

BOROUGH COUNCIL OF KING'S LYNN & WEST NORFOLK

CABINET

**Minutes from the Meeting of the Cabinet held on Tuesday, 1st March, 2016
at 5.30 pm in the Committee Suite, King's Court, Chapel Street, King's Lynn**

PRESENT: Councillor A Beales (Vice-Chairman in the Chair)
Councillors R Blunt, Lord Howard, A Lawrence, B Long, Mrs E Nockolds and
D Pope

An apology for absence was received from Councillor N Daubney

CAB129 MINUTES

RESOLVED: The Minutes of the Meeting held on 2 February 2016
were approved as a correct record and signed by the Chairman.

CAB130 URGENT BUSINESS

None

CAB131 DECLARATIONS OF INTEREST

Councillors A Beales and A Lawrence declared a personal interest in
item 11 Modifications to the Local Plan.

Councillor Lord Howard declared a pecuniary interest in the same item
and left the meeting during its consideration.

CAB132 CHAIRMAN'S CORRESPONDENCE

None

CAB133 MEMBERS PRESENT UNDER STANDING ORDER 34

None

CAB134 CALLED IN MATTERS

None

CAB135 FORWARD DECISIONS

The Forward Decision List was noted.

CAB136 **MATTERS REFERRED TO CABINET FROM OTHER BODIES**

The following recommendations and comments were received from the Panels:

i) **Audit Committee – 23 February 2016**

AR87: Treasury Management Strategy 2016-17

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: Risk Management Policy and Strategy

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

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

ii) **Environment and Community Panel – 24 February 2016**

EC57: Modifications to the Local Plan

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: Assessing King's Lynn and West Norfolk's Housing Need

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.

iii) Joint Panels Panel - 24 February 2016EC46: Crematorium Project Update

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.

CAB137 TREASURY MANAGEMENT STRATEGY 2016/17

The Group Accountant presented a report which explained 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

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.

The report also 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 the presentation of the report the Group Accountant explained that the maximum limits to borrowing may have to be adjusted during the course of the year to take account of approved projects. He also drew attention to proposed changes to the diversification policy which were proposed to change from a £5m maximum investment for non UK

Government based institutions and £7m maximum investment for UK Government funded institutions to £6m maximum investment for both.

Councillor Lord Howard expressed concern about the level of deposits which could potentially be placed with a single non UK funded institution at £6m. He asked how many institutions would be on the list to invest with from the UK to which it was explained that there were approximately 8 or 9 UK counterparties on the list, currently with an acceptable credit score, and the level had been set as the maximum amount the Authority would be happy to invest, and the level proposed would allow advantage to be taken of putting the money out for a two year period and allowing flexibility to take advantage of opportunities as they became available.

Councillor Howard commented that he felt that when there was a greater interest rate offered it was often at greater risk. He proposed that the limits be set at £7m when backed by the UK Government and £4m for any others. This was seconded by Councillor Pope and agreed.

Councillor Pope asked for clarification on the BNP reference which had no rating shown. The Principal Accountant undertook to inform Members of the rating, which was for the Banque Nationale de Paris. *NB: This was confirmed as AAA rated.*

Councillor Pope, in referring to Appendix 1 and the table showing Council Tax band D discount asked if the figures were showing the amount the council tax would increase by. The Group Accountant explained that the figure showed the impact of implementing the financing costs on the figures approved to date.

Councillor Long asked if the figures currently deposited with Santander would remain so even with the newly agreed investment levels above. Councillor Beales responded that he considered that the investment would stand to the end of its term, whereupon it would be re-invested accordingly.

Councillor Howard also asked if, when investments were made in other countries, they were made in sterling. This was confirmed as being the usual occurrence.

Councillor Pope sought clarification on the term "net debt" in the table in 5.3 of the report, commenting that the Council would presumably not be in the situation of having a net debt. This was clarified that as being the limit on the borrowing, on which the Group Accountant undertook to provide a plain English explanation. He also drew attention to the table in 5.3 of the report which showed the Council's maximum amount of fixed rate borrowing or variable rate borrowing for the designated financial years.

Councillor Beales drew attention to the deliberations of the Audit Committee who had considered the report and supported the recommendations.

RECOMMENDED: 1) The Treasury Management Strategy Statement 2016/2017, including treasury indicators for 2016/2020.

2) The Investment Strategy 2016/2017 be approved with the following amendment: Diversification Policy - the limits be set at £7m for UK Government backed organisations, and £4m for other organisations.

3) The Minimum Revenue Provision Policy 2016/2017.

4) Adopt the revised Treasury Management Practices (TMPs).

CAB138 **RISK MANAGEMENT POLICY AND STRATEGY REVIEW**

The Auditor presented the Council's Risk Management Strategy which was last reviewed and approved by Council on 28th January 2010. 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.

Councillor Long commended the document, and drew attention to the similarities of other organisations approach.

Councillor Beales drew attention to the classification of the Council's attitude to risk as being open, and not risk averse which he considered correct.

It was noted that at the Audit Committee had considered the report, and supported it with the proviso that some wording be amended on the table 2 of the report to clarify the availability of service. That clarification had been made and was provided for Cabinet who agreed to include the amendment in the final document.

RECOMMENDED: That Council be invited to approve the Risk Management Policy and Strategy with the minor wording changes to the Impact table in section 2 of the report as follows:

4	Service not available for 2-7 days
5	Service not available for >7 days

CAB139 **SITE ALLOCATIONS AND DEVELOPMENT MANAGEMENT POLICIES PLAN (SADMP) - PROPOSED MODIFICATIONS**

The LDF Manager presented the report which explained that as part of the Examination process for the SADMP a set of proposed modifications had been identified. The main modifications were considered necessary to ensure that the SADMP was found to be 'sound' by the Inspector. The changes covered various aspects including: the way in which housing numbers were expressed; additional or changed allocations; new policies including plan review, King's Lynn port, and clarifying existing policies. The proposed changes were supported by sustainability and habitats assessments.

The Inspector had recently contacted the Council with his preliminary findings, without prejudicing himself, to confirm that the additions he was looking for tallied with those contained within the report.

The LDF Manager confirmed that the process was that the Modifications, if agreed, would be advertised for six weeks, whereupon any comments would be submitted to the Inspector who would include them as part of the Examination. He would then come to a conclusion and publish his final report, which was expected in July.

By way of clarification the LDF Manager drew attention to a typo within the report at page 85 of the agenda, Policy DM 21. 2, whereby the first National crossed through should be reinstated, but the second National on the second line should be crossed through.

Councillor Long welcomed the changes to the Habitat Mitigation which the Inspector had requested which was protection of the natural environment.

Councillor Mrs Nockolds expressed concern about the term "at least xxx..." in section 1.5 of the report relating to housing numbers, because presumably if a neighbourhood plan had a recommendation of 300, and the figure was 500 in the report they wouldn't be considered.

The LDF Manager responded that a parish wouldn't be able to argue for less than the number quoted in the Local Plan. He explained that Inspectors across the Country were working to Government Guidance to them, but they were also trying to reassure communities that when a planning application came forward there were a list of environmental considerations to take into account, as they were not looking for something which destroyed amenity. There would be occasions where the figure may be for example 500, but a scheme was put forward to provide 550 which was acceptable to Planning Officers.

Councillor Blunt confirmed that the Government Policy was to drive for more homes.

Councillor Beales commented that it was an important point that on some sites it was sensible, but on others it was more difficult, there were also open space requirements for some sites. It was therefore a reasonable principle to make best use of the site, although the note of caution was that it may give a degree of difficulty, but there were safeguards. Councillor Beales also commented that it was useful to clarify the information for small villages and hamlets, that the windfall figures would still be included, and that there would be an early review of the Plan.

Councillor Blunt drew attention to a training session with the parishes where he supported the influence of small villages and hamlets in the process, which he felt gave them a degree of confidence.

The item had been submitted to the Joint Panels for consideration and been supported.

RECOMMENDED: 1) That the proposed modifications be agreed.
2) That 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.

CAB140 **ASSESSING KING'S LYNN AND WEST NORFOLK'S HOUSING REQUIREMENT**

The LDF Manager presented the report which explained that a comprehensive assessment of the Borough's full, objectively assessed needs for housing (market and affordable) (FOAN) had been prepared to inform the local plan process and housing land supply calculations. The study concluded that objectively assessed housing need in the Borough was in the range of 680 - 710 new homes per annum (the current plan provided for 660 p.a.).

Councillor Lawrence asked how many permissions were being converted to dwellings per annum. The LDF Manager reminded Members that the level of completions in the Borough was not within the Council's control. The figures for the current year would be collated to the 31 March. The previous year had been 330 completions, which meant that there was still a deficit in the numbers, but there was still a lag between sites coming up for planning permission and houses being built, but the supply of land was now more healthy than previously.

Councillor Blunt commented on the need to find ways of ensuring that the development numbers increased as it was an important issue for the 5 year land supply.

Councillor Mrs Nockolds asked if information contained within the document would be shared with other organisations and partners. The LDF Manager confirmed that the Local Plan went out to consultation to

many Partner organisations, but once it was converted to need across the Borough the information was more useful for organisations.

Councillor Long asked whether the closure of Mildenhall would have any effect on the Borough's figures for that area of the Borough as it would free up properties for rent and sale. The LDF Manager explained that prior to the closure of the Base there were requirements for personnel to live on base, however, the biggest effect was on Forest Heath District Council's figures.

Councillor Beales drew attention to the fact that the document permitted the use of an agreed formula. He also reminded Members that the item had been considered by the Joint Panels meeting which had supported the endorsement of the document.

RECOMMENDED: That the 'Assessing King's Lynn and West Norfolk's Housing Requirement' Report be endorsed.

CAB141 **CREMATORIUM PROJECT UPDATE**

Councillor Pope gave presented a report which updated members on progress on the renovation work to the Crematorium. Previous reports had set out the replacement of the cremators and changes to the heating system and renovation of the office area. The report set out progress since September 2014 which included planned works to the roof which required Bat licenses to be obtained and mitigation work to be carried out in accordance with requirements and monitoring by an approved ecologist.

Councillor Beales reminded Members what an important facility the crematorium was for the Borough, and that where bats were involved there were statutory considerations to take into account and act in accordance with, all of which had been and would be complied with in the process.

Councillor Long asked if the Bat Licence was site specific or was for the Council in general, to which it was confirmed it was site specific.

It was noted that the item was considered by the Environment and Community Committee which noted the report.

RESOLVED: 1) That the outturn figure as shown in section 5.1 of the report be approved.

2) That the works outlined in section 4 of the report in relation to both the bat mitigation and the cost of replacing the roof be approved.

CAB142 APPOINTMENT OF HONORARY ALDERMEN

Cabinet considered a report which invited members to consider conferring the title of Honorary Alderman on former Councillors John Loveless, Anthony Lovett and Trevor Manley in recognition of their eminent services to the Borough.

Councillors Long, in commending the recommendations commented that he felt they were all deserving candidates for the role to support the Mayor and Civic function.

Councillor Pope expressed support for the proposal, drawing attention to former Councillor Loveless who he considered that whilst sitting on a minority party had always carried out his duties with enthusiasm.

RECOMMENDED:

1) That the Council places on record its deep appreciation of the eminent services to the Council rendered by former Councillors John Loveless, Anthony Lovett and Trevor Manley

2) That a Special Meeting of the Council to confer the title of Honorary Aldermen on those former be held at 6.30 pm, prior to the Annual Council meeting on Thursday, 12 May 2016 and the engrossment of recommendation (1) above and an aldermanic badge be presented to the Honorary Aldermen, at the Annual Council meeting on 12 May 2016.

The meeting closed at 6.34 pm