

BOROUGH COUNCIL OF KING'S LYNN AND WEST NORFOLK

CABINET

**Minutes from the Meeting of the Cabinet held on
Tuesday, 5 November 2013 at 5.30pm in the Committee Suite, King's
Court, Chapel Street, King's Lynn**

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

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

CAB83: **MINUTES**

RESOLVED: The Minutes of the Meeting held on 1 October
2013 were approved as a correct record and signed by the Chairman.

CAB84: **URGENT BUSINESS**

There was no urgent business.

CAB85: **DECLARATIONS OF INTEREST**

None

CAB86: **CHAIRMAN'S CORRESPONDENCE**

None.

CAB87: **MEMBERS PRESENT PURSUANT TO STANDING ORDER 34**

Councillor John Loveless attended for item CAB96: Materials Recycling
Contract.

CAB88: **CALLED IN MATTERS**

None

CAB89: **FORWARD DECISIONS LIST**

The forward decision list was noted.

CAB90: **MATTERS REFERRED TO CABINET FROM COUNCIL BODIES**

i) **Resources and Performance Panel: 29 October 2013**

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

RP65: Cabinet Report: Customer Information Centre (CIC) – Review Of Opening Houses

RESOLVED: (1) That the Panel support the recommendation to Cabinet as follows:

In accordance with the increasing opportunities for customers to self-serve, that Cabinet agree the proposal to reduce the CIC opening hours to 8.45 am – 5.15 pm Monday to Thursday and 8.45 am – 4.45 pm Fridays and that this change is implemented from the 1 December 2013.

(2) The CIC Manager present an update report on the review of CIC opening hours to the Panel in 6 months' time.

RP66: Cabinet Report: Cost Reduction Programme

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

Cabinet is asked to note the impact of the current cost reduction programme and to recommend to Council that further work be carried out as outlined in the report.

ii) **Resources and Performance Panel – Audit Committee : 29 October 2013**

The Committee made the following recommendation to Cabinet, which was dealt with when Cabinet considered the report on the agenda:

ARC64: Cabinet Report: Mid Year Review Treasury Report 2013/2014

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

Cabinet is asked to note the report and the treasury activity.

iii) **Regeneration, Environment and Community Panel – 30 October 2013**

None

CAB91: BUSINESS IMPROVEMENT DISTRICT

Councillor Daubney presented a report which considered the formation of a Business Improvement District (BID) for King's Lynn. As part of the process to agree a BID the Council had to approve the Business Plan, arrange the ballot and was responsible for the billing and collection of the levy. The proposal was led by local businesses and subject to a successful ballot would create a fund of circa £300,000 per year that the BID would allocate to bring investment to the town, enhance the environment and attract more shoppers, visitors and businesses to King's Lynn.

Executive Director – Chris Bamfield informed Members that there was still some ongoing discussion on the final boundaries of the area.

Councillor Mrs Nockolds expressed the hope that the proposal if successful would bring businesses in the town together to communicate to bring enhancements to the town centre.

Councillor Mrs Spikings asked who would hold the money once collected; who would be responsible for spending it; whether it had to be spent in each financial year, and hoped that the money would not be used solely on staff. It was explained that once collected it would be passed from the Borough Council to a Body set up by the traders which would then be responsible for spending the money on projects. There was no requirement to spend it in the specific financial year, although Councillor Long confirmed that through his representation on the Town Centre Partnership he was aware that there were plans in place to begin enhancements as soon as possible.

Councillor Pope asked whether the 660 properties included in the proposal included properties such as banks and solicitors, and if so were they likely to vote for the proposal. It was confirmed that it did include all commercial properties in the area, and they stood to benefit from increased footfall and improved areas in the same way as the shops. However if there wasn't a majority vote the proposal wouldn't go ahead.

RECOMMENDED: That the Business Plan submitted by the BID be approved and the work required to complete the ballot and manage the billing arrangements be carried out.

CAB92: NON DOMESTIC RATES – DISCRETIONARY PROPERTY

Councillor Daubney presented a report which explained that Central Government had introduced a new discretionary power for billing authorities to extend the exemption from payment of rates for newly completed, empty non-domestic properties for up to 18 months.

The purpose of the extended exemption was to encourage construction and reduce the risk to developers of having to pay non-domestic rates on empty properties if they were not occupied straight away.

The exemption extended the current statutory exemption period for empty properties of three months (six months for industrial properties) to up to 18 months. The extended exemption applied to all new, empty properties completed between 1.10.2013 and 30.9.2016. Central Government would fully fund the cost of the relief.

RECOMMENDED: That the new discretionary power be adopted and delegated authority be given to the Revenues and Benefits Manager to award the exemption to qualifying properties, following consultation with the Leader of the Council.

CAB93: **MID YEAR TREASURY REPORT**

Principal Accountant, Toby Cowper presented a report which reminded Members that the Council had formally adopted the Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management (2011) and remained fully compliant with its requirements.

One of the primary requirements of the Code was:

- Receipt by Council of an annual strategy report (including the annual investment strategy report) for the year ahead, a mid year review report and an annual review report of the previous year.

The Mid Year Review Report had been prepared in compliance with CIPFA's Code of Practice, and covered the following:

- An economic update for the first six months of 2013/2014
- A review of the Treasury Management Strategy Statement and Annual Investment Strategy 2013/2014
- The Council's capital expenditure (prudential indicators)
- A review of the Council's investment portfolio for 2013/2014
- A review of the Council's borrowing strategy for 2013/2014
- A review of any debt rescheduling undertaken during 2013/2014
- A review of compliance with Treasury and Prudential Limits for 2013/2014

In presenting the report the Principal Accountant explained that there was a typographical error in section 5.3 of the report, Table 3, 2013/14 Revised Estimate Authorised Limit for external debt to read £30m instead of £25m.

Councillor Pope asked for clarification on the differences between the Public Works Loan Board (PWLB) rate of interest and the Bank Rate. It was explained that the PWLB reflected a more optimistic view of economy recovery time frames than the Bank Rate. He also asked whether the rise in Gilts was due to the amount of foreign money coming into the country, to which it was explained that it was a matter of supply and demand. With regard to a question regarding quantitative easing it was explained that it related to the money the Bank of England put into the market to increase cash flow in the banking system.

Councillor Lawrence asked whether Councils were looking more favourably on borrowing amongst themselves because of the AAA ratings. This was confirmed but was not always possible because of the fact that the Cashflow throughout the year for local authorities was generally identical.

RESOLVED: That the report and the treasury activity be noted (with the amended figure in 5.3, Table 3, 2013/14 Revised Estimate Authorised Limit for external debt to £30m).

CAB94: COST REDUCTION PROGRAMME

Councillor Daubney presented a report which set out that the Council set out a Financial Plan 2012/2016 in February 2013 that presented a 'balanced budget' through to March 2016 based on the use of general fund balances over the period. The report reminded Members that over the past few weeks the Government had made announcements on future funding which had a significant impact on the longer term plans of the Council.

The first announcement dealt with the funding settlement for 2014/2015 and 2015/2016. The Council would have its 2014/2015 funding settlement reduced from £10,450,100 to £10,338,000 - a reduction of £112,000. The figures for 2015/2016 showed funding reducing to £8,767,000 - £1,264,780 less than was included in the current Financial Plan. The second announcement made by Government was that £913,000 of the New Homes Bonus for 2015/2016 and future years may be paid over to the Local Enterprise Partnerships.

The report set out a number of changes to the Financial Plan that were currently underway that would produce significant levels of net savings although there would remain a need to continue with a cost reduction programme. An outline of future programmes was set out in the report for members to consider

Councillor Daubney commented that the work on cost reduction which started a number of years ago had been to the benefit of the Council and showed £5.7m of savings to date. He congratulated all those

involved for the work done to date, and the fact that everyone was now in the habit of looking at new ways of working.

RECOMMENDED: That the impact of the current cost reduction programme be noted and that further work be carried out as outlined in the report.

CAB95: **COUNCIL INFORMATION CENTRE – OPENING HOURS**

Councillor Daubney presented a report which explained that in recent years, technology had progressed and more customers choose to access council services electronically. The Government was committed to its 'Digital by Default' strategy and council websites were becoming more transactional to enable customers to access information and to submit service requests online 24/7. This, in turn, should reduce the requirement for more expensive methods of contact such as telephone or face to face enquiries. This advancement gives the CIC opportunity to reduce costs by decreasing the opening hours of the Contact Centre in line with other departments based in King's Court. The proposal would provide on-going savings of £20,517 per annum, contributing to the overall efficiency savings programme.

The report explained that the CIC opened for telephone enquiries from 8am until 6pm Monday to Friday and from 9am-12pm on a Saturday morning. The CIC was resourced by staff working shift patterns on a rota basis to cover the extended hours. Out of hours support for emergencies was provided by the CCTV staff 24/7, 365 days a year.

Councillor Daubney referred to the full questioning on the item at the Resources and Performance Panel meeting. He referred to it as a sensible proposal which made better use of the staff resources particularly when the detail of the calls made was analysed. Arrangements were still in place for contact in an emergency. It would encourage more people to use the web site for services and payments etc as part of the Channel Shift programme.

Councillor Mrs Spikings, in confirming that there was a lot of positive feedback regarding the CIC asked members and officers to remember that there were a lot of elderly people in the community using the Council's services who would never use the web site. This was acknowledged, and the fact that the service was open during office hours referred to.

Councillor Mrs Spikings asked whether when the service went digital, what languages it would be available in. Councillor Daubney stated that this had not at this stage been discussed, but that the Government guidance was that services should be in English.

Councillor Mrs Nockolds asked what information was available on the usage of the web site for accessing services, to which the CIC Manager, Honor Howell explained that the statistics held showed detail of web site access, and calls made to the office on all manner of issues.

Councillor Long commended the information which had been available when the bin roll out had taken place.

RESOLVED: That in accordance with the increasing opportunities for customers to self-serve, the proposal to reduce the CIC opening hours to 8.45am-5.15pm Monday to Thursday and 8.45am-4.45pm Fridays be agreed and that the change is implemented from the 1st December 2013.

CAB96: **MATERIALS RECYCLING CONTRACT**

Councillor Long presented a report which reminded Members that the Borough Council, as part of a consortium of Norfolk District Councils had a contract with Norfolk Environmental Waste Services (NEWS), a wholly owned subsidiary of Norse Commercial Services Ltd for the separation and onward sale of co-mingled dry recyclable materials.

The existing contract expired at the end of March 2014, the Borough Council had conducted an EU compliant procurement exercise for a new enhanced service which was won by Norse Commercial Services Ltd and Members agreed to award this contract at Cabinet on 30 July. In relation to this, delegated authority was given to the Chief Executive in consultation with the Portfolio Holder for the Environment to approve the final terms of the contract and the interim arrangements between the start date of the new contract and the commissioning date of the new equipment which was required to enable the extended range of materials to be processed and recycled.

As the final negotiations had progressed it had become clear that the contractor would not be in a position to commence the new enhanced service until 1 October 2014. This was in part a consequence of the extended length of the procurement process including the additional due diligence undertaken as part of the negotiations to finalise the arrangements for the Joint Venture Company to deliver the service and in part due to the lead times required to extend the building and procure the new equipment.

Following completion of negotiations with Norse Commercial Services it had been provisionally agreed that the most straight forward way to proceed was to extend the existing contract by six months on the existing terms and conditions and to commence the new 10 year contract from 1 October 2014.

Under Standing Order 34, Councillor J Loveless addressed Cabinet. He asked whether, because so many people were so keen to recycle more, it would be possible to enable householders to start learning how to use the new arrangements before commencement of the new contract in October. He suggested that the materials collected which were not currently recycled be stored until the new facility was available.

In response, Councillor Long commented that the communication re the changeover was critical, and they didn't want to tell too many people too early. It wouldn't be possible to start the new arrangements early because the amount involved would be approximately 15,000 tonnes, and would require separating in the existing equipment, which wouldn't be able to break down as far as the new equipment, then storing in an appropriate facility which held that amount for a long period of time. The materials would be beginning to decompose making final sorting impractical.

RESOLVED: That the existing contract with NEWS for the separation and onward sale of co-mingled dry recyclables is extended until 30 September 2014 when the new enhanced contract will commence.

The Meeting closed at 6.17 pm