

Borough Council of
**King's Lynn &
West Norfolk**



CABINET

Agenda

**TUESDAY, 8 JANUARY 2013
at 5.30pm**

in the

**Committee Suite
King's Court
Chapel Street
King's Lynn
PE30 1EX**



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Borough Council of
**King's Lynn &
West Norfolk**



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CABINET AGENDA

DATE: CABINET – TUESDAY, 8 JANUARY 2013

VENUE: COMMITTEE SUITE, KING'S COURT, CHAPEL STREET, KING'S LYNN

TIME: 5.30 pm

This agenda gives notice of items to be considered in private as required by Regulations 5 (4) and (5) of The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012

1. MINUTES

To approve the Minutes of the Meeting held on 4 December 2012.

2. APOLOGIES

To receive apologies for absence.

3. URGENT BUSINESS

To consider any business, which by reason of special circumstances, the Chairman proposes to accept, under Section 100(b)(4)(b) of the Local Government Act 1972.

4. DECLARATION OF INTEREST

Please indicate if there are any interests which should be declared. A declaration of an interest should indicate the nature of the interest (if not already declared on the Register of Interests) and the agenda item to which it relates. If a

disclosable pecuniary interest is declared, the member should withdraw from the room whilst the matter is discussed.

These declarations apply to all Members present, whether the Member is part of the meeting, attending to speak as a local Member on an item or simply observing the meeting from the public seating area.

5. CHAIRMAN'S CORRESPONDENCE

To receive any Chairman's correspondence.

6. MEMBERS PRESENT PURSUANT TO STANDING ORDER 34

To note the names of any Councillors who wish to address the meeting under Standing Order 34.

7. CALLED IN MATTERS

To report on any Cabinet decisions called in.

8. FORWARD DECISIONS LIST

A copy of the Forward Decisions List is attached (Page 5)

9. MATTERS REFERRED TO CABINET FROM OTHER COUNCIL BODIES

To receive any comments and recommendations from other Council bodies some of which meet after the dispatch of this agenda. Copies of any comments made will be circulated as soon as they are available.

- Resources and Performance Panel – 2 January 2013
- Regeneration, Community and Environment Panel – 3 January 2013

10. REPORTS

1) Review of Capital Programme (page 8)

This report:

- revises the 2012/2013 projections for spending on the capital programme
- sets out an estimate of capital resources that will be available for 2012-2016
- details new capital bids that are recommended to be included in the capital programme for the period 2013-2016
- outlines provisional figures for capital expenditure for the period 2012-2016

2) **Budget 2012/2013 – Monitoring** (page 38)

This report updates the 2012/2013 revenue estimates and the projections for 2013 to 2015. These figures will form the base on which the new Financial Plan 2012/2016 will be formulated for council tax setting purposes in February 2013.

3) **Council Tax Technical Reforms to Exemptions and Discounts for Empty Properties and Second Homes.** (page 49)

This report details the recommended policy changes to the reductions for empty properties and second homes from 1 April 2013. The Local Government Finance Act 2012 enables Billing Authorities to use their discretion to amend the reductions for certain properties in their area and to retain their share of the additional income raised. Similar proposals are being considered by the Cabinets of all Norfolk District Councils; these proposals also have the support of Norfolk County Council and the Police and Crime Commissioner.

The Council also has existing powers to reduce the discount for Long Term empty properties. These have only been enacted for one year in 2008/2009 but they are now included again as part of this package of amendments.

4) **New Cremator Hall and Cremators** (page 66)

This report asks Cabinet to approve the start of a procurement project to

- (i) Build a new cremator hall.
- (ii) Purchase 3 new cremators each with single stream inline abatement equipment.
- (iii) Strip out the old cremators.
- (iv) Convert the old cremator hall into much needed office space, meeting rooms and a staff changing room with showering facilities.
- (v) Introduce cost effective energy efficient / environmentally friendly options for heating and cooling the building.

5) **Procurement Review** (page 71)

As part of the service review process the portfolio holder has requested officers to design and procure an external review of the Authorities procurement practices and purchasing arrangements. This report considers the scope of the task and requests authority to start the process.

6) **Timetable of meetings 2013/14** (page 76)

The report sets out a draft timetable of meetings for the 2013/14 Municipal Year.

7) **Regeneration and Economic Development Policy Task Group** (page 79)

At its November 2012 meeting Cabinet set up a Task Group to give consideration to the corporate arms of Regeneration and Economic Development within the Borough. Following the first meeting of the Group it has transpired that there appears to be 2 distinct elements of work for the Task Group: 1) Economic Development and Regeneration and 2) Heritage assets i.e. how to preserve and enhance King's Lynn heritage through design guidance. This report puts forward proposals for the Task Group to review its work programme and establish a second group to examine Heritage Assets.

EXCLUSION OF PUBLIC

The Cabinet is asked to consider excluding the public from the meeting under section 100A of the Local Government Act 1972 for consideration of the items below on the grounds that they involve the likely disclosure of exempt information as defined by Paragraph 3 of Part 1 of Schedule 12A to the Act, and that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

PRIVATE ITEMS

Details of any representations received by the Executive about why any of the following reports should be considered in public – none received

8) **CNC / Norse Joint Venture** (page 82)

To: Members of the Cabinet
Councillors N J Daubney (Chairman), A Beales, Lord Howard,
A Lawrence, B Long, Mrs E A Nockolds, D Pope and Mrs V Spikings.

Cabinet Scrutiny Committee

For further information, please contact:

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FORWARD DECISIONS LIST

Date of meeting	Report title	Description of report	Key or Non Key Decision	Decision Maker	Cabinet Member and Lead Officer	List of Background Papers	Public or Private Meeting
8 January 2013	Timetable of meetings 2013/14	Seeking approval for the timetable of meetings	Non	Cabinet	Leader Exec Dir Central Services	Previous timetables	Public
	Review of Capital Programme		Key	Council	Leader Deputy Chief Executive		Public
	Council Tax Technical Reforms to exemptions and Discounts for empty properties and second homes.	Technical changes to the schemes.	Key	Council	Leader Deputy Chief Executive		Public
	Budget 2012/2013 – Monitoring (background papers)		Key	Council	Leader Deputy Chief Executive	Financial Plan 2011-2015 and monthly monitoring reports issued to members April to October 2012	Public
	CNC / Norse Joint Venture	Building Control services	Non	Cabinet	Development Exec Director Regeneration and Environment		Private
	New Cremator Hall and Cremators	Procurement timetable for provision of new Cremator Hall and Cremators	Key	Cabinet	Community Exec Dir Environmental Health & Housing		Public
	Procurement Review	Report on the tender process for the review of procurement	Key	Cabinet	Special Projects Chief Executive		Public
	Regeneration Policy Task Group	Report considering the	Non	Cabinet	Regeneration Chief Executive		Public

		make up and work load of the task group					
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Date of meeting	Report title	Description of report	Key or Non Key Decision	Decision Maker	Cabinet Member and Lead Officer	List of Background Papers	Public or Private Meeting
5 February 2012	Staff Pay Settlement 2013/14		Key	Cabinet	Leader Exec Dir Central Services		Public
	Local Authority Leisure Trust – Project Plan and Follow Up report	Update on discussions re Leisure Trust	Key	Cabinet	Leader/ Assets Chief Executive		Public
	Budget		Key	Council	Leader Deputy Chief Executive		Public
	Materials Recycling Facility (MURF) Contract	Report on the outcome of the of the MURF contract negotiations	Key	Cabinet	Dep Leader Exec Dir Leisure and Public Space		Private - Contains exempt Information under para 3 – information relating to the business affairs of any person (including the authority) a third
	Planning Scheme of Delegation	Report making minor amendments to the planning scheme of delegation	Non	Council	Development Exec Dir Regeneration and Development	Existing scheme of Delegation	Public
	Designation of a Conservation Area in Dersingham	Report seeking authority for the designation of a Conservation Area in	Non		Development Exec Dir Regeneration and Development		Public

		Dersingham					
	Holiday Caravan Sites/Touring Caravan Sites/Residential Caravan Sites – Licensing Procedures & Standard Conditions	Review of the Policies and procedures	Non	Council	Community Exec Dir Environmental Health & Housing		Public
	Notice of Motion 2/12 Cllr A Tyler -	This Council calls on the Cabinet to investigate the opportunities that exist for this Council to revert to a committee system. This Council further calls on the Cabinet to report back on its findings to this Council	Non	Council	Chief Executive Leader		Public
	Neighbourhood Plans – Designation of Neighbourhood areas	Consideration of the designation of areas for Neighbourhood plans	Non	Cabinet	Exec Director Development Development		Public

Date of meeting	Report title	Description of report	Key or Non Key Decision	Decision Maker	Cabinet Member and Lead Officer	List of Background Papers	Public or Private Meeting
5 March 2013	Social Housing Allocation Policy Review	Review of policy	Key	Council	Community Exec Dir Environmental Health & Housing		Public

REPORT TO CABINET

Open		Would any decisions proposed :		
Any especially affected Wards None	Mandatory	(a) Be entirely within Cabinet's powers to decide NO		
		(b) Need to be recommendations to Council YES		
		(c) Is it a Key Decision YES		
Lead Member: Councillor Nick Daubney E-mail: cllr.nick.daubney@west-norfolk.gov.uk		Other Cabinet Members consulted:		
		Other Members consulted:		
Lead Officer: E-mail: david.thomason@west-norfolk.gov.uk Direct Dial:		Other Officers consulted: Management Team		
Financial Implications YES	Policy/Personnel Implications YES	Statutory Implications (incl S.17) NO	Equal Opportunities Implications NO	Risk Management Implications YES

Date of meeting: 8 January 2013

1 CAPITAL PROGRAMME AND RESOURCES 2012-2016

Summary

This report:

- revises the 2012/2013 projections for spending on the capital programme
- sets out an estimate of capital resources that will be available for 2012-2016
- details new capital bids that are recommended to be included in the capital programme for the period 2013-2016
- outlines provisional figures for capital expenditure for the period 2012-2016

Recommendations

It is recommended that:

- 1) Cabinet recommends to Council the amendments to capital schemes and resources for the 2012-2016 capital programme as detailed in the report.
- 2) Cabinet recommends to Council that new capital bids of £2,925,000 are to be funded from available capital resources and included in the capital programme 2013-2016.

Reason for Decision

To report amendments, rephrasing and resources to the 2012-2016 Capital Programme

1. Introduction

- 1.1 The current economic conditions continue to depress activity in the local property market. The Council has achieved successes during 2012 with land sales in King's Lynn and Hunstanton for commercial development which have generated significant capital receipts. Land sales of housing sites have come to a halt reflecting the lack of investment by housing developers. The Council has been investigating ways to encourage development of its housing sites, options include the Large Scale Housing Development (Cabinet on 30 October 2012) and the NORA Housing Joint Venture (Cabinet 6 June 2012).
- 1.2 The Council is faced with a situation where capital resources to fund the capital programme continue to be limited and as a consequence has had to further revise its capital ambitions and current plans.
- 1.3 This report sets out a programme for 2012/2016 that can be delivered if predicted land sales come about. Certain capital funds come from grants, VAT shelter receipts and reserves but a large part of funds are to come from land sales. These sums included in 2012/2016 are anticipated receipts from identified sites and the large scale housing development but if the market falls back further then it may be necessary to revise the programme.
- 1.4 In previous years a draft 10 year programme of works has been presented to Cabinet. In light of the continuing economic climate and uncertainty around funding particularly estimates over the longer term, this report will focus on the programme for the period 2012 to 2016. Officers will continue to prepare a rolling 10 year programme to identify future operational capital priorities.
- 1.5 This Council has always set out to deliver as ambitious a capital programme as possible to meet its corporate priorities, and it will continue to aim to do so even in these difficult times.

2. Capital Programme 2012/2013

- 2.1 This part of the report updates the Capital Programme in the current year 2012/2013.
- 2.2 A full updated Capital Programme 2012/2013 of £8,119,370 was reported at the Cabinet meeting on 19 June 2012. Since that date further amendments to the programme have been reported as part of the monitoring reports, as summarised below:

Capital Programme 2012/2013
(Cabinet 19 June 2012) £
8,119,370

Further Amendments:

Lynnsport – Bowls hall refurbishment and fitness suite extension. There is no impact on the financing of the capital programme as this scheme is funded from unsupported borrowing and the revenue budget includes provision for the annual repayments. (Cabinet report 3 July 2012 and July monitoring report) 325,000

Corn Exchange – seating refurbishment. There is no impact on the financing of the capital programme as the budget increase will be funded from Corn Exchange repairs and renewals reserve as reported in the Revenue Outturn report to Cabinet on 19 June 2012. (July monitoring report) 20,000

St James Swimming Centre – replacement spinning bikes. There is no impact on the financing of the capital programme as the scheme is funded from unsupported borrowing and the revenue budget includes provision for the annual repayments. (October monitoring report) 20,000

CCTV – communication equipment upgrade. There is no impact on the financing of the capital programme as this scheme is funded from CCTV repairs and renewals reserve. (Delegated decision 30 July 2012 and July monitoring report) 29,000

Revised Capital Programme 2012/2013 **8,513,370**

2.3 A summary of the monitoring position of the budget to 30 November 2012 is shown in the table below:

	2012/2013 Capital Programme	Spend to 30 November 2012	Spend
	£	£	%
Community & Democracy	1,863,290	780,164	41.9
Environmental Improvement & Protection	525,780	174,401	33.2
Housing General Fund	2,110,700	519,669	24.6
Performance & Resources	899,250	351,900	39.1
Regeneration	3,094,750	969,697	31.3
Safer & Healthy Communities	19,600	665	3.4
Total	8,513,370	2,796,496	32.8

2.4 Service managers have undertaken a detailed review of commitments against all current schemes and budgets have been reduced where possible to reflect updated requirements. Approval is requested for amendments of £498,600 and rephasing of £979,340 to the 2012/2013 capital programme as summarised in the table below and detailed in sections 2.5 and 2.6.

Portfolio	Revised Budget 2012/2013 October Monitoring	Amendments	Rephasing	Revised Budget 2012/2013
	£	£	£	£
Community & Democracy	1,863,290	72,200	(327,690)	1,607,800
Environmental Improvement & Protection	525,780	799,300	(121,650)	1,203,430
Housing General Fund	2,110,700	0	92,000	2,202,700
Performance & Resources	899,250	(52,700)	(165,000)	681,550
Regeneration	3,094,750	(313,800)	(507,000)	2,273,950
Safer & Healthy Communities	19,600	(6,400)	50,000	63,200
Total	8,513,370	498,600	(979,340)	8,032,630

2.5 The proposed amendments to the capital programme 2012/2013 are –

Community and Democracy

Amendments have been made to a number of schemes to reflect updated vehicle/equipment replacement schedules, and to remove small residual budgets. The major amendments relate to:

- CCTV control room upgrade to monitoring equipment to enable expansion of service, the cost of these works to be funded from additional income
- Budget increased for provision of outside play area equipment in the Walks and Lynnsport, funded from external grant and west Norfolk partnership and amenity areas reserves.

Full details of the amendments are included in the following table:

Scheme	Addition/ (Deletion) £
Car Parks - Resurfacing	(28,350)
CCTV Control Room Upgrade	70,000
Community and Culture Community Grants in Rural Areas	2,000
Corn Exchange - Refurbish auditorium seating	12,500
Downham Market Leisure Centre - Replace Dryside Windows	(20,000)
Downham Market Leisure Centre - Flooring Replacement	20,000

Scheme (contd)	Addition/ (Deletion) £
Grounds Maintenance Equipment	5,760
Grounds Maintenance Vehicles	(2,060)
Lynnsport - Bowls Hall lighting	6,300
Lynnsport - Floor/Surface Replacement	(34,000)
Lynnsport - Replacement of Grounds Maintenance Vehicle	(3,000)
Play Areas - Equipment	110,000
WREN grant	(40,000)
Net Expenditure	70,000
Public Art	(3,500)
Refurbish Sports Pavilions	(3,450)
Walks - Automatic Watering System	(20,000)
Total Community and Democracy	72,200

Environmental Improvement and Protection

Amendments have been made to reflect updated vehicle replacement schedules, and to include the purchase of 240 litre bins to be rolled out before the start of the new refuse and recycling contract in April 2013.

Full details of the amendments are included in the following table:

Scheme	Addition/ (Deletion) £
Refuse - Black 240 litre bins for new contract	1,000,000
Refuse and Recycling - Vehicles	11,730
Public Cleansing Sweepers/vehicles	(183,330)
Neighbourhood Teams vehicles and equipment	(29,100)
Total Environmental Improvement and Protection	799,300

Performance and Resources

The main amendments reflect revised spending requirements for works to council buildings.

Scheme	Addition/ (Deletion) £
Disability Discrimination Act works to Council buildings	(33,900)
Stock Condition Priority Works	(29,300)
Replacement Franking Machine	10,500
King's Lynn Depot - Fencing	5,000
Third Party Contribution	(5,000)
Net Expenditure	0
Total Performance and Resources	(52,700)

Regeneration

The main amendments reflect revised spending requirements for the NORA project.

Scheme	Addition/ (Deletion) £
Conservation Area review and character appraisal project	(10,800)
Smaller Regeneration Projects	(26,000)
NORA	
Remediation	(50,000)
MUGA (Includes Land)	18,000
Millienium Community Construction	(80,000)
Landscaping	(180,000)
Other Project Costs	(15,000)
Total Nar Ouse Regeneration Area	(307,000)
Joint Venture	30,000
Total Regeneration	(313,800)

Safer and Healthy Communities

Amendments have been made to remove small residual budgets.

Scheme	Addition/ (Deletion) £
Gayton Road Cemetery - Extension	(1,900)
Mintlyn Crematorium - Front of House improvements	(4,500)
Total Safer and Healthy Communities	(6,400)

- 2.6 The review of the capital programme has identified schemes that, although provisionally set for 2012/2013 will not be completed in the year, and in the case of private sector housing assistance funds have been brought forward. The areas for the proposed rephasing are -

Scheme	Rephasing to/(from) 2012/2013 £
Arts Centre Roof Repairs	(32,500)
Corn Exchange - Replace follow spots	(10,000)
Corn Exchange - Replace rooftop chiller unit	(65,000)
Grounds Maintenance Vehicles	(64,190)
Lynnsport - Floor/Surface Replacement	(48,000)
St James Pool - Combined Heat and Power replacement	(80,000)
Town Hall / Archive	(28,000)
Total Community and Democracy	(327,690)
Public Conveniences - Improvements	(27,500)
Public Cleansing Sweepers/vehicles	(19,870)
Neighbourhood Teams vehicles and equipment	(74,280)
Total Environmental Improvement and Protection	(121,650)
Private Sector Housing Assistance	92,000
Total Housing General Fund	92,000
Disability Discrimination Act works to Council buildings	(40,000)
Health and Safety - Council Facilities	(12,000)
Stock Condition Priority Works	(100,000)
ICT Development Programme	(13,000)
Total Performance and Resources	(165,000)

Scheme	Rephasing to/(from) 2012/2013 £
Hunstanton Regeneration	70,000
Works to Oldsunway Bridge	(20,000)
Car Park Signage	(190,000)
<i>S106 Contribution - Sainsburys</i>	190,000
<i>Net Expenditure</i>	0
Town Centre Signage	(40,000)
<i>S106 Contribution - Tesco Gaywood</i>	40,000
<i>Net Expenditure</i>	0
Tourist Signs A47	(25,000)
King's Lynn Regeneration Projects	(32,000)
Pontoons	(130,000)
NORA Remediation/Construction/Project costs	(170,000)
Townscape Heritage Initiative	(200,000)
Total Regeneration	(507,000)
Mintlyn Crematorium - Replace existing 3 Cremators	50,000
Total Safer and Healthy Communities	50,000
Total Capital Programme	(979,340)

3. Capital Programme 2013-2015

- 3.1 This part of the report deals with the medium-term capital programme 2013-2015 and first looks at a revision to the current approved programme. The full Capital Programme 2012-2014 was last reported at the Cabinet meeting on 7 February 2012 and is summarised in the table below.

Portfolio	Revised Budget 2013/2014 £	Revised Budget 2014/2015 £
Community & Democracy	1,464,200	675,430
Environmental Improvement & Protection	148,120	100,600
Housing General Fund	1,520,900	1,544,500
Performance & Resources	385,000	200,000
Regeneration	1,920,000	150,000
Safer & Healthy Communities		250,000
Total	5,438,220	2,920,530

3.2 Following the detailed review of the Capital Programme, it is proposed that the following amendments and rephrasing are made in 2013-2015.

Amendments have been made to a number of schemes to reflect updated costs and timing of vehicle and equipment replacement schedules, other major amendments include –

- The car parks resurfacing scheme within Community and Democracy included for resurfacing of the Tuesday Market Place - £166,000 has been transferred to the Tuesday Market Place scheme within Regeneration.
- The programme includes budget provision of £64,000 to replace Lynnsport bar and catering equipment, the equipment replacement is not necessary at this time and can be deferred until later years of the programme when budget provision had already been planned.
- The budget provision for private sector housing assistance has been revised to reflect the requirements of the new Private Sector Housing Investment Policy as reported to Cabinet on 4 September 2012.
- The Regeneration portfolio has been amended in 2013/2014 and 2014/2015 to include schemes funded from S106 contributions.
- Budget provision for the NORA project has been revised in line with updated requirements, £70,000 has been reallocated to the NORA housing joint venture/housing developments scheme.

Rephrasing is proposed where schemes have been carried forward from 2012/2013 as detailed in section 2.6, or where schemes are now not expected to be completed as originally planned in 2013/2014 and 2014/2015. Other areas of major rephrasing include –

- Lynnsport – the budget provision included in the capital programme for improvements to allow the use of land has been rephased to provide a contingency budget of £200,000 for preliminary costs for future housing development proposals.
- Lynnsport – the budget for re-siting the hockey pitch has been rephased to reflect the requirements for the use of the land for the first phase of the large scale housing development proposals
- Crematorium – the budget provision for the replacement of the cremators has been revised to reflect the updated programme of works as detailed in the separate report on the agenda.

Scheme	2013/2014		2014/2015	
	amendments additions/ (deletions) £	rephasing to/(from) 2013/2014 £	amendments additions/ (deletions) £	rephasing to/(from) 2014/2015 £
Community and Democracy				
Arts Centre Roof Repairs		32,500		
Car Parks - Resurfacing	(166,000)			(107,300)
KL off street car parks - vehicles		(11,600)		
Corn Exchange - Replace flying trusses		(10,000)		
Corn Exchange - Replace rooftop chiller unit		65,000		
D/ham Market Leisure Centre - Floor/Surface Resealing			(15,000)	
D/ham Market Leisure Centre - Refurb Toilets	15,000			
Grounds Maintenance Equipment	(25,400)		(53,260)	
Grounds Maintenance Vehicles		64,190	(63,500)	
Guildhall - Replace lighting system				(20,000)
Lynnsport Bar and Catering	(64,000)			
Lynnsport - Equipment		10,000		
Lynnsport - Retractable seating		25,000	(21,000)	(25,000)
Lynnsport -Fitness Equipment		(18,000)		
Lynnsport Parking Barrier		(12,000)		
Oasis - Funcastle Vinyl products replacement				(15,000)
Oasis - Pool Covers / Jacuzzi Refurb		(20,000)		20,000
Resort - Refurb Crazy Golf Course		18,500		
Resort - Beach Safety Signage				(15,000)
Resort - Vinyl & Banner printer			3,000	
Resort Car Parks - Pay & Display Machine Replacement			(25,000)	
Sports Pavilion - Kingsway - Replacement		(255,000)		
St James Pool - Combined Heat and Power replacement		80,000		
Town Hall / Archive		(487,180)	(15,180)	515,180
Total Community and Democracy	(240,400)	(518,590)	(189,940)	352,880

Scheme	2013/2014		2014/2015	
	amendments additions/ (deletions) £	rephasing to/(from) 2013/2014 £	amendments additions/ (deletions) £	rephasing to/(from) 2014/2015 £
Environmental Improvement and Protection				
Public Conveniences - Improvements				27,500
Public Cleansing Sweepers/vehicles		19,870	19,100	
Neighbourhood Teams vehicles and equipment		74,280		
Technical Repairs Team - Vehicles	(19,220)			(59,400)
Total Environmental Improvement and Protection	(19,220)	94,150	19,100	(31,900)
Housing				
Private Sector Housing Assistance	(91,500)	(92,000)	(144,000)	
STW connection to public sewer		100,000		(100,000)
Care and Repair - vehicles		(36,900)		
Total Housing	(91,500)	(28,900)	(144,000)	(100,000)
Performance and Resources				
Disability Discrimination Act works to Council buildings		20,000		
Health and Safety - Council Facilities		12,000		
ICT Development Programme		13,000		
Total Performance and Resources	0	45,000	0	0

Scheme	2013/2014		2014/2015	
	amendments additions/ (deletions) £	rephasing to/(from) 2013/2014 £	amendments additions/ (deletions) £	rephasing to/(from) 2014/2015 £
Regeneration				
Hunstanton Regeneration		(250,000)		60,000
Smaller Regeneration Projects	(20,000)		(50,000)	
Works to Oldsunway Bridge		20,000		
Tourist Signs A47				25,000
Bus Station Improvements			500,000	
<i>S106 Contribution - Sainsburys</i>			(500,000)	
Environmental Enhancements	50,000		50,000	
<i>S106 Contribution - Sainsburys</i>	(50,000)		(50,000)	
Town Centre public realm/signage/shop frontage improvements	200,000			
<i>S106 Contribution - Tesco</i>	(200,000)			
Tuesday Market Place Refurb	196,400			
<i>NCC Contribution to St Lighting</i>	(10,000)			
Net Expenditure	186,400			
Car Park Signage		190,000		
<i>S106 Contribution - Sainsburys</i>		(190,000)		
Town Centre Signage		40,000		
<i>S106 Contribution - Tesco Gaywood</i>		(40,000)		
Bus Station Improvements			500,000	
<i>S106 Contribution - Tesco</i>			(500,000)	
Market Contributions			90,000	
<i>S106 Contribution - Tesco</i>			(90,000)	
Town Centre Promotion			50,000	
<i>S106 Contribution - Tesco</i>			(50,000)	
King's Lynn Regeneration Projects		32,000		
Pontoons		130,000		
NORA remediation/landscaping/project costs	(225,000)	90,000	(50,000)	55,000
Lynnsport - Improvements (To allow Use of Land)				200,000

Scheme	2013/2014		2014/2015	
	amendments additions/ (deletions) £	rephasing to/(from) 2013/2014 £	amendments additions/ (deletions) £	rephasing to/(from) 2014/2015 £
Regeneration contd				
Lynnsport - Resite hockey pitch		(210,000)		210,000
Joint Venture/Housing Developments	70,000			
Townscape Heritage Initiative (Cabinet 2 October 2012)				200,000
Grant				(150,000)
Net Expenditure				50,000
Total Regeneration	11,400	(188,000)	(100,000)	600,000
Safer and Healthy Communities				
Mintlyn Crematorium - Replace existing 3 Cremators		1,050,000		650,000
Total Safer and Healthy Communities	0	1,050,000	0	650,000
Total Amendments/Rephasing	(339,720)	453,660	(414,840)	1,470,980

- 3.3 The NORA housing Joint Venture (JV) agreement with Norfolk County Council was signed on 8 October 2012. As detailed in the report to Cabinet on 6 June 2012 the total cost of the first phase is £6.2m which will require prudential borrowing, with the interest costs being funded jointly by the JV partners. The Treasury Strategy 2013/2014 which will come to Cabinet in March 2013 will include provisions within the borrowing limits to facilitate the additional borrowing requirement for the JV. The capital programme as revised in this report and detailed at Appendix 1 does not include the £6.2m costs of the JV. The actual costs of the development of £6.2m will be accounted for separately. The amount included in the capital programme for the JV/housing development is a contingency provision for planning/ground and infrastructure investigation works for the JV and to bring forward housing development schemes.

- 3.4 In refreshing the Financial Plan it is customary to add a third year to the capital programme that is set against available capital resources. During the estimates process in February 2012 a ten year capital programme was prepared and a proposed programme set for 2015/2016. summarised in the table below.

Portfolio	Programme 2015/2016 February 2012
	£
Community and Democracy	512,020
Environmental Improvement and Protection	123,000
Housing General Fund	1,235,000
Performance and Resources	200,000
Regeneration	4,700,000
Safer and Healthy Communities	1,000,000
Total Capital Programme	7,770,020

- 3.5 Following the detailed review of the Capital Programme, it is proposed that the following amendments and rephasing are made in 2015/2016. The major rephasing within the Regeneration portfolio reflects schemes being deferred until later years of the capital programme given the limited capital resources available at this time.

Scheme	2015/2016	
	amendments additions/ (deletions) £	rephasing to/(from) 2015/2016 £
Community and Democracy		
Car Parks - Resurfacing		107,300
KL off street car parks - vehicles	(900)	11,600
Corn Exchange - Replace flying trusses		10,000
Corn Exchange - Replace Follow spots		10,000
D/ham Market Leisure Centre - Floor/Surface Replacement	(19,000)	
Grounds Maintenance Equipment	18,050	
Grounds Maintenance Vehicles	29,200	
Lynnsport - Resurfacing Car Park	(75,000)	
Lynnsport - Resurfacing Footway		(50,000)
Lynnsport – Skate park replacement ramps		(50,000)
Lynnsport - Equipment		(10,000)
Oasis - Cafeteria & Poolside Furniture		20,000
Oasis – Fun castle Vinyl products replacement		15,000
Resort - Beach Safety Signage		15,000
Total Community and Democracy	(47,650)	78,900

Scheme	2015/2016	
	amendments additions/ (deletions) £	rephasing to/(from) 2015/2016 £
Environmental Improvement and Protection		
Public Cleansing Sweepers/vehicles	(38,600)	
Public Cleansing Equipment	12,530	
Total Environmental Improvement and Protection	(26,070)	0
Housing		
Private Sector Housing Assistance	55,000	
Care and Repair - vehicles	4,100	36,900
Total Housing	59,100	36,900
Performance and Resources		
Disability Discrimination Act works to Council buildings		20,000
Total Performance and Resources	0	20,000

Scheme	2015/2016	
	amendments additions/ (deletions) £	rephasing to/(from) 2015/2016 £
Regeneration		
Hunstanton Regeneration		60,000
Smaller Regeneration Projects	(50,000)	
Waterfront Sea Defences		(500,000)
Waterfront Infrastructure (modifications to existing CIF2 Road)		(1,000,000)
NORA Remediation		25,000
Lynnsport - Studies/masterplan/infrastructure		(2,000,000)
Lynnsport - Improvements (To allow Use of Land)		(1,000,000)
Multi-storey Car Park	(150,000)	
Townscape Heritage Initiative (Cabinet 2 October 2012)		400,000
Grant		(300,000)
Net Expenditure		100,000
Total Regeneration	(200,000)	(4,315,000)
Safer and Healthy Communities		
Mintlyn Crematorium - Replace existing 3 Cremators		(1,000,000)
Total Safer and Healthy Communities	0	(1,000,000)
Total Amendments/Rephasing	(214,620)	(5,179,200)

3.6 The table below summarises the capital programme 2013-2016 revised for amendments and rephasing as detailed above. It does not include any new bids in the 2013/2016 programme.

	Revised Budget 2013/2014 £	Revised Budget 2014/2015 £	Revised Budget 2015/2016 £
Community & Democracy	705,210	838,370	543,270
Environmental Improvement & Protection	223,050	87,800	96,930
Housing General Fund	1,400,500	1,300,500	1,331,000
Performance & Resources	430,000	200,000	220,000
Regeneration	1,743,400	650,000	185,000
Safer & Healthy Communities	1,050,000	900,000	0
Total	5,552,160	3,976,670	2,376,200

4. New Bids on the Capital Programme 2013-2016

4.1 Given the current financial position of the Council and the limited capital resources available, new bids on the capital programme have had to be controlled. The ten year programme already includes the schemes required to maintain current levels of service.

4.2 The following additional schemes are proposed for inclusion in the 2013-2016 capital programme:

	2013/2014	2014/2015	2015/2016
	£	£	£
Maintenance Schemes			
Unsupported borrowing schemes:			
CCTV Wireless Transmission and Camera Replacement	260,000		
Corn Exchange - Refurb/replace café/bar furniture	60,000		
Schemes which come with resources:			
Lynnsport - Barn/track area asphalt/slabs replacement		10,000	
Lynnsport - female changing room refurbishment	15,000		
Lynnsport - Fitness Area - replacement air conditioning		10,000	
King's Court - Front Doors/Lobby	25,000		
Lynnsport - Front Entrance	20,000		
Schemes which require funding:			
King's Court - Relocate Post Room to Ground Floor	15,000		
King's Court - Externalisation of Downpipes	30,000	30,000	
Historic Town Wall - refurbishment	10,000		
Harwick Industrial Estate unit 55/56 - externalise drainage downpipes	40,000		
St Edmunds Church DMkt - relocating grave stones	30,000		
Hardwick Rd Cemetery - Replacement Bridge	60,000		
Mintlyn Crematorium - Replace existing 3 Cremators increased budget provision (see separate report on the agenda)		400,000	
Lynnsport - extension/layout car park (part funded from reserves £75,000)	10,000	190,000	
North Lynn Industrial Estate - 1-8 Brygen Road reroofing (part funded from reserves (£100,000)		150,000	

	2013/2014	2014/2015	2015/2016
	£	£	£
Supports the Corporate Business Plan 'stimulate business growth and investment'			
King's Lynn Enterprise and Innovation Centre (Cabinet 4 December 2012)	1,000,000		
Supports the Corporate Business Plan 'helps people make healthy lifestyle choices'			
D/ham Market Leisure Centre - New Fitness Suite (Building and Equipment)		60,000	500,000
Total	1,575,000	850,000	500,000

4.3 In putting together the Capital Programme there is always an element of consideration of options that centres around which schemes will be included in the programme or not. Each bid from a service manager has examined the case for carrying out the works and considered all options on a case by case basis. The preparation of the full capital programme presents members with a set of schemes which can be funded within limited resources. The following new bids to be included in the capital programme 2012-2016 were not supported due to the limited capital resources available and other bids considered to be a higher priority:

	2013/2014	2014/2015	2015/2016
	£	£	£
King's Court – Toilet refurbishment	80,000	0	0
Loke Road - Footpaths	30,000	0	0
Total	110,000	0	0

5. Capital Programme 2012/2016

5.1 The table below summarises the revised Capital Programme 2012-2016 including all amendments, rephasing and new bids detailed above. The detailed Programme 2012-2016 is presented at Appendix 1.

Portfolio	Programme 2012/2013	Programme 2013/2014	Programme 2014/2015	Programme 2015/2016
	£	£	£	£
Community and Democracy	1,607,800	1,070,210	1,108,370	1,043,270
Environmental Improvement and Protection	1,203,430	223,050	87,800	96,930
Housing General Fund	2,202,700	1,400,500	1,300,500	1,331,000
Performance and Resources	681,550	500,000	230,000	220,000
Regeneration	2,273,950	2,793,400	800,000	185,000
Safer and Healthy Communities	63,200	1,140,000	1,300,000	0
Total	8,032,630	7,127,160	4,826,670	2,876,200

6. Capital Resources 2012-2016

6.1 The report to Cabinet on the 19 June 2012 updated the total capital resources available for the period 2012 to 2015. The available resources have been updated to include those that become available in 2015/2016, against which new capital bids would be considered. It has been possible to fund all the new bids listed in section 4 above.

6.2 The Table below provides details of the revised estimated capital resources for the period 2012-2016, updated for amendments and rephasing detailed in sections 2 and 3 above and new bids detailed in section 4 above. Where rephasing is made between years, the funding will follow. Where external borrowing is required the borrowing costs are included in the revenue estimates. The revenue budget will be amended as part of the estimates process to reflect this position. These changes will be reported as part of the Budget Report to Cabinet in February.

	2012/2013	2013/2014	2014/2015	2015/2016	Total
	£'000	£'000	£'000	£'000	£'000
Sources of Finance:					
Specific Capital Grants	754	577	577	577	2,485
Capital Receipts Housing	200	150	150	150	650
Capital Receipts General	2,356	3,329	1,095	2,200	8,980
External Borrowing	1,000	1,000	1,000		3,000
Temporary Borrowing	73	(73)	0		0
Special Expenses	82	104	30	30	246
Resources for Specific Schemes:					
Reserves	971	566	508	270	2,315
Unsupported Borrowing	611	611	246	775	2,243
Salix		125			125
Reserves:					
Capital Reserves	137			(1,126)	(989)
VAT Shelter	1,849	738	1,221		3,808
Total Resources Available	8,033	7,127	4,827	2,876	22,863
Revised Capital Programme	8,033	7,127	4,827	2,876	22,863
(Available)/Shortfall in Funding	0	0	0	0	0

6.3 Risk is inherent in any projections of future funding and risk implications and sensitivity are detailed at section 10 of this report.

6.4 Clearly the council's commitment to the major regeneration schemes means that the disposals programme and generation of capital receipts is crucial to the funding stream over the years.

7. Equality Impact Assessment

7.1 The Council has a statutory requirement to carry out Equality Impact Assessments (EIAs) as part of the service planning and policy proposal processes. This includes significant policy or significant changes to a service and includes potential capital bids, revenue growth bids and proposed reductions in service.

7.2 The Council may be required to carry out an impact assessment if the proposal impacts on any of the following:

- Equalities (including impact on issues of race, gender, disability, religion, sexual orientation, age)
- Community cohesion (whether there is a potential positive or negative impact on relations between different communities)

7.3 No new schemes within the 2012/2016 capital programme have been identified as requiring an impact assessment. The relevant service managers, with the assistance of the Policy officers, will review each bid to check and assess any impact of the intended outcome. Although a provisional capital budget will be included in the capital programme, it will be necessary for a report on the impact to be made to Cabinet before the scheme progresses.

8. Prudential Framework

8.1 The Prudential Framework for local authority capital investment was introduced as part the Local Government Act 2003 with effect from the 1 April 2004. The key objectives of the Prudential Code are to ensure, within a clear framework, that the capital investment plans of the Council are affordable, prudent and sustainable. The Council will need to demonstrate that treasury management decisions are taken in accordance with good professional practice and that local strategic planning, asset management and proper option appraisal is supported.

8.2 Within the Revenue Budget 2012-2016 the Council will enter into unsupported borrowing where it can demonstrate that financial savings can be achieved by outright purchase of equipment, as opposed to the use of an operating lease and the payment of an annual lease. The Capital Programme 2012-2016 includes details of the borrowing under the framework and this is confirmed as being affordable and is included within the Budget and Council Tax calculations.

- 8.3 The proposed borrowing will be met within the Prudential Indicators set as the Operational Boundary (Limit of Borrowing) under the Treasury Management Strategy. The current Operational Boundary in 2012/2013 is set at £20m with a maximum of 60% of the total value being held as short term loans or variable rate loans. The revised Strategy for 2013/2014 will be submitted for approval to Council in March 2013 and will take account of any future borrowing requirements.

9. Financial Implications

- 9.1 The financing arrangements for the capital programme are within budget. Where rephasing is to be made then the funding will follow.
- 9.2 The revenue implications of all capital schemes will be included in the estimates to be reported to the Cabinet meeting on 5 February 2013.

10. Risk Implications and Sensitivity Analysis

- 10.1 Risk is inherent in any projection of future funding. The estimated resources available to fund the capital programme 2012-2016 and the risk implications and sensitivity/consequences are detailed in the table below. The level of risk is based on the impact on the funding of the capital programme 2012-2016 if the resources are not achieved at the estimated level or at the time expected. This section updates the position as reported in the Capital Programme and Resources 2012-2015 report to Cabinet on 19 June 2012.

Source of Funding	Risk Implications and Sensitivity	Level of Risk
Capital Grant	<p>Risk The capital grant and specific grant included in the resources is a contribution towards housing capital expenditure and Disabled Facilities Grants (DFG). The level of grant included for 2012/2013 is based on the confirmed level of grant and future years are included at this the same level. The level of grant is confirmed by Central Government annually and can vary from year to year.</p> <p>Sensitivity/Consequences This funding represents 10% of total general fund resources over the 4 year period. If the level of grants were to vary significantly the budget allocated for DFGs and the proposed schemes within the programme would need to be revised</p>	Medium

Source of Funding	Risk Implications and Sensitivity	Level of Risk
Capital Receipts	<p>Risk Capital receipts represent 43% of the general fund resources available over the 4 year period 2012-2016. The actual amount and timing of capital receipts can vary significantly. The achievement of capital receipts is monitored and reported in the monthly monitoring reports to ensure no over commitment.</p> <p>Sensitivity/Consequences Capital receipts represent a high proportion of the total general fund resources available to fund the capital programme. The actual level of capital receipts that are achieved is sensitive to market conditions including demand for land and buildings, values and interest rates. The sum total of capital receipts included in the funding table of £9.8m is a challenging target in the current economic climate. In the event that capital receipts are not achieved at the level or within the year estimated it may be necessary to take on additional temporary borrowing at the prevailing interest rates.</p>	High
Unsupport- ed Borrowing	<p>Risk The proposed capital programme 2012-2016 includes unsupported borrowing for the purchase of equipment and vehicles.</p> <p>Sensitivity/Consequences The Council will enter into unsupported borrowing where it can demonstrate that financial savings can be achieved by outright purchase of equipment, as opposed to the use of an operating lease and the payment of an annual lease.</p>	Low
Temporary Borrowing	<p>Risk Temporary borrowing is included for cash flow purposes to ensure a balanced funding of the capital programme in each of the financial years and in advance of capital receipts.</p> <p>Sensitivity/Consequences The actual required temporary borrowing will depend on rephasing in the capital programme and capital receipts achieved in each year. Temporary borrowing will be maintained at the minimum level required and reported as part of the outturn. The cost of funding the temporary borrowing is included in the revenue budget and is confirmed as affordable.</p>	Low

Source of Funding	Risk Implications and Sensitivity	Level of Risk
External Borrowing	<p>Risk £3m of external borrowing is included in the resources available for the capital programme. The external borrowing will fund the purchase of the black bins and the cost of works to replace the cremators at Mintlyn. The borrowing costs are included in the revenue budget.</p> <p>Sensitivity/Consequences Fixed term external borrowing will be taken and drawn down as expenditure is required and rates are favourable – it is intended to take borrowing through the PWLB.</p>	Low
Reserves	<p>Risk Contributions from reserves are based on actual balances as at 1 April 2012. In the case of the VAT Shelter, the Council receives a share of the VAT recovered by Freebridge Community Housing from housing improvement works. The monies are held in reserve and will be used to fund capital expenditure. The amounts included in the resources for the period 2012-2016 are based on the continuing programme of improvement works being carried out towards the decent homes standard.</p> <p>Sensitivity/Consequences The reserves are available and as such the sensitivity is low. In the case of the VAT Shelter there is a contractual agreement between the Borough and Freebridge Community Housing for the sharing of VAT reclaimed. In the event that the VAT share was not received as estimated in the capital resources, temporary borrowing would be incurred to ensure a balanced funding of the capital programme in each of the financial years.</p>	Low

10.2 Experience shows that the costs of schemes can also vary. Expenditure on the capital programme is included as part of the monthly monitoring report. Any significant variations on individual schemes will be reported and appropriate action taken

11. Policy Implications

The establishment and management of the capital programme is in accordance with the Council's Capital Strategy 2009.

12. Statutory Considerations

None

13. Consultations

Management Team

14. Access to Information

Cabinet Reports

Financial Plan 2011-2015

Monthly Monitoring Reports 2012/2013

New Capital Bids Forms and Equality Impact Assessment (EIA) Forms

				Appendix 1
Capital Programme 2012-2016				
Scheme Title	Amended Programme 2012/2013	Amended Programme 2013/2014	Amended 2014/2015	Amended 2015/2016
	£	£	£	£
Community and Democracy				
Arts Centre - Upgrade Fire Alarm system	13,600			
Arts Centre Roof Repairs		32,500		
Car Parks - Pay & Display Machine Replacement	250,000			
Car Parks - Counting Machine - Hunstanton	10,000			
Car Parks - Counting Machine - Kings Lynn	10,000			
Car Parks - Resurfacing	54,000	170,500		130,300
KL off street car parks - vehicles				10,700
CCTV Communications Upgrade	29,000			
CCTV Control Room Upgrade	70,000			
CCTV Wireless Transmission and Camera Replacement		260,000		
Community and Culture Community Grants in Rural Areas (including MUGA)	76,000	74,000	74,000	74,000
Corn Exchange - Emergency Lights	19,500			
Corn Exchange - Refurb/replace café/bar furniture including outside furniture and extend bars		70,000		
Corn Exchange - Repair loading bay paving	9,850			
Corn Exchange - Replace refrigerant and software	6,000			
Corn Exchange - Replace/Refub auditorium seating	32,500			
Corn Exchange - Replace flying trusses				10,000
Corn Exchange - Replace Followspots				10,000
Corn Exchange - Replace rooftop chiller unit		65,000		
Crowd Control Barriers	12,000			
D/ham Market Leisure Ctr - Refurbishment	4,800			
D/ham Market Leisure Ctr - Refurb Toilets		15,000		
D/ham Market Leisure Ctr -Floor/Surface Resealing - Main Hall/Dance Studio	10,000			
Downham Market Leisure Centre - Flooring Replacement	20,000			
Equipment			100,000	
D/ham Market Leisure Centre - Replacement Spin Bikes			20,000	
D/ham Market Leisure Centre - New Fitness Suite (Building and Equipment)			60,000	500,000
Grounds Maintenance Equipment	40,200	40,220	43,370	71,690
Grounds Maintenance Vehicles	56,800	124,490		63,700
Leisure Card - Gladstone server Platform Upgrade	30,000			
Leisure Card - Replacement Card Printers	10,000			
Lynnsport - Athletics Equipment	4,600			
Lynnsport - Bowls Hall lighting	23,000			
Lynnsport - Car Park & Path Repairs	44,350			
Lynnsport - Floor/Surface Replacement - General areas/Athletic track/Gymnastics				84,000
Lynnsport - Folding chairs refurb/replacement	2,400			
Lynnsport - G3 pitch	28,600			
Lynnsport - New Fitness Suite/Bowls Hall Changes	325,000			

Capital Programme 2012-2016				
Scheme Title	Amended Programme 2012/2013	Amended Programme 2013/2014	Amended 2014/2015	Amended 2015/2016
	£	£	£	£
Community and Democracy continued				
Lynnsport - Replacement PA system	30,000			
Lynnsport - Barn/track area asphalt/slabs replacement			10,000	
Lynnsport - Equipment		10,000		8,880
Lynnsport - extension/layout car park		10,000	190,000	
Lynnsport - female changing room refurbishment		15,000		
Lynnsport - Fire Alarm System Upgrade	10,000			
Lynnsport - Fitness Area - replacement air conditioning			10,000	
Lynnsport - Floor/Surface Replacement - Entrance/Bowls Hall/Squash Courts/Tumble track	26,000			
Lynnsport - Replacement of Grounds Maintenance Vehicle	7,000			
Lynnsport - Replacement of Track Sweeper			10,000	
Lynnsport - Retractable seating		25,000		
Lynnsport - Sports Hall - Heating Replacement			15,000	
Lynnsport - Sports Hall - Retractable Dividing Wall	10,000			
Lynnsport - Front Entrance		20,000		
Oasis - Cafeteria & Poolside Furniture				20,000
Oasis - Funcastle Vinyl products replacement				15,000
Oasis - Pool Covers / Jacuzzi Refurb			20,000	
Play Activities	43,700			
Play Areas - Replacement Equipment	140,000	30,000	30,000	30,000
WREN grant	(40,000)			
Net Expenditure	100,000	30,000	30,000	30,000
Public Art - Maritime Trail	10,000			
Resort - Beach Safety Signage				15,000
Resort - Refurb Crazy Golf Course		18,500		
Resort - Vinyl & Banner printer			12,000	
St James - Pool Plant - UV Water Treatment	24,000			
St James' Pool - Floor/surface replacements			14,000	
St James Pool - Removal of Asbestos	110,400			
St James Pool - Replacement automatic entrance doors and windows	11,800			
St James Pool - Combined Heat and Power replacement		80,000		
St James' Pool - Replacement Spin Bikes	20,000			
Town Hall / Archive	12,700	10,000	500,000	
Total Community and Democracy	1,607,800	1,070,210	1,108,370	1,043,270

Capital Programme 2012-2016				
Scheme Title	Amended Programme 2012/2013	Amended Programme 2013/2014	Amended 2014/2015	Amended 2015/2016
	£	£	£	£
Environmental Improvement and Protection				
Environmental Monitoring		42,800		
Public Conveniences - Improvements			27,500	
Refuse - Black 240 litre bins for new contract	1,000,000			
Refuse and Recycling - Vehicles	11,730			
Recycling - Wheeled bins	6,540			
Recycling Bins	25,000			
Refuse Communal Food Waste Containers	10,000			
Street lighting - Saturday market places KL	10,000			
Public Cleansing Sweepers/vehicles	58,240	105,970	60,300	84,400
Public Cleansing Equipment				12,530
Neighbourhood Teams vehicles and equipment	81,920	74,280		
Total Environmental Improvement and Protection	1,203,430	223,050	87,800	96,930
Housing General Fund				
Disabled Facilities grants	986,000	400,000	400,000	400,000
Adapt Grant	630,000	600,000	600,000	600,000
Home Repair Assistance Loan	90,000	70,000	70,000	70,000
Emergency Repair Grant	31,000	15,000	15,000	15,000
Additional Adaptation Assistance Loan	40,000	50,000	50,000	50,000
Careline Grant	92,000	72,000	72,000	72,000
Safe and Secure Grant	49,000	48,000	48,000	48,000
Total Private Sector Housing Assistance	1,918,000	1,255,000	1,255,000	1,255,000
Estate Roads - Resurfacing (former HRA)	10,500	10,500	10,500	
STW connection to public sewer		100,000		
STW Refurb/connect to public sewer	224,200			
STW decommission redundant sites/Refurb pumping stations	25,000	25,000	25,000	25,000
Sewerage Infrastructure & surface water drains/ditches	25,000	10,000	10,000	10,000
Care and Repair - vehicles				41,000
Total Housing General Fund	2,202,700	1,400,500	1,300,500	1,331,000

Capital Programme 2012-2016				
Scheme Title	Amended Programme 2012/2013	Amended Programme 2013/2014	Amended 2014/2015	Amended 2015/2016
	£	£	£	£
Performance and Resources				
DDA stage 2 works	20,000	20,000		20,000
Health and Safety - Council Facilities	10,900	12,000		
Stock Condition Priority Works	190,000	165,000		
ICT Development Programme	295,950	163,000	150,000	150,000
ICT Microsoft Enterprise Agreement	50,000	50,000	50,000	50,000
King's Court - Relocate Post Room to Ground Floor		15,000		
King's Court - Front Doors/Lobby		25,000		
King's Court - Externalisation of Downpipes		30,000	30,000	
Derelict Land and Buildings - Compulsory Purchase	40,000	20,000		
Investment in General Properties	20,000			
Decommission flood warning sirens	30,000			
Replacement Franking Machine	10,500			
King's Lynn Depot - Fencing	19,200			
<i>Third Party Contribution</i>	(5,000)			
Net Expenditure	14,200			
Total Performance and Resources	681,550	500,000	230,000	220,000

Capital Programme 2012-2016				
Scheme Title	Amended Programme 2012/2013	Amended Programme 2013/2014	Amended 2014/2015	Amended 2015/2016
	£	£	£	£
<u>Regeneration</u>				
Historic Town Wall		10,000		
Hunstanton Regeneration	155,700	250,000	60,000	60,000
Works to Oldsunway Bridge		20,000		
Smaller Regeneration Projects	24,000	30,000		
COWA	1,395,450			
Bus Station Improvements			500,000	
<i>S106 Contribution - Sainsburys</i>			(500,000)	
Net Expenditure			0	
Car Park Signage		190,000		
<i>S106 Contribution - Sainsburys</i>		(190,000)		
Net Expenditure		0		
Environmental Enhancements		50,000	50,000	
<i>S106 Contribution - Sainsburys</i>		(50,000)	(50,000)	
Net Expenditure		0	0	
Town Centre Signage	10,000	40,000		
<i>S106 Contribution - Tesco Gaywood</i>	(10,000)	(40,000)		
Net Expenditure	0	0		
Tourist Signs A47			25,000	
improvements		200,000		
<i>S106 Contribution - Tesco</i>		(200,000)		
Net Expenditure		0		
Bus Station Improvementa			500,000	
<i>S106 Contribution - Tesco</i>			(500,000)	
Net Expenditure			0	
Market Contributions			90,000	
<i>S106 Contribution - Tesco</i>			(90,000)	
Net Expenditure			0	
Town Centre Promotion			50,000	
<i>S106 Contribution - Tesco</i>			(50,000)	
Net Expenditure			0	
Tuesday Market Place Refurb	71,600	821,400		
<i>NCC Contribution to St Lighting</i>		(10,000)		
Net Expenditure	71,600	811,400		

Capital Programme 2012-2016				
Scheme Title	Amended Programme 2012/2013	Amended Programme 2013/2014	Amended 2014/2015	Amended 2015/2016
	£	£	£	£
<u>Regeneration continued</u>				
King's Lynn Waterfront/Regeneration Projects	20,000	32,000		
Pontoons	32,500	130,000		
Nar Ouse Regeneration Area				
Remediation	39,000	50,000	25,000	25,000
MUGA (Includes Land)	77,000			
Millienium Community Construction	20,000	60,000		
Utilities	23,200			
Landscaping	142,500	50,000	50,000	
Nar Ouse Way Widening	10,000			
Marketing		10,000	10,000	
Other Project Costs	90,000	20,000	20,000	
Total Nar Ouse Regeneration Area	401,700	190,000	105,000	25,000
Joint Venture/Housing Developments	173,000	70,000		
Lynnsport - Improvements (To allow Use of Land)			200,000	
Lynnsport - Resite hockey pitch		210,000	210,000	
Enterprise Centre		1,000,000		
Townscape Heritage Initiative			200,000	400,000
			(150,000)	(300,000)
			50,000	100,000
North Lynn Industrial Estate - 1-8 Brygen Rd reroof			150,000	
Harwick Industrial Estate unit 55/56 - externalise drainage downpipes		40,000		
Total Regeneration	2,273,950	2,793,400	800,000	185,000
<u>Safer and Healthy Communities</u>				
St Edmunds Church DMkt - relocating grave stones		30,000		
Hardwick Rd Cemetery - Replacement Bridge		60,000		
Mintlyn Crematorium - Replace existing 3 Cremators	50,000	1,050,000	1,300,000	
Mintlyn Crematorium - Book of Remembrance Room - Refurb	13,200			
Total Safer and Healthy Communities	63,200	1,140,000	1,300,000	0
Total Capital Programme	8,032,630	7,127,160	4,826,670	2,876,200

REPORT TO CABINET

Open		Would any decisions proposed :		
Any especially affected Wards None	Mandatory	(a) Be entirely within Cabinet's powers to decide YES		
		(b) Need to be recommendations to Council NO		
		(c) Is it a Key Decision Yes		
Lead Member: Councillor Nick Daubney E-mail: cllr.nick.daubney@west-norfolk.gov.uk		Other Cabinet Members consulted:		
		Other Members consulted:		
Lead Officer: David Thomason E-mail: david.thomason@west-norfolk.gov.uk Direct Dial: 01553 616246		Other Officers consulted: Management Team		
Financial Implications YES	Policy/Personnel Implications NO	Statutory Implications (incl S.17) NO	Equal Opportunities Implications NO	Risk Management Implications YES

Date of meeting: 8 January 2013

2 BUDGET 2012/2013- MONITORING

Summary

This report updates the 2012/2013 revenue estimates and the projections for 2013 to 2015. These figures will form the base on which the new Financial Plan 2012/2016 will be formulated for council tax setting purposes in February 2013.

Recommendations

It is recommended that Cabinet approve:

The changes, transfers to/from reserves and revised revenue estimates for 2012/2013 as detailed in section 1 of the report.

Reason for Decision

Formal approval is required by Cabinet for the amendments to the 2012/2013 revenue estimates. The amendments have been reported to members as part of the monthly monitoring reports for April to October 2012 and are summarised in section 1 below.

1. The Revenue Estimates 2012/2013

1.1 The original budget 2012/2013 was approved by Council on the 23 February 2012. Throughout the year the Deputy Chief Executive has monitored the budget and, where necessary, Executive Directors have sought approval for additional budget provision. The purpose of this report is to formally establish base estimates and projections on which a revised Financial Plan for 2012/2016 can be built. This will leave the report to Cabinet and Council in February 2013 to focus on future years.

1.2 The variances between the approved original budget and revised budget have been detailed in the monthly Monitoring Reports for April to October 2012 which have been distributed to members. The adjustments are summarised below:

	Original Budget 2012/2013	October Budgetary Control Monitoring 2012/2013	Variance Adverse/ (Favourable)
	£	£	£
Community & Democracy	4,112,480	4,149,430	36,950
Environmental Improvement & Protection	5,593,160	5,578,740	(14,420)
Housing General Fund	1,814,930	1,878,480	63,550
Performance & Resources	8,087,480	7,478,440	(609,040)
Regeneration	287,560	286,670	(890)
Safer & Healthy Communities	320,130	243,830	(76,300)
Portfolio Totals	20,215,740	19,615,590	(600,150)
Financing Adjustment	(3,233,640)	(3,233,640)	0
Special Expenses	(551,100)	(551,100)	0
Internal Drainage Boards	2,599,990	2,599,990	0
Government Grant Council Tax Freeze	(315,330)	(315,330)	0
New Homes Bonus	(1,052,680)	(1,052,680)	0
Borough Spend	17,662,980	17,062,830	(600,150)

1.3 Over the period April to October 2012 service managers have continued to take every opportunity to reduce costs and increase income in line with the now embedded culture of active management of service costs. These 'early wins' will in many instances be ongoing reductions in the budget which will assist the balancing of future Financial Plans. A summary of the savings, including one or two additional spending requirements, is shown below. The net saving in 2012/2013 is estimated to be £600,150 of which £466,210 will flow through into 2013/2014 (paragraph 2.4 below provides further details), and when added to the previous savings of £5.2m, bring the cost reduction programme total to

£5.7m in the 2013/2014 budget.

Detail	Monitoring Report	£
Licencing - additional income and reduced expenditure	April	(34,020)
Additional income NNDC car parking	July	(30,000)
Resort reduction of casual staff	July	(10,000)
Supplies and Services Lynnsport	July	(5,000)
Grants and subscriptions	July	(5,000)
Leisure Card	July	(6,000)
Sport and recreation venues - reduction in advertising	July	(4,000)
Public Cleansing supplies & services	July	(13,500)
Business Continuity	July	(4,000)
Cost of Collection supplies & services	July	(3,500)
Cost of Collection additional income	July	(96,000)
Corporate Costs supplies & services	July	(48,000)
Departmental budgets	July	(63,600)
Dog Warden supplies & services	July	(3,500)
Community Safety supplies & services	July	(1,910)
Health Promotions small projects	July	(3,000)
Entertainment Licences professional fees	July	(2,000)
Crematorium bungalow rent	July	(2,000)
Export Licences income	July	(2,000)
Entertainment Licences income	July	(5,000)
Gambling Licences income	July	(5,000)
Financial Assistance	July	(14,170)
Refuse and Recycling – advertising	July	40,000
Public Conveniences - water and electricity charges and income	August, September	(44,800)
Corporate - staffing budgets	September	(167,100)
Corporate Training	September	(5,000)
Turnover savings	September	(41,200)
Financial Services - service review	September	(36,000)
Property Services - professional fees	September	(30,000)
King's Court - ground floor works	September	20,000

Detail	Monitoring Report	£
Utility savings	October	(89,770)
Resort Services - car parking	October	165,000
Resort Services - Seasonal Staff	October	(35,000)
King's Lynn - Car Park income	October	120,000
Solar Panels feed in tariff	October	(11,000)
Princess Theatre - Repairs	October	40,000
Sport and Recreation - income	October	(100,000)
Refuse and Recycling – shared management costs	October	(33,560)
Car Parking Income - VAT refund	October	(44,000)
Corporate Apprenticeship Scheme	October	13,480
Total		(600,150)
Funded by		
Reduction in contribution required from the General Fund Balance		600,150
Total		600,150

1.4 The contribution to balances is detailed in the table below:

	Original Budget 2012/2013	Revised Budget October Monitoring 2012/2013	Variance Adverse/ (Favourable)
	£	£	£
Contribution from Balances	(761,280)	(161,130)	(600,150)

The net changes to the budget as at 31 October 2012 require a draw from balances of £161,130 in 2012/2013 compared to £761,280 originally included in the budget 2012/2013 as approved at Council on 23 February 2012, a reduction of £600,150. As a result the estimated general fund balance at 31 March 2013 is £3,390,365 compared to the original estimate of £2,380,554 as included in the Financial Plan 2011/2015 and is detailed in 4.1 below.

1.5 In addition to the movements detailed in 1.3 above the following variances, summarised in the table below, have been reported and all additional costs have been offset by increased income, reduced expenditure and transfers to/from reserves within service areas:

Detail	Monitoring Report	2012/2013 £
Funded from reserves as reported at closedown of the accounts 2011/2012:		
Changing room floor repairs St James	July	10,000
Electrical testing Lynnsport	July	3,500
Electrical testing King's Lynn Town Hall	July	8,000
Electrical testing King's Lynn Tourist Information Centre	July	4,000
Upgrade cash handling Oasis	July	8,500
Replace café equipment Oasis	July	8,000
Roof and window repairs Oasis	July	7,000
External repairs Princess Theatre	July	15,000
Hunstanton Promenade Survey	July	20,000
Refuse and Recycling – communications	July	10,000
Housing options – housing advice	July	43,580
Housing grants	July	40,000
WN Fuel Poverty Forum - Housing Market Research	July	5,890
Kings Court – Office moves	July	25,000
Bridge Maintenance costs	July	10,600
Hanse costs	July	1,000
Town Centre Signage	July	10,000
Crematorium – urgent cremator repairs	July	20,000
King's Lynn Car Parks - NNDR revaluation savings transferred to reserve to meet capital expenditure	July	84,010
Markets - purchase of stalls funded from LABGI reserve	July	5,000
Red Mount Chapel - cost of replacement of lead funded from the theft reserve	July	25,290
Handyperson Scheme - reduction in expenditure original contribution from reserves no longer required	July	(3,430)
Corn Exchange - urgent repairs to lifting equipment funded from reserves	August	10,000
Economic Growth Projects funded from reserves	August	20,870
Mortgage Rescue scheme funded from government grant	September	15,850
Crematorium – seasonal handyperson reduced transfer to reserves	September	9,790
Incinerator campaign - funded from reserves	September	153,000
Total		570,450

- 1.6 Any further movements which may be identified as part of the ongoing monitoring process will be reported in the monthly monitoring reports and Cabinet updated as part of the Budget Report in February 2013.

2. Projections 2013 to 2015

- 2.1 The projections 2013 to 2015 were also approved by Council on the 23 February 2012. The projections have been updated as part of the monthly monitoring process for those areas identified in 2012/2013 which have an ongoing impact in future years. The movements are summarised in the tables below.

2.2 Projection 2013/2014

Projection 2013/2014	Original Projection 2013/2014 £	Revised Projection October Monitoring £	Variance Adverse/ (Favourable) £
Community & Democracy	4,311,150	4,258,420	(52,730)
Environmental Improvement & Protection	4,553,200	4,487,110	(66,090)
Housing General Fund	1,929,570	1,995,360	65,790
Performance & Resources	8,389,630	8,054,410	(335,220)
Regeneration	321,030	320,230	(800)
Safer & Healthy Communities	352,740	275,580	(77,160)
Portfolio Totals	19,857,320	19,391,110	(466,210)
Financing Adjustment	(3,130,510)	(3,130,510)	0
Special Expenses	2,657,100	2,657,100	0
Internal Drainage Boards	(758,000)	(758,000)	0
Government Grant Council Tax Freeze	(157,440)	(157,440)	0
New Homes Bonus	(1,602,680)	(1,602,680)	0
Borough Spend	16,865,790	16,399,580	(466,210)

In 2013/2014 the net changes to the projection arising from the ongoing implications from changes to the budget in 2012/2013, requires a draw from balances of £226,790 compared to the original estimate of £693,000, a reduction of £466,210.

2.3 Projection 2014/2015

	Original Projection 2014/2015	Revised Projection October Monitoring	Variance Adverse/ (Favourable)
	£	£	£
Community & Democracy	4,567,620	4,465,540	(102,080)
Environmental Improvement & Protection	4,542,050	4,516,750	(25,300)
Housing General Fund	1,979,510	2,047,080	67,570
Performance & Resources	7,940,250	7,576,990	(363,260)
Regeneration	420,400	419,480	(920)
Safer & Healthy Communities	373,920	295,270	(78,650)
Portfolio Totals	19,823,750	19,321,110	(502,640)
Financing Adjustment	(2,937,490)	(2,937,490)	0
Special Expenses	2,683,700	2,683,700	0
Internal Drainage Boards	(776,950)	(776,950)	0
Government Grant Council Tax Freeze	0	0	0
New Homes Bonus	(2,152,680)	(2,152,680)	0
Borough Spend	16,640,330	16,137,690	(502,640)

In 2014/2015 the net changes to the projection arising from the ongoing implications from changes to the budget 2012/2013, require a draw from balances of £211,210 compared to the original estimate of £713,850, a reduction of £502,640.

2.4 The main reasons for the changes within the projections have been reported in the monitoring reports for April to October 2012 and are summarised below:

Detail	Monitoring Report	Projection 2013/2014 £	Projection 2014/2015 £
Licencing - additional income and reduced expenditure	April	(34,040)	(34,590)
Additional income NNDC car parking	July	(30,000)	(30,000)
Resort reduction of casual staff	July	(10,000)	(10,000)
Supplies and Services Lynnsport	July	(5,000)	(5,000)
Grants and subscriptions	July	(5,000)	(5,000)
Leisure Card	July	(6,000)	(6,000)
Sport and recreation venues - reduction in advertising	July	(4,000)	(4,000)
Public Cleansing supplies & services	July	(13,500)	(13,500)
Business Continuity	July	(4,000)	(4,000)
Cost of Collection supplies & services	July	(3,500)	(3,500)
Cost of Collection additional income	July	(96,000)	(96,000)
Corporate Costs supplies & services	July	(48,000)	(48,000)
Departmental budgets	July	(63,600)	(63,600)
Dog Warden supplies & services	July	(3,500)	(3,500)
Community Safety supplies & services	July	(1,910)	(1,910)
Health Promotions small projects	July	(3,000)	(3,000)
Entertainment Licences professional fees	July	(2,000)	(2,000)
Crematorium bungalow rent	July	(2,000)	(2,000)
Export Licences income	July	(2,000)	(2,000)
Entertainment Licences income	July	(5,000)	(5,000)
Gambling Licences income	July	(5,000)	(5,000)
Financial Assistance	July	(13,000)	(14,210)
Refuse and Recycling – advertising	July	(40,000)	0
Public Conveniences - water and electricity charges and income	August, September	(10,140)	(10,670)
Financial Services - service review	September	(39,000)	(39,400)
Property Services - professional fees	September	(20,000)	(20,000)
Utility savings	October	(96,080)	(103,380)
Resort Services - car parking	October	70,360	70,360
King's Lynn - Car Park income	October	120,000	120,000
Solar Panels feed in tariff	October	(11,000)	(11,000)
Sport and Recreation - income	October	(100,000)	(140,000)

Detail	Monitoring Report	Projection 2013/2014 £	Projection 2014/2015 £
Refuse and Recycling – shared management costs	October	(25,230)	(25,230)
Corporate Apprenticeship Scheme	October	44,930	13,490
Corporate Costs - Pension contribution	October	0	5,000
Total		(466,210)	(502,640)
Funded by			
Reduction in contribution from the General Fund Balance		466,210	502,640
Total		466,210	502,640

2.5 The revised projections will be further reviewed as part of the current estimates process and form the base on which the new Financial Plan 2012/2016 will be calculated for council tax setting purposes in February 2013.

3. Savings Targets 2012-2015

3.1 The savings made over the past years coupled with careful use of the working balance has allowed the Council to balance the Budget for 2012/2013 and 2013/2014 giving time to move on with a planned and organised change to the operation of the services to meet the potential deficit of future years.

3.2 The revised Plan in 2014/2015 shows a shortfall of income/resources compared to rising service costs of £800,000. Past experience shows that it is important to gain savings as soon as possible and the Council will maintain momentum in its current drive to reduce costs. Management Team, with Cabinet guidance is currently preparing the next phase of the cost reduction plan which will address in a carefully planned and managed way the shortfall identified for 2014/15, together with estimated further reductions arising from the announcements made in the Chancellors 5th December Autumn Statement for the period 2015-17. This will ensure that as in the current comprehensive spending review period the Borough Council addresses the anticipated shortfall for the entire period at the outset, enabling a further period of organisational stability to enable staff to focus on the delivery of quality services and Member priorities.

3.3 The Financial Plan for the period 2012-2015 approved by Council on 23 February 2012 set the following savings targets for the period:

New Savings Targets	2012/2013 £	2013/2014 £	2014/2015 £
Service reviews – new targets	0	0	800,000

- 3.4 The savings achieved to 31 October 2012 have been detailed in the monthly monitoring reports for April to October 2012 and are detailed below –

Savings Achieved	2012/2013	2013/2014	2014/2015
	£	£	£
Financial Services (Accountancy) staffing reductions	36,000	39,000	39,400

- 3.5 The potential budget deficit and level of required future savings will be updated as part of the estimates process when the level of funding under the new Business Rates Retention Scheme has been confirmed and service costs have been revised.

4. General Fund Balance and Reserves

- 4.1 The impact on the general fund balance of the changes to the budget and projections as detailed in this report are detailed below. It is not usual practice for the Council to hold the general fund working balance at a high level but over the recent period the current levels have allowed the Council a degree of protection in the current volatile environment. Reduced grant from Government and a council tax freeze have been included in the Financial Plan 2011-2015. The higher working balance together with the outcomes of the cost reduction programme has allowed the Council to cope with significant changes.

	2012/2013	2013/2014	2014/2015
	£	£	£
Balance b/f	3,551,495	3,390,365	3,163,575
Draw from Balances - updated for monitoring to October 2012	(161,130)	(226,790)	(211,210)
Balance c/f	3,390,365	3,163,575	2,952,365
Minimum requirement set at Council 23 February 2012			
5% of Budget Requirement	845,080	808,640	836,320
Bellwin (updated based on 2011/2012 threshold)	36,589	36,589	36,589
Balance Required	881,669	845,229	872,909

5. Policy Implications

None

6. Statutory Considerations

None

7. Consultations

Management Team

8. **Access to Information**
 - Cabinet Reports
 - The Financial Plan 2011/2015
 - Monthly Monitoring Reports 2012/2013

REPORT TO CABINET

Open		Would any decisions proposed :		
Any especially affected Wards	Discretionary /	Be entirely within Cabinet's powers to decide	NO	
		Need to be recommendations to Council	YES	
		Is it a Key Decision	YES	
Lead Member: Cllr Nick Daubney E-mail: Cllr.nick.daubney@west-norfolk.gov.uk		Other Cabinet Members consulted: Cabinet Briefing 14.6.2012		
		Other Members consulted: Full Council Briefing 20.6.2012 - R&P 25.10.2011 & 4.1.2012		
Lead Officer: Joanne Stanton E-mail: joanne.stanton@west-norfolk.gov.uk Direct Dial:01553 616349		Other Officers consulted: Management Team		
Financial Implications YES	Policy/Personnel Implications NO	Statutory Implications YES	Equal Impact Assessment YES If YES: Pre-screening/ Full Assessment	Risk Management Implications YES

Date of meeting: 8 January 2013

3 COUNCIL TAX TECHNICAL REFORMS – CHANGES TO REDUCTIONS FOR EMPTY PROPERTIES AND SECOND HOMES

Summary

This report details the recommended policy changes to the reductions for empty properties and second homes from 1 April 2013. The Local Government Finance Act 2012 enables Billing Authorities to use their discretion to amend the reductions for certain properties in their area and to retain their share of the additional income raised. Similar proposals are being considered by the Cabinets of all Norfolk District Councils; these proposals also have the support of Norfolk County Council and the Police and Crime Commissioner.

The Council also has existing powers to reduce the discount for Long Term empty properties. These have only been enacted for one year in 2008/2009 but they are now included again as part of this package of amendments.

Recommendations

Members agree the following with effect from 1 April 2013:

1. The reduction for empty and unfurnished properties for the first three months after they become empty and unfurnished remains at 100 per cent. Following this no reduction will apply and the full council tax charge will be payable.
2. The reduction for uninhabitable properties is reduced from 100 per cent to 50 per cent applicable for 12 months or until the property is reoccupied or habitable again, whichever is sooner.
3. The reduction for Long Term Empty Properties is reduced from 50 per cent to zero.

4. The reduction for Second Homes without an occupancy restriction is reduced from 10 per cent to 5 per cent.
5. The reduction for Second Homes with an occupancy restriction is reduced from 50 per cent to 5 per cent, although the exemption for the period of the occupancy restriction remains unchanged.
6. A premium of 50 per cent of the annual council tax is levied for properties empty two years or more, subject to any exceptions in the regulations.
7. Delegated authority is given to the Portfolio Holder for Resources to consider individual applications to the Discretionary Hardship Fund.

Reason for Decision

To enact changes to the reductions for second homes and empty properties to raise additional income and support the policy of returning empty properties to use.

1. Background

- 1.1. Council Tax is due for all residential dwellings and the gross amount payable depends on the Council Tax band the property has been allocated. The gross amount can then be reduced by a number of different discounts and exemptions depending on the circumstances of the residents and the property. Reductions are available for properties that have been left empty and properties that are someone's second home.
- 1.2. The Government issued a consultation paper at the end of October 2011 outlining their proposals to allow local authorities the discretion to vary the level of reductions for empty properties and second homes from April 2013 and retain the additional income raised to use for any purpose.
- 1.3. Following the consultation responses the enabling legislation is now included in the Local Government Finance Act 2012.

2. Options Considered: The existing position

- 2.1. Since April 2004 Billing Authorities have been able to reduce the discount for a second home from the national 50 per cent to a minimum of 10 per cent, and the discount for a long term empty property from 50 per cent to zero.
- 2.2. The Borough Council reduced the discount for second homes with no occupancy restrictions to 10 per cent from the 1 April 2004 onwards and reduced the discounts for long term empty properties to zero for the 2008/2009 financial year only. The 50 per cent discount for long term empties was reinstated from 1 April 2009 in response to the credit crunch and the economic conditions at the time.

2.3. Local authorities also gained the powers to create local discounts for Council Tax providing they met the cost in full. These powers were used briefly during 2008/2009 but have not been used since.

2.4. Aside from this no other flexibilities are currently possible for any other Council Tax Discounts and Exemptions.

3. The proposed position

3.1. New legislation will allow Billing Authorities the discretion to vary certain reductions in relation to empty and unfurnished properties and second homes. The legislation does not extend to any exemptions or discounts given for any other reasons, for example residents in care homes or the single resident discount.

3.2. As reductions have an effect on the Council's taxbase any change to these also affects the amount of Council Tax raised and if the reductions are lowered the Council's taxbase will increase. Billing Authorities and Precepting Authorities will be able to retain their share of the additional income raised from the changes to put towards any purpose.

3.3. The local Council Tax Support Scheme being introduced from April 2013 will have a negative effect on the taxbase as it increases the reductions given (previously Council Tax Benefit did not affect the taxbase) and reduces the income raised through council tax for all the Precepting Authorities.

3.4. The current recommendation is for a Council Tax Support scheme that mirrors the existing Council Tax Benefit scheme and this will be considered by full council on 31 January 2013. As the fixed funding for Council Tax Support has been cut by 10 per cent (based on spend on Council Tax Benefit) each Precepting Authority will have to fund this difference. The shortfall for the Borough Council is approximately £113,000, less a one year transitional grant for 2013/2014 of £28,000 leaving £85,000 to be found from other sources. The recommendation is to fund the £85,000 shortfall from the additional income raised by these technical changes to council tax reductions. There is broad agreement from Norfolk County Council and the Police and Crime Commissioner to use the same approach to fund their shortfall.

3.5. The changes to the reductions for second homes and long term empty properties have been agreed by all Norfolk District Councils and the same reductions will apply for each Council. The changes recommended are summarised below:

Reduction Type	Amount Now	Proposed 1.4.2013
Empty and Unfurnished Properties	100% for 6 months	100% for 3 months 0% after 3 months
Uninhabitable properties	100% for 12 months	50% for 12 months
Long Term Empty Properties	50%	0%
Second Homes without an occupancy restriction	10%	5%
Second Homes with an occupancy restriction*	50%	5%
Properties empty for more than 2 years	No premium	Premium of 50% of the annual council tax

*the exemption for the restricted period will not be changed

3.6 The six month exemption for empty and unfurnished properties:

3.6.1 Empty and Unfurnished properties currently receive a full exemption from payment of council tax for six months or until the property is refurnished or reoccupied, whichever is sooner.

3.6.2 The changes mean Billing Authorities can now choose to award a reduction of between 100 per cent and zero. Authorities can also choose the length of time a reduction is awarded for, allowing different levels of reduction to be awarded for different periods of time.

3.6.3 The proposal is to continue to allow a full exemption for empty and unfurnished properties but to halve the length of time this applies for. This is to reflect the amount of time it can take to re-let a tenanted property to encourage it back into use.

3.6.4 After three months the full council tax charge would be payable. If the property remains empty for more than two years 150 per cent of the council tax will become payable (see sections 3.8 and 3.11).

3.6.5 This proposal affects 630 properties and increases the Taxbase by 245 Band D equivalent properties.

3.6.6 Recommendation 1: The reduction for empty and unfurnished properties for the first three months after they become empty and unfurnished remains at 100 per cent. Following this no reduction will apply and the full council tax charge will be payable.

3.7 The 12 month exemption for uninhabitable properties:

3.7.1 Uninhabitable properties currently receive a full exemption from payment of council tax for 12 months or until the property is reoccupied or habitable, whichever is sooner.

- 3.7.2 The changes mean Authorities can now choose to award a reduction of between 100 per cent and zero but the reduction cannot be varied during the 12 months and must apply for the whole period
- 3.7.3 The proposal is to halve the reduction for an uninhabitable property. The length of time the reduction is awarded for cannot be varied so the 50 per cent reduction would apply for 12 months.
- 3.7.4 After 12 months the full council tax charge would be payable. If the property remains empty for more than two years 150 per cent of the council tax will become payable.
- 3.7.5 The proposal affects 100 properties and increases the Taxbase by 43 Band D equivalent properties.
- 3.7.6 Recommendation 2: The reduction for uninhabitable properties is reduced from 100 per cent to 50 per cent applicable for 12 months or until the property is reoccupied or habitable again, whichever is sooner.**

3.8 Long Term Empty Properties

- 3.8.1 A long term empty property is one which has received either the six month empty and unfurnished exemption, or the 12 month uninhabitable exemption.
- 3.8.2 From April 2004 Billing Authorities have been able to reduce the national 50 per cent discount for long term empty properties to any amount between 50 per cent and zero. The Council reduced the discount to zero for one year in 2008/2009 but reversed the decision for 2009/2010 onwards due to the economic climate at the time.
- 3.8.3 As part of these reforms long term empty properties have been reviewed again and the proposal is to reduce the 50 per cent discount to zero. This prevents any anomalies with the changes to the empty and unfurnished exemption and uninhabitable exemption.
- 3.8.4 This proposal affects 1,181 properties and increases the Taxbase by 479 Band D equivalent properties.
- 3.8.5 Recommendation 3: The reduction for long term empty properties is reduced from 50 per cent to zero.**

3.9 Second Homes without an Occupancy Restriction

- 3.9.1 Second homes originally received an on-going 50 per cent discount. Revised regulations allowed this to be reduced to between 50 per cent and 10 per cent from 1 April 2004 and for Councils to retain their share of the additional income raised.

- 3.9.2 The Council reduced the discount for second homes without an occupancy restriction from 50 per cent to 10 per cent from 1 April 2004. The legislation now allows this to be reduced to zero from April 2013.
- 3.9.3 As the Borough Council only retains 7 per cent of this additional income an agreement is in place for Norfolk County Council to redistribute 50 per cent of their additional income back to the Council. This arrangement will also apply to the additional sums raised by these proposed changes.
- 3.9.4 The proposal is still to allow a small reduction of 5 per cent to act as an incentive for owners to declare their property is a second home.
- 3.9.5 This proposal affects 2,879 properties and increases the taxbase by 136 Band D equivalent properties.
- 3.9.6 Recommendation 4: The reduction for second homes without an occupancy restriction is reduced from 10 per cent to 5 per cent**

3.10 Second Homes with an Occupancy Restriction

- 3.10.1 These properties tend to be small chalet/beach hut type properties in flood risk areas around the coast. The reduction for these was not amended in April 2004 and they still receive a 50 per cent reduction in addition to an exemption from payment of Council Tax for the time the occupancy restriction imposed by Planning law applies.
- 3.10.2 The proposal is to reduce the 50 per cent discount to a small reduction of 5 per cent in line with Second Homes without an occupancy restriction. The exemption for the occupancy restriction is not covered by the amendments and remains unchanged.
- 3.10.3 The arrangements with Norfolk County Council for the redistribution of additional income from these properties will also apply.
- 3.10.4 This proposal affects 332 properties and increases the Taxbase by 109 Band D equivalent properties.
- 3.10.5 Recommendation 5: The reduction for Second Homes with an occupancy restriction is reduced from 50 per cent to 5 per cent**

3.11 Properties Empty for two years or more

- 3.11.1 Long term empty properties currently continue to receive the 50 per cent discount regardless of how long they remain unoccupied. The revised regulations now allow this discount to be reduced to zero (see section 3.8) and an additional premium of up to 50 per cent of the annual council tax charge to be levied for properties empty two years or more.

3.11.2 The proposal is to levy the full 50 per cent premium once a property has been classed as empty for two years. This provides an incentive for owners to return their property to use. The Empty Property team will be made aware of all the cases where the premium is being levied so they can offer assistance to the owners.

3.11.3 Government are minded to include exceptions to the premium in the legislation for second homes owned by Armed Forces Personnel and for Annexes. Billing Authorities can also choose classes of person or property to exempt from the premium.

3.11.4 This proposal affects 322 properties and increases the Taxbase by 129 Band D equivalent properties. Any additional funding raised will be reinvested to assist owners to bring their properties back into occupation.

3.11.5 Recommendation 6: A premium of 50 per cent of the annual council tax is levied for properties empty two years or more, subject to any exceptions in the regulations.

4 Effect of the changes on Taxpayers

4.1 Examples of how the changes would impact on a Band B property in King's Lynn with a Council Tax charge of £1,160 are shown below:

	Payable now	New amount	Annual Increase
Second Homes	£1,044	£1,102	£58
Long Term Empties	£580	£1,160	£580
Uninhabitable	£0	£580	£580
Unfurnished (6 months)	£0	£290	£290
Extra for Empty over 2 years	£0	£580	£580

5 Overall effect of the changes on the taxbase and income

5.1 The table below summarises the overall impact of the changes for the Borough Council of King's Lynn & West Norfolk:

	Properties Affected	Taxbase Increase	Income Increase*
Empty and unfurnished	630	245	£27,433
Uninhabitable	100	43	£4,815
Long Term Empty	1,181	479	£53,634
Second Homes (No restriction)	2,879	136	£15,228
Second Homes (restriction)	332	109	£12,205
Empty Homes Premium (included as LT Empty)	322	129	£14,444
Total	5,122	1,411	£127,758
At 97.5% Collection	-	1,112	£124,564

*The income increase is the Taxbase increase multiplied by the Borough's Band D Council Tax of £111.97.

6 Discretionary Hardship Fund

- 6.1 A Hardship Fund of £11,000 is recommended to assist those on low incomes who are suffering financial hardship as a result of the changes. The fund would come from the additional sums raised.
- 6.2 Applications to the Hardship fund will be considered on an individual basis by the Portfolio Holder for Resources.
- 6.3 Examples of the type of circumstances in which assistance may be considered could include helping those:
- On low incomes with hard to sell properties, e.g. those restricted to occupation by the over 55s
 - Properties inherited by someone on a low income who cannot afford to complete any works required to sell or let the property
 - Properties with special circumstances delaying renovation and a sale or let, e.g. listed buildings
- 6.4 The Council's Empty Property team will also give advice and assistance.
- 6.5 Recommendation 7: Delegated authority is given to the Portfolio Holder for Resources to consider individual applications to the Hardship Fund.**

7 Policy Implications

- 7.1 The recommendations will be a policy change for the Council.

8 Financial Implications

- 8.1 Changes to the discounts for empty properties and second homes will impact on the Council's Taxbase. If the discounts are reduced the Taxbase will increase, generating more taxable capacity and more income. As the Taxbase is used by all the Precepting Authorities the County Council, Police and Crime Commissioner and Parish Councils will also see their taxable capacity increase.
- 8.2 The proposed changes would increase the taxbase by an estimated 1,112 Band D equivalent properties and raising an additional £124,564 income.
- 8.3 The additional income raised is unringfenced and can be used by the Council for any purpose. The Cabinet Report of 4 December 2012 for the Council's Local Council Tax Support Scheme recommends £85,000 of this additional income is used to meet the funding shortfall in the proposed scheme for 2013/2014.

8.4 A Hardship Fund will also be established from the additional income raised to assist people affected by the changes who are experiencing financial hardship.

9 Personnel Implications

9.1 None

10 Statutory Considerations

10.1 Enabled in legislation

11 Equality Impact Assessment (EIA)

11.1 A full Equality Impact Assessment is included at Appendix A.

12 Risk Management Implications

12.1 The proposals reduce the reductions taxpayers receive for their properties and there is always a risk that the additional income is difficult to recover, affecting Collection Rates and income to the Council.

12.2 The increased taxbase and income have both been expressed at a 97.5% Collection Rate to allow for uncollected amounts and this will be reviewed in future years.

13 Declarations of Interest / Dispensations Granted

-

14 Background Papers

-

Pre-Screening Equality Impact Assessment

Borough Council of
**King's Lynn &
West Norfolk**



Name of policy/service/function	Council Tax Reductions for Empty Properties and Second Homes				
Is this a new or existing policy/ service/function?	Existing				
Brief summary/description of the main aims of the policy/service/function being screened. Please state if this policy/service rigidly constrained by statutory obligations	The Cabinet Report recommends the existing council tax reductions for empty properties and second homes will be amended from April 2013 and the level of discount awarded will be reduced or removed				
Question	Answer				
<p>1. Is there any reason to believe that the policy/service/function could have a specific impact on people from one or more of the following groups according to their different protected characteristic, for example, because they have particular needs, experiences, issues or priorities or in terms of ability to access the service?</p> <p>Please tick the relevant box for each group.</p> <p>NB. Equality neutral means no negative impact on any group.</p>		Positive	Negative	Neutral	Unsure
	Age			✓	
	Disability			✓	
	Gender			✓	
	Gender Re-assignment			✓	
	Marriage/civil partnership			✓	
	Pregnancy & maternity			✓	
	Race			✓	
	Religion or belief			✓	
	Sexual orientation			✓	
Other (eg low income)		✓			
Question	Answer	Comments			
2. Is the proposed policy/service likely to affect relations between certain equality communities or to damage relations between the equality communities and the Council, for example because it is seen as favouring a particular community or denying opportunities to another?	No				
3. Could this policy/service be perceived as impacting on communities differently?	No				
4. Is the policy/service specifically designed to tackle evidence of disadvantage or potential discrimination?	No				
<p>5. Are any impacts identified above minor and if so, can these be eliminated or reduced by minor actions? If yes, please agree actions with a member of the Corporate Equalities Working Group and list agreed actions in the comments section</p>	No	Actions:			
		Actions agreed by EWG member: Honor Howell.....			
Assessment completed by: Name: Jo Stanton					
Job title: Revenues and Benefits Manager	Date 21 November 2012				



Equality Impact Assessments

Full Impact Assessment Form

1. What is the service area(s) and who is the lead officer?

- Finance and Resources: Dave Thomason, Executive Director and Deputy Chief Executive
- Revenues and Benefits: Jo Stanton, Revenues and Benefits Manager

2. What change are you proposing?

- Council Tax is due for all residential dwellings and the gross amount payable depends on the Council Tax band the property has been allocated. The gross amount can then be reduced by a number of different discounts and exemptions depending on the circumstances of the residents and the property. Reductions are available for properties that have been left empty and properties that are someone's Second Home.
 - The Local Government Finance Act 2012 allows councils to reduce the existing discounts for Empty Properties and Second Homes from April 2013 and retain the additional income raised.
 - Any change would be a discretionary decision by the Council and would be a change of Policy.
 - The following changes are proposed from 1 April 2013:
- | | Discount Now | Proposed Discount |
|---|---------------------|--------------------------|
| Second Homes – no occupancy restriction | 10% | 5% |
| Second Homes – occupancy restriction | 50% | 5% |
| Long Term Empty Properties | 50% | 0% |
| Uninhabitable Properties (12 months) | 100% | 50% |
| Unfurnished Properties (6 months) | 100% | 3 x 100%
3 x 0% |
| Empty Homes premium | 0% | +50% |

3. How will this change help the council achieve its corporate business plan objectives (and therefore your Directorate/service objectives)?

- The change will support the initiative to bring empty properties in the Borough back into use.
- The additional income raised will be used for initiatives including a Hardship Fund for those affected by the changes, the shortfall on the Council Tax Support scheme for 2013/2014 and the Empty Property strategy

4. What is your evidence of need for change?

- The power to amend the reductions for Empty Properties and Second Homes is contained in legislation and any decision is at the discretion of full Council.
- The changes respond to local conditions including the high prevalence of Second Homes in some Parishes and the number of Empty Properties in the Borough.
- The additional income raised is unringfenced and can be used for any purpose including supporting any shortfall in the funding for the new Council Tax Support schemes and any other initiatives.

5. How will this change deliver improved value for money and/or release efficiency savings?

- The changes will raise additional unringfenced income that can be used for any purpose
- The reduction in discount for long term empty properties should discourage owners leaving them vacant for long periods of time and encourage them to bring the property back into use.

6. What geographical area does this proposal cover?

- The whole of the Borough
- Parishes with a high number of Second Homes will see an impact as they are likely to have the most number of residents affected by the changes but will gain more from the additional income

7. What is the impact of your proposal?

- Owners of Empty Properties and Second Homes will have to pay more council tax for their properties from April 2013
- Those on lower incomes who have an additional property will be amongst those expected to pay more. A Hardship Fund and guidelines will be established to assist these customers.
- A summary of the number of properties affected is shown below:
 - Second Homes 3,211
 - Long Term Empties 1,181
 - Uninhabitable Properties 100
 - Unfurnished Properties 630
 - Empty over 2 years 322

(also included in Long Term Empties)
- The annual financial impact for a Band B property in King's Lynn with a Council Tax charge of £1,160 would be:

	Payable now	New amount
Second Homes	£1,044	£1,102
Long Term Empties	£580	£1,160
Uninhabitable	£0	£580
Unfurnished (6 months)	£0	£290
Extra for Empty over 2 years	£0	£580

- The changes will increase the Borough Council's taxbase by nearly 1,000 properties, raising extra income. The additional amount that would be raised for the Borough is approximately £110,000. Norfolk County Council and Norfolk Police Authority would also use the higher taxbase and would see their income increase.
- County-wide agreement on the use of this additional income is being sought

8. What data have you used to support your assessment of the impact of your proposal?

- The number of properties in each class that will be affected by the change has been assessed. Around 5,100 taxpayers will face an increased bill due to the changes.
- The council tax system does not hold financial information that could be used to assess the impact of the changes for those on low incomes.
- Further information is included in question 7.

9. What consultation has been undertaken/will need to be undertaken with stakeholders/ groups directly or indirectly impacted by the proposals and how do you intend to use this information to inform the decision?

- No consultation required

10. Are there any implications for other service areas?

- The Housing Team will be involved in the Empty Property initiatives and to help owners bring their property back into use.

11. What impact (either positive or negative) will this change have on different groups of the population?

- There are no specific implications for groups with protected characteristics
- The main impact will be on those with a low income who would be expected to pay more council tax

12. What actions could be taken to mitigate the adverse impacts identified in question 11? Please clearly state if any actions cannot be mitigated.

- A Hardship Fund and guidelines will be established to assist those on low incomes. Examples of the type of circumstances in which assistance may be considered could include:
 - Hard to sell properties, e.g. those restricted to the over 55s
 - Properties inherited by someone on a low income who cannot afford to complete any works required to sell or let the property
 - Properties with special circumstances delaying renovation and a sale or let, e.g. listed buildings
- The Empty Property team will also give advice and assistance

13. How will you monitor the impact of this change?

- The Collection Rates will be monitored weekly
- Feedback from customers will be monitored and assessed
- The Hardship Fund will be monitored and the reasons for applications and the amount of awards made will be recorded

14. Other Staff Involved in Assessment (including Corporate Equality Group Representatives), and comments from Equality Work Group Reps

- Honor Howell

Assessment Completed By: Joanne Stanton

Job Title: Revenues and Benefits Manager

Date: 21 November 2012

REPORT TO CABINET

Open		Would any decisions proposed :		
Any especially affected Wards None	Discretionary	(a) Be entirely within Cabinet's powers to decide YES (b) Need to be recommendations to Council NO (c) Is it a key decision YES		
Lead Member: Cllr Adrian Lawrence E-mail Cllr.adrian.lawrence@west-norfolk.gov.uk		Other Cabinet Members consulted:		
		Other Members consulted:		
Lead Officer: Dale Gagen / David Clayton E-mail: dale.gagen@west-norfolk.gov.uk david.clayton@west-norfolk.gov.uk Direct Dial:01553 616505 / 01553 632003		Other Officers consulted: Management Team, Dave Robson, Mark Fuller, Tony Hague, Lorrain Gore		
Financial Implications YES	Policy/Personnel Implications NO	Statutory Implications YES	Equal Impact Assessment NO	Risk Management Implications YES

Date of meeting: 8 Jan 2013

4 MINTLYN CREMATORIUM - NEW CREMATOR HALL AND CREMATORS

Summary

This report asks Cabinet to approve the start of a procurement project to

- (vi) Build a new cremator hall.
- (vii) Purchase 3 new cremators each with single stream inline abatement equipment.
- (viii) Strip out the old cremators.
- (ix) Convert the old cremator hall into much needed office space, meeting rooms and a staff changing room with showering facilities.
- (x) Introduce cost effective energy efficient / environmentally friendly options for heating and cooling the building.

Recommendation

That Cabinet

1. Authorise officers to procure the works laid out in section 3.2 of this report.
2. Approve the procurement timetable laid out in section 4.
- 3 Requires further reports to Members as laid out in the report.

Reason for Decision

To. Comply with regulations and improve the mercury abatement process.

1. Background

1.1 The Crematorium was built in 1980. In 2006/07 the cremators were replaced together with new mercury abatement equipment. The timing of this refurbishment took advantage of a relaxation of VAT regulations and enabled the Authority to become an early adopter of the new legislation relating to mercury abatement.

1.2 Due to both budget and space constraints the technological solution chosen was three cremators with one set of abatement equipment that could abate no more than two cremators at one time. Since then the cremation industry have found that inline abatement for each cremator is a much efficient way to design a crematorium plant. From 2020 all new cremators must be abated.

1.3 The Council has made a capital provision of £2.4 million for this project. This is split £1,500,000 for the Cremators and abatement equipment and £900,000 for the building works. All estimates include associated fees.

2. The Proposal

2.1 The Council is proposing to :-

- (i) Build a new cremator hall
- (ii) Purchase 3 new cremators each with single stream inline abatement equipment.
- (iii) Strip out the old cremators.
- (iv) Convert the old cremator hall into much needed office space, meeting rooms and a staff changing room with showering facilities.
- (v) Introduce cost effective energy efficient / environmentally friendly options for heating and cooling the building.

2.2 As a result of the current level of emissions and the fact that, Mintlyn needs equipment that is fully compliant with the Environmental Permitting (England & Wales) Regulation 2010 as amended, as defined in Article 2, Schedule 1, Chapter 5, Section 5.1 Part B known as 'The Permit' to operate an incineration installation; the cremators and plant should be replaced by April 2014. However as a result of recent improvements to the plant the regulator has agreed an extension of this date to September 2014. In addition to this the permit has a condition which states that there will be three cremators with their own abatement plant and that the new plant must be installed and operational by 31st March 2015.

3. How the project will be managed

3.1 Due to the time constraints and the work required the project will be split into 3 main work streams. Each of these separate work streams will need to feed back into each other, which will require the project team to develop and maintain a detailed critical path for the overall project. These main work streams are shown below.: -

- (i) Works needed to allow the project to progress.
- (ii) Building the new cremator hall and conversion of the old cremator hall.
- (iii) Purchase and installation of the new cremators and abatement equipment together with the removal of the old cremators once the new ones are operational.

3.2 The works necessary to allow the project to progress effectively are : -

- (i) Engineering tests to establish required building foundations.
- (ii) Ecological surveys, including a bat survey.
- (iii) Identify where the utilities to main building are, diverting or protecting those that cross the current staff car park (gas, water, electric etc.)
- (iv) Ensure that there is sufficient phone and internet capacity for cremators and other equipment.
- (v) Tree / shrub assessment adjacent to the location of the new cremator hall identifying possible impacts on memorials and woodland within Mintlyn grounds.
- (vi) Wildlife survey due to the close proximity of the building / stack to the dykes and woodlands.
- (vii) Assessment / projection of any predicated or anticipated 'down-time' or closures during cremator swap-over.

4 Proposed Timetable

4.1 The works listed in paragraph 3.2 above would need to start immediately. The table below shows a summary of the main processes within the project.

Item	Action	Cremators and Abatement Equipment	New Cremator Hall and conversion of the old Cremator Hall	Notes
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1	Report to Members	Jan-13	Jan-13	
2	Advertise Buildings Procurement		Feb-13	5 Month Process
3	Agree Cremator spec with Members	Mar-13		
4	Advertise Cremators Procurement in the EU Journal	May-13		5 Month Process
5	Award Building Contract		Jul-13	
6	Building Works Start		Sep-13	6 month contract for Cremator Hall
7	Award Cremator Contract	Oct-13		
8	Equipment build off site	Nov-13		
9	New cremator Hall Finished		Mar-14	
10	New equipment Installed	Apr-14		
11	Cremators Commissioned	Sep-14		
12	Old Equipment Removed	Oct-14		
13	Office space created		Nov-14	
14	Project Review	Dec-14	Dec-14	

5. Policy Implications

5.1 There are no Policy implications with this report

6. Financial Implications

6.1 A budget of £2.4 million is contained within the Councils Capital Programme. It is estimated that the budget will be split £900,000 for the building works (including Fees) and £1,500,000 for the Cremators and Equipment (including installation, commissioning and removal of old equipment).

6.2 The crematorium currently contributes £714,290 per annum (net of asset rentals) to the Council's revenue budget. This is a significant level of income within the Council's overall revenue budget, which if it is to be sustained means that these capital works are vital.

7. Staffing Implications

7.1 The staff often have to work in the grounds digging holes and other outdoor duties or carry out maintenance work / repairs / cleaning out of the cremators. These types of tasks are carried out on a daily basis. The project will improve washing, cleaning and welfare facilities.

7.2 The office area is very cramped and not in line with workspace area recommendations and directives. There is no room or area where staff can have meetings, carry out interviews or have a private conversation with any of the management team.

7.3 The proposed works will rectify all these issues.

8. Statutory Considerations

8.1 The project must comply with the European Procurement regulations and all equipment must be fully compliant with the Environmental Permitting (England & Wales) Regulation 2010 as amended, as defined in Article 2, Schedule 1, Chapter 5, Section 5.1 Part B known as 'The Permit' This permit has a condition that states there will be three cremators with their own abatement plant and that the new plant must be installed and operational by 31st March 2015.

9. Equality Impact Assessments (EIA's)

9.1 None

10. Background Papers

Specifications

Recent Regulations - published

REPORT TO CABINET

Open		Would any decisions proposed :		
Any especially affected Wards None	Discretionary	Be entirely within Cabinet's powers to decide	YES	
		Need to be recommendations to Council	YES	
		Is it a Key Decision	YES	
Lead Member: Cllr Greville Howard E-mail: cllr.greville.howard@west-norfolk.gov.uk		Other Cabinet Members consulted:		
		Other Members consulted: Cllr Nick Daubney		
Lead Officer: Ray Harding E-mail: ray.harding@west-norfolk.gov.uk Direct Dial: 01553 616245		Other Officers consulted: Management Team		
Financial Implications YES	Policy/Personnel Implications YES	Statutory Implications YES	Equal Impact Assessment NO EIA screening only	Risk Management Implications YES

Date of meeting: 8 January 2013

5 PROCUREMENT REVIEW

Summary

As part of the service review process the portfolio holder has requested officers to design and procure an external review of the Authorities procurement practices and purchasing arrangements. This report considers the scope of the task and requests authority to start the process.

Recommendation

That Cabinet

1. Approves the scope of the exercise as laid out in section 2 of this report.
2. Instructs officers to carry out a procurement exercise.
3. Instructs officers to prepare a further report on the outcome of the tender exercise together with a timetable on how the work identified within the tender will be carried out.

Reason for Decision

To contribute towards the Council's ongoing cost reduction programme by reducing the cost of the procurement of goods and services.

1. Background

- 1.1 The Borough Council's procurement unit has been in place for approximately 7 years. It initially focused on delivering savings through collaborative procurement, reviewing and implementing modern standing orders and a procurement strategy. While still focusing on such issues and contributing to the Council's financial management

and approach to efficiencies it now also advises and leads on larger procurement exercises for the Council including competitive dialogues, recent examples where substantial savings have been secured include involvement in the refuse and recycling tender.

- 1.2 The unit is staffed by 1.6 full time equivalents and also contributes to regional and partnership procurement activity.

2. Proposed Supplier Spend Analysis

- 2.1 Under the contract, Consultants would be required to review the expenditure data on goods and services and to select those categories where savings could be achieved. A proposal would then be presented to the Council covering the expenditure categories that the Consultants intend to work on and the timescales and data requirements that are envisaged. The Council would then provide access to the data including, where necessary, scanned images of supplier invoices.
- 2.2 Assuming savings can be found, follow-up analysis would be carried out at the Consultant's expense to confirm the amount of saving actually achieved and this figure would form the basis of the Consultant's invoices for the services rendered. The savings calculation would be net of any implementation costs borne by the Council.
- 2.3 The Council will reserve the right not to implement specific recommendations if there is a cost of implementation which will take more than three years to pay back or where there are reasonable concerns about Health & Safety, Financial Stability of the supplier, Quality of the goods or services, or other significant value for money concerns.
- 2.4 The Consultants will also be required to address concerns which have arisen in recent months about the outcomes of a number of recent procurement exercises, in particular the balance between price and quality and that of value for money. This will examine the procurement outcomes achieved in a selection of recent procurements and identify good practice from elsewhere in balancing cost, quality and value for money, to aid the Council in improving outcomes in future.
- 2.5 It is proposed that this work is commissioned as a focused spending reduction and value for money exercise, procured on a 'no win no fee' basis, with the emphasis being placed on supplier spend analysis work as this is where real savings may be achieved.

3. Options Considered

- 3.1 A number of alternative approaches to the scope of this work were considered, including:

1) Full review of the commissioning models for internal service provision

At the present time Council's stated policy is that the approach to direct service provision is determined by the business case, hence some services are outsourced (i.e. refuse and recycling), some are delivered in partnership (i.e. revenues and benefits) and others are delivered in-house. Work is currently underway to establish a fourth model for leisure services via a linked trust/company. In the case of all services which are directly delivered by Council staff, managers are increasingly seeking to sell expertise and capacity to other public bodies in order to derive increased income to the Borough Council.

An option would be to broaden the procurement review and analysis to incorporate a review of how such services are provided. However, this would be an entirely different piece of work requiring a different skill set. To bolt this on to a focused procurement analysis and saving exercise would fundamentally change the nature of the commission and hence the type and size of consultancy company able to compete for this work. Combining the two into a single procurement would inevitably reduce the number of consultancies able to tender for the work. Consequently, some of the very high calibre procurement specialist consultants would be unable to compete for the work, reducing the level of competition and potentially increasing the cost of the work to the Council.

Undertaking a broad based exercise of this nature has the potential to have significant staffing implications and as a consequence could result in a detrimental impact on staff morale, and ultimately service delivery.

It is therefore recommended that consideration of how directly provided services are provided is incorporated into the next phase of the Council's savings plan which Management Team is developing with Cabinet guidance.

2) Continue with Current Procurement Work

The Council has a small procurement team which has radically improved and rationalised the organisation's procurement procedures and processes and has in the process delivered very substantial savings, particularly on major contracts such as the refuse and recycling contract. An alternative option would be to continue with this approach and hence not share a percentage of the savings achieved with third party consultants. However, this would be to pass up the opportunity to bring a fresh approach to bear on the procurement service and is not therefore recommended.

4. Tender Evaluation

4.1 Part of the procedure that must be followed on this type of procurement is to publish how the award of contract is to be made, prior to receiving tenders. It is proposed to evaluate tenders based on the following criteria.

- | | | |
|-----|--|-----|
| 4.2 | 1) Proposed Fee Structure – percentage of savings achieved to be charged as a fee/length of period over which charges will be made | 25% |
| | 2) Estimated monetary amount of savings to be achieved | 25% |
| | 3) Relevant Case Studies related to spend analysis and resulting cost reductions. | 30% |
| | 4) Experience of successful procurement outcomes in both private & public sector procurement savings exercises | 20% |

5. Policy Implications

5.1 There are no policy implications arising from the proposed approach summarised in the recommendations.

6. Financial Implications

6.1 The initial cost of tendering this proposal can be met from existing budgets and resources. Any proposals resulting from this exercise will result in reports being presented to Cabinet which will include the full financial impact of the proposal to the Council.

7. Staffing Implications

7.1 The procurement exercise itself together with the resulting work carried out by the successful consultant will have no additional staffing implications. However dependant upon the scale of the opportunities identified it may be necessary to supplement the existing procurement team on a short term basis in order to implement the procurement work specified within a reasonable time period.

8. Statutory Considerations

8.1 Due to the Scale of the proposal it is intended to use the European Procurement regulations when advertising this exercise.

9. Equality Impact Assessments (EIA's)

(Pre-screening report template attached)

9.1 There are no detrimental impacts identified in the equality impact assessment scoping undertaken in relation to this proposal.

10. Risk Management Implications

10.1 There is a risk that if consultants have limited experience of private sector procurement they will not bring to the exercise the dimension of market discipline which can make such a significant contribution. Equally there is a risk that if consultants without experience of public sector procurement constraints were appointed, either that a considerable amount of officer time may be required to ensure that the Council does not expose itself to challenge by failing to adhere to the strict requirements imposed upon public authorities in their procurement process or alternatively some of the proposals made for savings may simply be unrealisable. These risks have been addressed in the tender evaluation criteria.

11. Declarations of Interest / Dispensations Granted

11.1 None

12. Background Papers

(Definition: Unpublished work relied on to a material extent in preparing the report that discloses facts or matters on which the report or an important part of the report is based. A copy of all background papers must be supplied to Democratic Services with the report for publishing with the agenda.)

Draft tender documents.

REPORT TO CABINET

Open		Would any decisions proposed :		
Any especially affected Wards	Operational	(a) Be entirely within cabinet's powers to decide YES		
		(b) Need to be recommendations to Council	NO	
		(c) Is it a Key Decision	NO	
Lead Member: Councillor Nick Daubney E-mail: cllr.nick.daubney@west-norfolk.gov.uk		Other Cabinet Members consulted: All		
Lead Officer: Samantha Winter E-mail: sam.winter@west-norfolk.gov.uk Direct Dial: 01553 616327		Other Members consulted: Chairs of Panels, CSC and Planning Committee, Group Leaders		
Other Officers consulted: Management Team, Legal				
Financial Implications NO	Policy/Personnel Implications NO	Statutory Implications (incl S.17) NO	Equality Impact Assessment reqd? NO	Risk Management Implications NO

Date of meeting: 8 January 2013

6 TIMETABLE OF MEETINGS FOR 2013/14

Summary

The report sets out a draft timetable of meetings for the 2013/14 Municipal Year.

Recommendation

That the Timetable for the 2013/14 Municipal Year be approved.

Reason for Decision

To enable the decision making process to take place.

Background

Attached for members' consideration is the draft timetable of meetings for the 2013/14 Municipal Year.

The Cabinet is scheduled to meet on a monthly basis, mirrored by the Cabinet Scrutiny Committee to fit in with the call in timescales. The meetings have been scheduled in line with the previous year, and it is accepted that if there is insufficient business they may be cancelled/dates changed or if there is the requirement of special meetings, they will be called.

The Chairs of the Panels, Cabinet Scrutiny Committee and Planning Committee and Group Leaders have also been consulted. The Chairman of the Cabinet Scrutiny Committee has concerns regarding the timing of the Cabinet Scrutiny Committee Meetings, however, in order to schedule the Cabinet, Panels, Cabinet Scrutiny and Council into the timetable it is difficult

to permit any longer timeframes, although as much time as possible has been given between Cabinet and Cabinet Scrutiny for the Accounts meetings in June and September meetings which was an issue the previous year.

Background Papers

Previous timetable – previously published

Calendar of Meetings 2013/2014 DRAFT

	2013								2014				
	May	June	July	August	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Monday			1 PC		2 PC			2 PC			3 PC COUNCIL TAX *		
Tuesday			2 CABINET		3 CABINET	1 CABINET		3 CABINET			4 CABINET	1 CABINET	
Wednesday	1		3		4	2		4	1 BANK HOLIDAY		5	2	
Thursday	2 ELECTION		4 PC SV	1 PC SV	5 PC SV	3		5 PC SV	2		6 PC SV	3	1
Friday	3		5	2	6	4	1	6	3		7	4	2
Monday	6 BANK HOLIDAY	3 PC	8	5	9 SPECIAL AC	7 PC	4 PC	9	6 PC	3 PC	10	7 PC	5 BANK HOLIDAY
Tuesday	7 CABINET	4 CABINET	9	6	10	8	5 CABINET	10	7 R&P/AC	4 CABINET	11	8	6 CABINET
Wednesday	8	5	10	7	11	9	6	11	8 REC	5	12	9	7
Thursday	9 ANN COUNCIL	6 PC SV	11	8	12	10 PC SV	7 PC SV	12	9 PC SV	6 PC SV	13	10 PC SV	8 ANN COUNCIL
Friday	10	7	12	9	13	11	8	13	10	7	14	11	9
Monday	13 PC	10 AC (ACCTS)	15	12	16 CAB ACCTS	14	11	16	13	10	17	14	12 PC
Tuesday	14	11	16	13	17	15	12	17	14 CABINET	11	18	15	13
Wednesday	15	12 CAB (ACCTS)	17 CSC	14 CSC	18	16 CSC	13	18	15	12	19 CSC	16 CSC	14
Thursday	16 PC SV	13	18	15	19 CSC	17	14	19 CSC	16	13	20	17	15 PC SV
Friday	17	14	19	16	20	18	15	20	17	14	21	18 BANK HOLIDAY	16
Monday	20	17	22	19	23	21	18	23	20	17	24	21 BANK HOLIDAY	19
Tuesday	21	18	23 R&P/AC	20	24 R&P/AC	22	19	24	21	18 CSC	25 R&P/AC	22	20
Wednesday	22 CSC	19	24 REC	21	25 REC	23	20 CSC	25 BANK HOLIDAY	22	19	26 REC	23	21 CSC
Thursday	23	20 CSC	25 COUNCIL	22	26 COUNCIL	24	21	26 BANK HOLIDAY	23	20	27 COUNCIL	24 COUNCIL	22
Friday	24	21	26	23	27	25	22	27 HOLIDAY	24	21	28	25	23
Monday	27 BANK HOLIDAY	24	29 PC	26 BANK HOLIDAY	30	28	25	30 HOLIDAY	27 R&P/AC	24	31	28	26 BANK HOLIDAY
Tuesday	28 R&P/AC	25 R&P/AC	30 CABINET	27 R&P/AC		29 R&P/AC	26 R&P/AC	31 HOLIDAY	28 CSC	25 R&P/AC		29 R&P/AC	27
Wednesday	29 REC	26 REC	31	28 REC		30 REC	27 REC		29 REC	26 REC		30 REC	28
Thursday	30	27 COUNCIL		29		31 COUNCIL	28 COUNCIL		30 COUNCIL	27 COUNCIL			29
Friday	31	28		30			29		31	28			30

KEY: CAB = Cabinet
R&P = Resources & Performance Development Panel
AC = Audit Committee
REC = Regeneration, Environment & Community Panel

PC = Planning Committee
PC SV = Planning Committee Site Visits
CSC = Cabinet Scrutiny Committee
COUNCIL = Council
* COUNCIL TAX - provisional date subject to outcome of PCC Budget meeting in February

Half Term

2 May 2013 - County Council Election
May/June 2014 - European Election

REPORT TO CABINET

Open		Would any decisions proposed :		
Any especially affected Wards	Operational	Be entirely within Cabinet's powers to decide	YES	
		Need to be recommendations to Council	NO	
		Is it a Key Decision	NO	
Lead Member: Cllr Alistair Beales E-mail: <i>cllr.alistair.beales@west-norfolk.gov.uk</i>		Other Cabinet Members consulted: Cllr Daubney		
		Other Members consulted:		
Lead Officer: Sam Winter E-mail: <i>sam.winter@west-norfolk.gov.uk</i> Direct Dial: 01553 616327		Other Officers consulted: Ostap Paparega, Geoff Hall		
Financial Implications NO	Policy/Personnel Implications YES	Statutory Implications NO	Equal Impact Assessment NO If YES: Pre-screening/ Full Assessment	Risk Management Implications NO

Date of meeting: 8 January 2013

7 REGENERATION AND ECONOMIC DEVELOPMENT TASK GROUP

Summary

At its November 2012 meeting Cabinet set up a Task Group to give consideration to the corporate arms of Regeneration and Economic Development within the Borough. Following the first meeting of the Group it has transpired that there appears to be 2 distinct elements of work for the Task Group: 1) Economic Development and Regeneration and 2) Heritage assets i.e. how to preserve and enhance King's Lynn heritage through design guidance. This report puts forward proposals for the Task Group to review its work programme and establish a second group to examine Heritage Assets.

Recommendation

- 1) That the existing Task Group examine the Economic and Regeneration stream of work and
- 2) That a further Task Group be established to examine the Heritage Assets stream of work, subject to Group Leaders agreement, made up of 1 Member from each political group (in the event of no agreement, a proportionate 5 member group be set up (4 Con 1 Lab)).

Reason for Decision

Preserving and enhancing the cultural and historical assets of the area is a council priority, as stated in the Corporate Business Plan 2011-2015. The Heritage Task Group will recommend heritage design guidance to help individuals and organisations wishing to bring forward development prepare proposals that preserve and enhance King's Lynn's heritage.

1 Background

1.1 At its November 2012 meeting Cabinet established a Task Group to give consideration to Regeneration and Economic Development. After having held a meeting of the Task Group it has become apparent that there are 2 distinct streams of work to be carried out: 1) Economic Development and 2) Regeneration Heritage assets i.e. how to maximise heritage assets through design guidance.

1.2 It is proposed that the existing Task Group continues to examine the Economic Development and Regeneration element and that an additional small Task Group of 4 Members be established, to give consideration specifically to the Heritage Assets element. Under Standing Order 29.4 it is proposed that with Group Leaders consent the Task Group be made up of a member from each political group. In the event that Group Leaders do not agree to this the Group will be a small proportionate Group of 5 (4 Con and 1 Lab).

2 Terms of Reference

- To identify specific areas and sites considered of strategic importance in terms of heritage i.e. King's Lynn gateways and recommend their designation as priority areas to Cabinet
- To produce a set of heritage design guidance documents (design codes, development briefs, planning briefs) to be used by the planning authority when considering planning applications for proposed development
- To liaise with local conservation and heritage stakeholders i.e. King's Lynn Preservation Trust, the Civic Society and English Heritage in developing the design guidance documents

3 Options Considered

3.1 Options considered included the carrying out of the work by the single group on a staggered basis. The change enables the considerable amount of work required of the Groups to be able to be carried out within a manageable timeframe.

4 Policy Implications

4.1 The Groups would be assisting to work up potential policy

5 Financial Implications

5.1 None at this stage except Members attendance at the meeting and officer support.

6 Personnel Implications

6.1 The two Task Groups require officer support

7 Statutory Considerations

None

8 Equality Impact Assessment (EIA)

9 Risk Management Implications

The new Group enables the work to be carried out within a manageable timeframe.

10 Declarations of Interest / Dispensations Granted

None

Background Papers

Previous Cabinet report Nov 2012