the Legal Services Manager to engage one or more firms of solicitors with a specialism in public law and planning matters to assist her work in pursuing the Council's policy in respect of the incinerator proposal.

The Meeting closed at 6.19 pm