



**Cabinet**  
**Tuesday, 1st March, 2016 at 5.30 pm**  
**in the Committee Suite, King's Court, Chapel Street,**  
**King's Lynn**

**Reports marked to follow on the Agenda and/or Supplementary Documents**

9. **MATTERS REFERRED TO CABINET FROM OTHER BODIES** (Pages 2 - 7)

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

- Resources and Performance Panel – 23 February 2016
- Environment and Community Panel – 24 February 2016
- Regeneration and Environment Panel - 24 February 2016

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**RECOMMENDATIONS TO CABINET ON 1 MARCH 2016 FROM THE AUDIT AND RISK COMMITTEE AT ITS MEETING ON 23 FEBRUARY 2016**

**AR87: CABINET REPORT: TREASURY MANAGEMENT STRATEGY 2016/2017**

The Group Accountant presented the report and reminded the Committee that the Council was required to receive and approve a Treasury Management Strategy Statement, Minimum Revenue Provision Policy Statement and Annual Investment Strategy which covered:

- Capital Plans, including prudential indicators.
- A Minimum Revenue Provision (MRP) Policy.
- The Treasury Management Strategy.
- An Investment Strategy.

Members were advised that the report covered the requirements of the Local Government Act 2003, the Chartered Institute of Public Finance Accountants (CIPFA) Prudential Code, the Department of Communities and Local Government (CLG) MRP Guidance, the CIPFA Treasury Management Code and the CLG Investment Guidance.

It was explained that the report looked at the period 2016/2020 which fitted with the Council's Financial Plan and Capital Programme. The report was based upon the Treasury Officers' views on interest rates, supplemented with leading market forecasts provided by the Council's Treasury Advisor, Capita Asset Services, Treasury Solutions.

In response to questions from the Chairman, Councillor Humphrey regarding the maturity structure for loans of 10 years and above, the Group Accountant explained that the Council currently had two lender option/borrowing option loans which were taken out in 2007, each of £5m for a 70 year period. It was explained that if the Council wished to pay off the loans at an earlier date a penalty fee would be incurred. The Assistant Director added that with these two loans there was a lender option to increase the rate, however, the Borough Council could respond that the increase was not acceptable.

The Group Accountant advised that with regard to the two 70 year loans taken out in 2007 were at a competitive rate and still remained at a competitive rate.

Councillor Hipperson commented that the Council had a high level of investments, why was it necessary to borrow rather than draw down some of its investment. In response, the Group Accountant explained that the Borough Council did lend itself money internally and would in turn use an element of its investments to fund the Capital Programme in future years. The Chairman, Councillor Humphrey referred Councillor Hipperson to page 67 of the report which set out an explanation to his questions raised.

The Chairman, Councillor Humphrey enquired if the debt rescheduling would be reported to the Audit and Risk Committee in addition to Cabinet. In response, the

Group Accountant confirmed that any debt rescheduled would be reported to both the Audit and Risk Committee and Cabinet at the earliest meeting following its action.

**RESOLVED:** The Committee support the recommendations to Cabinet as set out below, with an additional recommendation (5).

Cabinet is asked to recommend to Council:

- 1) The Treasury Management Strategy Statement 2016/2017, including treasury indicators for 2016/2020.
- 2) The Investment Strategy 2016/2017.
- 3) The Minimum Revenue Provision Policy 2016/2017.
- 4) Adopt the revised Treasury Management Practices (TMPs).
- 5) That any debt rescheduling will be reported to both Cabinet and the Audit and Risk Committee at the earliest meeting following its action.

AR88

**CABINET REPORT: RISK MANAGEMENT POLICY AND STRATEGY REVIEW**

The Audit Manager presented the report and explained that the Council's Risk Management Strategy was last reviewed and approved by Council on 28 January 2010. It was explained that the latest review had split the existing document into two documents, Policy and Strategy, and linked risk management more closely to the achievement of the Council's objectives. The risk appetite was formally recognised within the Policy, and the Strategy provided a means of escalating risks from service and project level to the Corporate Risk Register if necessary.

The Committee's action was drawn to the following sections of the report:

- The Risk Management Policy was attached at Appendix A.
- The Risk Management Strategy was attached at Appendix B.
- Page 94: Section 1: the next review date for both the policy and strategy was March 2019 to ensure that both documents were still fit for purpose.
- Page 95: Section 2: Definitions, Section 3: Benefits of Risk Management which could be linked with the Borough Council's Corporate Strategy.
- Page 96: Section 5: Risk Management Approach.
- Page 87: Risk Appetite
- Page 99: Strategy which provided more detailed information on how risks were identified, etc.
- Pages 102 and 103: Minimising, controlling and responding to risk, monitoring and reporting.

In response to comments from Councillor Morrison regarding the impact table on page 101, the Audit Manager undertook to look at wording and amend where appropriate.

Following comments from the Chairman, Councillor Humphrey on the acceptance of risk and that it had to be recognised that some risks could not be anticipated and the Council having liability insurance. The Audit Manager explained that at

an operational level, for example, risk assessments were undertaken in the grounds maintenance service area, however, it had to be accepted that there could be some risks which the Council could not prevent. The Audit Manager provided clarification between inherent and residual risk.

The Chairman, Councillor Humphrey commented that it was a well written report.

**RESOLVED:** The Committee support the recommendation as set out below:

That Cabinet recommend that Council approve the Risk Management Policy and Strategy.

**RECOMMENDATIONS TO CABINET 1 MARCH 2016 FROM THE JOINT MEETING OF THE ENVIRONMENT & COMMUNITY AND REGENERATION & DEVELOPMENT PANEL ON 24 FEBRUARY 2016**

**EC57: CABINET REPORT – MODIFICATIONS TO THE LOCAL PLAN**

The LDF Manager presented the Cabinet report and explained that as part of the examination process the Inspector had identified a set of proposed Modifications to the Site Allocations and Development Management Policies Plan.

The LDF Manager explained that the Inspector had written to the Council in February with his preliminary findings and identified shortcomings relating to the soundness of the Plan. The shortcomings had been addressed through the main modifications provided by the Inspector. The Panel was informed that main modifications related to changes in policies and allocations. The minor modifications related to typos and grammatical errors.

The Panel was informed that if the modifications were agreed by Council they would be advertised for six weeks to allow for representations to be made. The representations would then be considered by the Inspector and, where appropriate, incorporated into his report back to the Borough Council.

The Chairman thanked the LDF Manager for his report, there were no questions from the Panel.

**RESOLVED:** That the Environment and Community & Regeneration and Development Panel support the recommendations to Cabinet as set out below.

That Cabinet recommend to Council that:

1. The proposed modifications be agreed.
2. The modifications and supporting documents be made available for representations for a period of 6 weeks, and any comments received are passed to the Inspector.

**EC58: CABINET REPORT – ASSESSING KING’S LYNN AND WEST NORFOLK’S HOUSING NEED**

The LDF Manager presented the Cabinet report. He explained that a comprehensive assessment of the Borough’s full, objectively assessed needs for housing had been prepared to inform the Local Plan process and housing land supply calculations.

He explained that the Borough Council monitored development in the Borough and it was a requirement to look at housing need in the Local Plan. The assessment would relate to the period up to 2028 and included statistical predictions. The LDF Manager referred to the figures included in the assessment summary. He explained that the current Local Plan was working towards approximately 660 units per annum and the assessment had indicated between 680 and 710 units would be required.

The LDF Manager reminded those present that the assessment would relate to future Local Plans.

The Chairman thanked the LDF Manager for his report and invited questions and comments from the Panel, as summarised below.

Councillor Mrs Wright asked if immigration had been factored into the figures. The LDF Manager explained that the calculations were based on Government population projections, which were done every two years and migration and immigration were taken into account as an element of growth.

Councillor Moriarty referred to the Armed Forces bases in the area and asked if there would be an impact should they close. He also asked if leaving the EU would have an effect on the housing need. The LDF Manager explained that accommodation requirements for the armed forces would have an impact if things were to change and Government figures would reflect this. He reminded the Panel that the document would be refreshed and updated as appropriate, but it was important that Government calculations were used.

Councillor Mrs Westrop referred to paragraphs 58 to 60 of the assessment which referred to alternative modelling solutions. The LDF Manager explained that the DCLG provided forecasts which were taken into consideration by the consultant when preparing the assessment. He explained that the Council could not build in their own assumptions and could not deviate from the calculations provided by the Government. He referred to figure 15 in the assessment which showed potential variations if different formulation rates were forthcoming.

**RESOLVED:** That the Environment and Community & Regeneration and Development Panel support the recommendations to Cabinet as set out below:

Cabinet is recommended to endorse the 'Assessing King's Lynn and West Norfolk's Housing Requirement' Report.

**RECOMMENDATIONS TO CABINET 1 MARCH 2016 FROM THE ENVIRONMENT AND COMMUNITY PANEL MEETING ON 24 FEBRUARY 2016**

**EC46: CABINET REPORT – CREMATORIUM PROJECT UPDATE**

The Corporate Project Officer presented the Cabinet report which updated Members on progress on the Crematorium Project. He explained that the project had been split into three phases. Phase 1 was the enabling works, including new car park and footpaths. Phase 2 was the new cremator hall and associated works and Phase 3 was the new cremators and ancillary equipment installation and decommissioning works.

The Corporate Project Officer informed the Panel that the new cremation equipment became operational on 2 April 2015. The old cremators were then removed to allow the office refurbishment to go ahead which had been completed on 22 June 2015.

The Panel was informed that before any works could be carried out it was necessary to obtain a bat licence to exclude bats from the relevant parts of the building. He explained that as bats were a protected species, the Council could have been fined up to £5,000 per bat if one was killed as a result of the works, if a licence had not been obtained. During the works it was realised that there was an issue with bats away from the work area in that there was a roost of bats far up into the building and the hole that the bats were using to access the roof could not be blocked without the relevant licence. A Bat Specialist had to be called in and additional works had been proposed to ensure that the reoccurring bat problem was removed. The additional works would require a further bat licence and additional bat boxes would need to be in place before the works started.

The Corporate Project Officer explained that additional works would also include re-roofing the original building. He explained that due to asbestos in the original roof tiles these would be removed and replaced with tiles to match the new extension and the roof would be made 'bat tight'.

The Panel was referred to the project finances as set out in part 4.5 of the Corporate Project Officer's report. He informed those present that additional works to improve the air cooling system in the building had been incorporated into the budget.

The Corporate Project Officer commented he now felt the Crematorium was of high class and provided adequate staff facilities, including showers on site.

The Chairman thanked the Corporate Project Officer for his report, there were no questions from the Panel.

**RESOLVED:** That the Environment and Community Panel support the recommendations to Cabinet as set out below.

1. To approve the outturn figure as shown in section 5.1 of this report.
2. To approve the works outlined in section 4 of this report in relation to both the bat mitigation and the cost of replacing the roof.