

BOROUGH COUNCIL OF KING'S LYNN & WEST NORFOLK**CABINET**

**Minutes from the Meeting of the Cabinet held on Tuesday, 18th June, 2019
at 5.30 pm in the Council Chamber - Town Hall, Saturday Market Place,
King's Lynn PE30 5DQ**

PRESENT: Councillor B Long (Chair)
Councillors R Blunt, M de Whalley, I Devereux, A Dickinson, P Gidney, C Joyce,
A Kemp, P Kunes, A Lawrence, J Lowe, G Middleton, J Moriarty, E Nockolds,
D Pope and A Ryves

CAB1 **MINUTES**

RESOLVED: The minutes of the meeting held on 26 March 2019 were agreed as a correct record.

CAB2 **URGENT BUSINESS**

None

CAB3 **DECLARATIONS OF INTEREST**

Councillor I Devereux declared a non pecuniary interest in the Cinema at the Corn Exchange item as a Council appointed trustee to the Alive Trust - he did not vote on the item.

CAB4 **CHAIRMAN'S CORRESPONDENCE**

None

CAB5 **MEMBERS PRESENT UNDER STANDING ORDER 34**

Councillor A Dickinson
Councillor C Joyce – items CAB9,10,14 and 21
Councillor J Lowe – item CAB22
Councillor J Moriarty – item CAB15
Councillor D Pope – items CAB9,10,11, 22
Councillor A Kemp – items CAB10,11,13, 21
Councillor A Ryves – item CAB22
Councillor A Tyler – item CAB14
Councillor de Whalley – items CAB13 and 22

CAB6 **CALLED IN MATTERS**

None

CAB7 **FORWARD DECISIONS**

The forward decisions list was noted

CAB8 **MATTERS REFERRED TO CABINET FROM OTHER BODIES**

Recommendations to Cabinet from the Regeneration and Development Panel meeting 12th March 2019 on RD94: Report of the River Informal Working Group. This was noted for future reference.

The recommendations from the Regeneration and Development Panel - RD12: Exempt – Corn Exchange Cinema Proposals.

The recommendations from the Environment and Community Panel - EC11: Cabinet Report - Food Waste and Garden Waste Treatment Procurement

The comments from all meetings of the Panels were taken into account during consideration of the items.

CAB9 **KLIC EXTERNAL ENQUIRY - TERMS OF REFERENCE AND APPOINTMENT OF CHAIR**

Cabinet considered a report responding to the Council's decision of 26th March 2019:

“That the Council establish an independent inquiry into the partnership with Norfolk and Waveney Enterprise Services (NWES) and its subsidiaries and associated companies and those with common shareholders or directors, regarding the award of and administration of the KLIC project and all aspects of its (their) financial relationship with the Borough Council of King's Lynn and West Norfolk.

To ensure the impartiality and independence of the Inquiry, the Chair and personnel of such an Inquiry to be chosen by an outside body, such as the Local Government Association (LGA) and consideration be given to requesting further assistance from such an outside body if required.

This enables the proposed Audit Committee Task Group to focus on the future composition and operation of the Major Projects Board, the Major Projects Progress overview and other lessons learnt from the 'KLIC Lessons Learnt Review'.

The independent Inquiry will have access to all council documents associated with NWES, subsidiaries etc as detailed above.”

Members were reminded that the Audit Committee established a cross party Audit Committee working group to further examine the findings of the Internal Audit Committee report into the KLIC project. This group held an initial meeting prior to the May elections and recommended terms of reference for the review to the Audit Committee meeting of the 3rd June. These were attached at appendix 1 to the report.

This report presented proposed terms of reference to cabinet for the external review which sought to build upon and add value to the work of the Audit Committee Cross Party Working Group. This approach was designed to be cost effective and to focus the external enquiry onto areas not covered by the Working Group. The draft terms of reference were set out at Appendix 2 to the report. The report also made proposals for the selection of a Chair for the inquiry from the persons identified by the Local Government Association.

Under standing order 34 Councillor Joyce expressed the view that the LGA would know what to look for and where and that it should be new councillors who make the appointment of the chairman and panel.

Under standing order 34 Councillor Pope asked whether the cost of the inquiry could be reclaimed from NWES. It was confirmed that as the Council had requested the inquiry it would have to pay the associated costs.

RECOMMENDED: That Council approve the following:

1. The terms of reference for the external KLIC inquiry as set out in Appendix 2 of this report
2. To delegate to the leaders of the Councils three groups the appointment of the Chair of the External Inquiry.

Reason for Decision

To respond to the Notice of Motion agreed by Council on 26th March 2019. To ensure that external expertise and insights are utilised to assist the council in improving its systems procedures for the management of large scale capital projects and partnerships.

CAB10 MAJOR PROJECTS BOARD TERMS OF REFERENCE

Cabinet considered a report providing Members with an overview of the way that Major Projects were managed and monitored within the borough council and proposed a new Major Projects Member Board to ensure rigorous oversight of the process.

Under standing order 34 Councillor Kemp asked whether all major projects would be included, if the enhanced initial checklist was available and sought information on the exception reporting. It was confirmed that all major projects would be included, and that the first meeting of the member group would look at the major projects and the

processes, it was explained that if the project was progressing according to the PID it was in order. There was also a risk register for each project and once completed a lessons learned exercise completed.

Under standing order 34 Councillor Pope expressed the view that a smaller group would be better for taking decisions. It was confirmed that the number had been reached in order to include all the relevant parties.

Under standing order 34 Councillor Joyce commented that he was content with the Board as proposed, but considered that the Council should appoint its own clerks of works for its building projects. It was noted that the Council did employ clerks of works for projects.

It was noted that the membership would include the Regeneration and Development Panel.

RESOLVED: 1) That the process in place for managing and monitoring Major Projects be approved.

2) That a new Major Projects Member Board is established. The Member Board will consist of 7 elected members as shown at 2.9 within this report

Reason for Decision

To provide assurance that the council's major projects programme is run in accordance with the Major Projects (Officer) Board Terms of Reference.

CAB11 **REVENUE OUTTURN 2018-23**

Cabinet considered a report which set out in summary the revenue outturn 2018/2019 for the General Fund (council tax accounts). The report showed details of the major differences between actual costs/income and the revised estimates for 2018/2019 reported in February 2019 monitoring.

The accounts showed actual Borough spend of £18,337,319 which was £10,251 less than the February Revised Estimate for 2018/2019. This additional saving would be held within the General Fund balance that was carried forward to 2019/2020.

The Council's continuing strategy was to identify budget savings in year, as part of the monitoring process and at year end. These savings were then transferred to the General Fund Balance for use in future years.

Under standing order 34 Councillor Kemp asked if the council had to pay back the NWES loan to the LEP, where it would be taken from. It

was noted that the loan had already been paid back and was featured as part of the treasury management.

Under standing order 34 Councillor Pope asked if the transaction was shown in the accounts, to which it was confirmed it featured as part of the treasury function.

Councillor Devereux suggested that as there was an underspend on some projects a budget of £20,000 be created to engage specialist expertise to carry out the project of examining the Council's carbon footprint. The Leader welcomed the proposal and confirmed the need to establish a baseline position for the Council. The Deputy Chief Executive confirmed it would be transferred from the events budget.

RESOLVED: 1) That the revenue outturn and proposed transfers to reserves for 2018/2019 be approved. An amendment to the transfer to reserves was agreed with a reduction in the transfer for future events and £20,000 to be used to enable a review of to the council's carbon footprint to be undertaken.

2) That the amendments to the Earmarked Reserves policy be approved.

Reason for Decision

To approve the revenue outturn for 2018/2019 of the Council

CAB12 **CAPITAL PROGRAMME AND RESOURCES 2018-2023**

Cabinet considered a report which provided details of the outturn of the 2018/2019 capital programme and outlined amendments and rephrasing to the spending on schemes, revising the programme for 2018/2023. The capital programme outturn for 2018/2019 totalled £29,232,450 (£29,857,985 including Exempt) against an approved budget of £34,353,730 (£41,238,730 including Exempt). It had been necessary to rephase a total of £5,150,630 (£11,414,470 including Exempt) of scheme costs to future years.

Useable capital receipts generated in the year totalled £19,594,403. The capital resources available to fund expenditure in 2018/2019 were detailed in section 3 of the report.

RESOLVED: 1) That the outturn of the capital programme for 2018/2019 of £29,232,450 be approved.

2) That the financing arrangements for the 2018/2019 capital programme be noted.

3) That the revised 2018/2023 capital programme and financing as detailed in the report be approved.

Reason for Decision

To report the outturn 2018/2019 for the Capital Programme and update members on capital spending and resources for 2019/2023.

CAB13 FOOD AND GARDEN WASTE TREATMENT - PROCUREMENT

Councillor Devereux presented a report which explained that it had previously decided that this council should enter into a procurement for the provision of a single waste collection contract with North Norfolk District Council and Breckland District Council (Cab 39 dated 1 August 2017 refers). The contract covered collecting all waste but not the treatment of collected garden waste and food waste. The council in preparation of the implementation of any contract awarded under the current procurement must also procure the arrangements for the treatment of any collected food waste and garden waste. These will be procured separately to maximise the economic benefits to the council.

Cabinet noted that the Environment and Community Panel had supported the recommendations.

Under standing order 34 Council de Whalley commended the Council on the proposal and encouraged the Cabinet to encourage other Norfolk authorities to do the same. This approach was supported.

Under standing order 34 Councillor Kemp commended the proposal and also encouraged colleagues around the county to do the same.

RECOMMENDED: That the Executive Director for Commercial Services be authorised to commence two procurements for the Borough Council's treatment of separately collected food waste and separately collected garden waste and grounds maintenance wastes.

- a) Food Waste treatment (anaerobic digestion) is procured within the existing Joint Venture arrangements.
- b) Garden Waste treatment (composting) is procured in the open market

Reason for Decision

The potential for savings in the procurement of the two treatment contracts for the separate waste streams was not delivered in previous procurement and by the very nature of the wastes local sites are required for the receipt of these wastes for treatment. The joint venture company NEWS Ltd operates the only well placed transfer station available for the receipt of food waste and has experience in the receipt and arrangements for the treatment of food waste through anaerobic digestion.

CAB14 KING'S LYNN AREA CONSULTATIVE COMMITTEE - REVIEW

Cabinet received a report which reminded members that at Council on the 1 May 2015, it was resolved that the King's Lynn Area Consultative

Committee (KLACC) continue for a further period of 4 years. This report sought authority for KLACC to continue to operate in accordance with its revised (current) terms of reference, for a further 4 years.

Under standing order 34 Councillor A Tyler spoke in support of the continued operation of the Committee.

Under standing order 34 Councillor Joyce spoke in support of the Committee particularly their ability to comment on planning applications in King's Lynn.

Cabinet members also supported the proposal to continue the Committee.

RECOMMENDED: That the King's Lynn Area Consultative Committee continues to operate after 1 May 2019 for a further 4 years.

Reason for Decision

To allow KLACC to continue to operate.

CAB15 **COUNCIL GOVERNANCE**

The Chief Executive presented a report which made proposals to Council to set up a non proportional task group of six members (2 Con, 2 Ind and 2 Lab) to review and examine alternative governance models to the current Strong Leader and Cabinet model.

Under standing order 34 Councillor Moriarty thanked the Leader for setting the Task Group up so quickly. He indicated he would be happy with a proportional group.

Under standing order 34 Councillor Kemp asked whether the Council would look at what the County do and piggy back on the research they had undertaken. The Leader confirmed that the Council would be looking at the merits of different schemes to see which would be the right one for the Council.

It was proposed that the Task Group be proportional 3 Con, 2 Ind and 1 Lab.

RECOMMENDED: 1) That a proportional Council Task Group to consider Governance Models, consisting of 6 members (3 Con, 2 Ind, 1 Lab) be established.

2) That a budget of up to £25,000 is established to provide officer support to the task group.

Reason for Decision

To enable members to examine alternative governance models and assess their suitability for the Borough Council.

CAB16 AMENDMENTS TO THE SCHEME OF DELEGATION

Cabinet considered a report which recommended an updated scheme of delegation for approval. The Scheme had been amended to take account of the changes to the portfolio responsibilities.

RECOMMENDED:

- 1) That Council approve the amended Scheme of Delegation
- 2) That the Chief Executive, in consultation with the Leader be given delegated Authority to make minor amendments to the Scheme to resolve any anomalies which may occur.

Reason for Decision

To ensure that the Delegation Scheme mirrors the decision making structure

CAB17 CABINET APPOINTMENTS TO OUTSIDE BODIES

Cabinet considered a report which sought approval for nominations for Executive appointments to serve on outside bodies and partnerships for 2019/2020.

RESOLVED: 1) That representatives be appointed to serve in an Executive capacity on the outside bodies and partnerships as set out in the Appendix attached to the report.

2) That the reporting arrangements be noted, as shown in section 3 of the report.

3) To note that all other appointments to Outside Bodies will be made at the Council meeting on 4th July 2019.

Reason for decision

To ensure continued involvement in the community by the Council.

CAB18 APPOINTMENTS TO LOCAL PLAN TASK GROUP, JOINT SAFETY & WELFARE COMMITTEE AND JOINT EMPLOYEE COMMITTEE

Cabinet was invited to consider agreeing to arrange for the appointment of members to serve on the Local Plan Task Group; and agree the membership of Joint Safety and Welfare Committee and Joint Employee Committee for 2019/20.

RESOLVED: 1) That officers be instructed to seek the Membership from Group Leaders for the Local Plan Task Group for the new Municipal Year.

2) That the Membership for 2019/20 of the Joint Safety and Welfare Committee be: Councillors B Long, P Kunes and D Tyler

and Joint Employee Committee: Councillors R Blunt, I Devereux, P Kunes, B Long and G Middleton.

Reason for Decision

To allow the business of the Council to continue into 2019/20.

CAB19 **EXCLUSION OF THE PRESS AND PUBLIC**

RESOLVED: That under Section 100(A)(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraphs 1 and 3 of Part 1 of Schedule 12A to the Act.

CAB20 **EXEMPT - CAPITAL OUTTURN REPORT 2018-2019**

The exempt elements of the Capital Programme report were considered.

CAB21 **INTERIM MANAGEMENT OF THE KLIC BUILDING**

Councillor Middleton presented a report which set out proposals for the interim management arrangements for the King's Lynn Innovation Centre, Nar Ouse Way, King's Lynn and sought authority to enter into a proposed short-term arrangement until a longer-term solution could be secured.

Under standing order 34 Councillor Joyce discussed the pros and cons of the proposal and sought assurances that legal agreements would be in place.

It was confirmed that the proposal would be for the managers to be contractors not tenants.

Under standing order 34 Councillor Kemp asked if the building had returned to Council ownership. This was confirmed.

RESOLVED: 1) That the principle of the proposed short-term interim management arrangements for the King's Lynn Innovation Centre as set out within this report be approved and delegated

authority be granted to the Assistant Director Regeneration & Property, in consultation with the Portfolio Holder – Business Development, to finalise terms in line with market rates for such a service.

2) That Authority be delegated to the Assistant Director Regeneration & Property, in consultation with the Portfolio Holder – Business Development, to identify and secure (potentially by way of a formal contract) a longer term management arrangement for the King's Lynn Innovation Centre; and

3) That Authority be delegated to the council's legal services provider to draft and complete the necessary legal and contractual documentation necessary for the interim and longer term management arrangements for the King's Lynn Innovation Centre.

Reason for Decision

The Council is in the process of taking (or has taken) possession of the King's Lynn Innovation Centre (KLIC). It is important that the business occupiers of the KLIC building are not adversely affected by the formal possession proceedings being undertaken by the Borough Council. The Council is seeking a low-impact, seamless transfer both in the interim and the longer term. The Council will need to assess, and secure, the most efficient and cost-effective way of managing the facility in the future

CAB22 CINEMA DEVELOPMENT

Councillor Mrs Nockolds presented a report which detailed progress on the proposal to construct two cinema screens in the upper bar area at the Corn Exchange.

The original proposal had been developed to a detailed design to allow a tender exercise to take place. Cabinet approval was requested to changes from the original report considered by Cabinet in November 2018, the main issues were;

- Revised capital costs including roof replacement to the bar area
- Final Design
- Consideration of ground floor toilet improvements
- Works to façade and foyer area

A full detailed design had now been produced for the cinema offer and costed at 2nd quarter 2020 construction rates. This increased the cost of the scheme substantially. The revenue budget for the proposals had also been revised based on the detailed scheme. The original proposal delivering a 22% rate of return on capital investment, the revised scheme deliver a 15% rate of return.

Subject to Cabinet approval the construction works would be tendered in July and August with the aim to let the contract in September and works to commence in January 2020 and completion in May 2020 with cinemas opening in June.

Under Standing Order 34 Councillor Lowe addressed the Cabinet on the proposed development of the cinema, he expressed concerns about the affordability of the proposals for lower earners. The Leader responded to the comments by way of commenting on the freedom of choice to attend either venue and the additional boost it would give to the town centre economy.

Under standing order 34 Councillor Ryves commended the proposal and the offer of an alternative to the current provision, he expressed the hope that the highest quality seating would be provided and asked about the borrowing arrangements and terms, and whether free parking would be provided.

Under standing order 34 Councillor Pope agreed with the comments expressed by the previous councillors, and commented that he felt it was too much to spend on such a development which he considered would be short term.

Under standing order 34 Councillor de Whalley expressed some concerns at the business plan, and felt that the capital expenditure should be paid back over 5 years. He referred to the reduced space available at intervals which he felt could be off putting.

It was explained that the money for building elements would be borrowed over a 50 year period, the sound and seating equipment would be over 10 years. The Exec Director also explained that it was proposed to future proof the lift design in case of any future amendments in years to come.

Councillor Gidney supported the proposals which he considered widened the scope of the Corn Exchange, and agreed with the comments on the best seating possible.

RECOMMENDED: 1) Agree to proceed with the Corn Exchange cinema proposals and amend the Capital Programme as detailed in the report at 2.4.5.

2) Include options in the tender for ground floor toilets, façade, foyer area as separate cost items.

3) Delegate authority to the Executive Director, Commercial Services in consultation with the Portfolio Holder to proceed with the procurement and construction of the cinema screens and associated works.

Reason for Decision

To enable the cinema proposal to proceed, reduce the revenue cost of the Corn Exchange, contribute to the Council's cost reduction plan and assist with creating a vibrant town centre leisure offer.

CAB23 MANAGEMENT RESTRUCTURE - SUCCESSION PLANNING

The Chief Executive presented the report which followed on from the Management Structure – Deputy Chief Executive, considered by Cabinet on 17 April 2018. Following acceptance of the recommendations Lorraine Gore was appointed as Deputy Chief Executive/Executive Director Finance. The report considered the next step in the succession planning process to facilitate a smooth transition to an updated Management Structure which would reflect emerging changes in delivery structures (eg Local Authority companies) on the retirement of the Chief Executive and the Executive Director (Commercial Services).

Under standing order 34 Councillor Pope sought clarification on budget costs which were explained.

In proposing the recommendations the Leader commented that the Chief Executive would be sorely missed.

RESOLVED: 1) Approve a reduction in the number of Executive Directors from four posts to three on the retirement of the Chief Executive, by ring fencing the appointment of a new Chief Executive/Head of Paid Service from the remaining Executive Directors

2) On the retirement of the Executive Director Commercial Services approve a further reduction in the number of Executive Directors from three to two.

3) Approve the appointment of 8 Assistant Directors and one Assistant to the Chief Executive with initial appointments ring fenced to existing Assistant Directors/Service Managers or filled externally through deletion of currently vacant posts at Service Manager level when specific professional qualifications are required.

Reason for Decision

To continue the process of succession planning within the organisation, offering opportunities for development of existing staff, and to ensure continued robust management of the organisation

The meeting closed at 7.24 pm