

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



Cabinet

Agenda

Tuesday, 6th February, 2024
at 6.00 pm

in the

COUNCIL CHAMBER
TOWN HALL
SATURDAY MARKET PLACE
KING'S LYNN

Also available to view on Zoom and available for the public to view on [WestNorfolkBC on You Tube](#)



King's Court, Chapel Street, King's Lynn, Norfolk, PE30 1EX
Telephone: 01553 616200

CABINET AGENDA

DATE: CABINET - TUESDAY, 6TH FEBRUARY, 2024

**VENUE: COUNCIL CHAMBER, TOWN HALL, SATURDAY
MARKET PLACE, KING'S LYNN PE30 5DQ**

TIME: 6.00 pm

As required by Regulations 5 (4) and (5) of The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 - Items 13 & 14 below will be considered in private.

Should you wish to make any representations in relation to the meeting being held in private for the consideration of the above item, you should contact Democratic Services

1. MINUTES

To approve the Minutes of the Meeting held on 15 January 2024 (previously circulated).

2. APOLOGIES

To receive apologies for absence.

3. URGENT BUSINESS

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

4. DECLARATIONS OF INTEREST (Page 6)

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. CHAIR'S CORRESPONDENCE

To receive any Chair's correspondence.

6. MEMBERS PRESENT UNDER STANDING ORDER 34

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

Members wishing to speak pursuant to Standing Order 34 should inform the Chair of their intention to do so and on what items they wish to be heard before a decision on that item is taken.

7. CALLED IN MATTERS

To report on any Cabinet Decisions called in.

8. FORWARD DECISIONS (Pages 7 - 10)

A copy of the Forward Decisions List is attached

9. MATTERS REFERRED TO CABINET FROM OTHER BODIES

To receive any comments and recommendations from other Council bodies which meet after the dispatch of this agenda.

10. ANTI FRAUD AND ANTI CORRUPTION POLICY REVIEW (Pages 11 - 46)

11. LYNNSPORT 1 (VALENTINE PARK) DEVELOPMENT UPDATE (Pages 47 - 59)

12. EXCLUSION OF THE PRESS AND 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 ITEM

Details of any representations received about why the following reports should be considered in public will be reported at the meeting.

13. LYNNSPORT 1 - EXEMPT APPENDIX 2 (Page 60)

14. ACQUISITION OF HOMES (Pages 61 - 70)

To: Members of the Cabinet

Councillors B Anota, A Beales, M de Whalley, J Moriarty (Vice-Chair),
C Morley, T Parish (Chair), S Ring, J Rust and S Squire

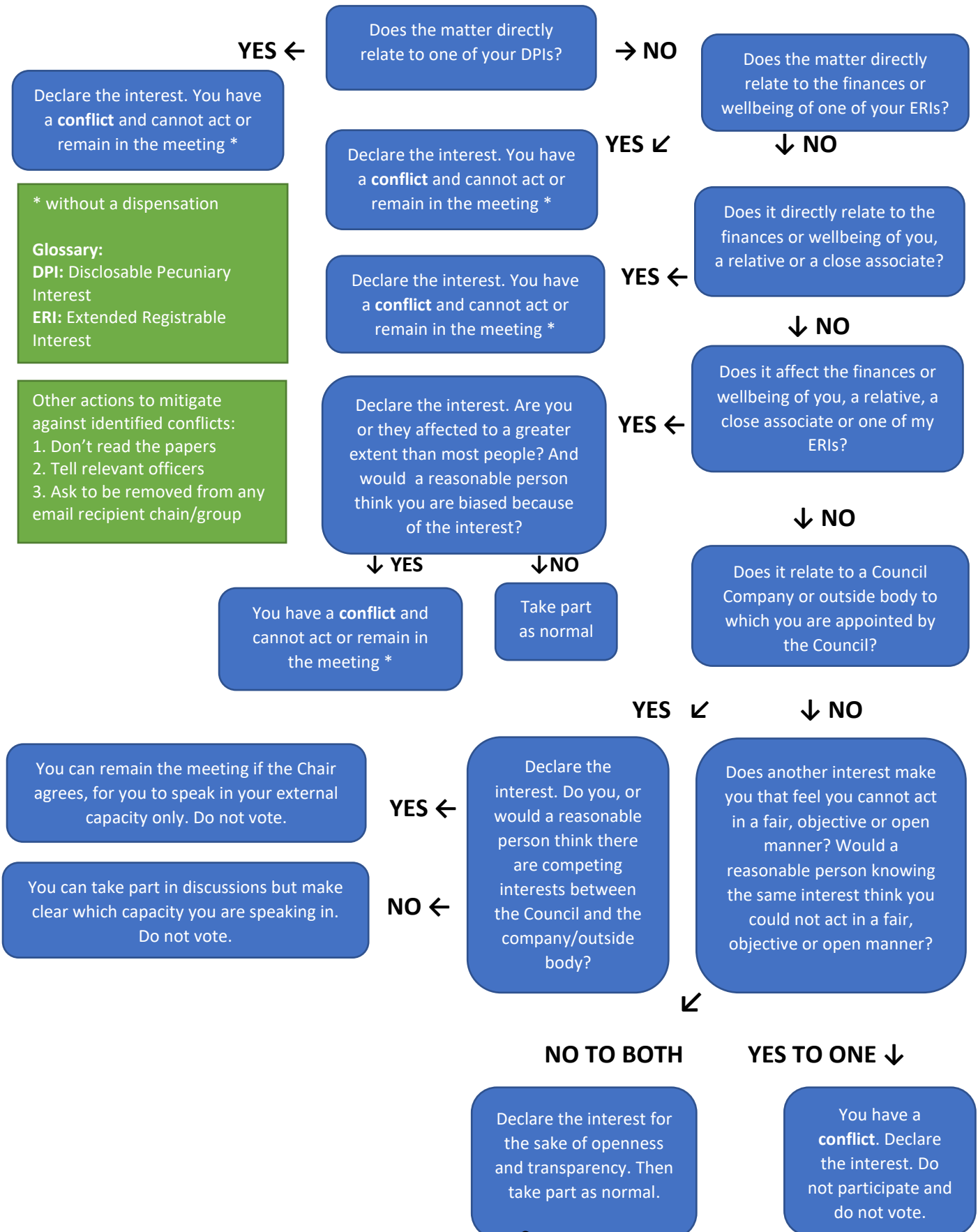
For Further information, please contact:

Sam Winter, Democratic Services Manager 01553 616327
Borough Council of King's Lynn & West Norfolk
King's Court, Chapel Street
King's Lynn PE30 1EX

DECLARING AN INTEREST AND MANAGING ANY CONFLICTS FLOWCHART



START



Declare the interest. You have a **conflict** and cannot act or remain in the meeting *

* without a dispensation

Glossary:

DPI: Disclosable Pecuniary Interest

ERI: Extended Registrable Interest

Other actions to mitigate against identified conflicts:

1. Don't read the papers
2. Tell relevant officers
3. Ask to be removed from any email recipient chain/group

FORWARD DECISIONS LIST

Date of meeting	Report title	Key or Non Key Decision	Decision Maker	Cabinet Member and Lead Officer	List of Background Papers	Public or Private Meeting
6 February 2024						
7	Lynnsport One	Key	Council	Regeneration & Development Asst Dir Companies & Housing Delivery – D Ousby		Public part Private- Appendices Contain exempt Information under para 3 – information relating to the business affairs of any person (including the authority)
	Acquisition of Homes	Non	Cabinet	Regeneration and Development Assistant Director – D Hall		Part Public and part Private- Contains exempt Information under para 3 – information relating to the business affairs of any person (including the authority)
	Anti-Fraud & Anti-Corruption Policy	Non	Cabinet	Finance Asst Director – M Drewery		Public

Date of meeting	Report title	Key or Non Key Decision	Decision Maker	Cabinet Member and Lead Officer	List of Background Papers	Public or Private Meeting
7 February 2024 (Budget						

related items only)						
	Capital Programme	Key	Council	Finance Asst Director – Resources		Public
	Budget 2024/25	Key	Council	Finance Asst Director – Resources		Public
	Treasury Management Strategy/ Investment Strategy	Key	Council	Finance Asst Director – Resources		Public

Date of meeting	Report title	Key or Non Key Decision	Decision Maker	Cabinet Member and Lead Officer	List of Background Papers	Public or Private Meeting
5 March 2024						
	Peer Review Challenge Action Plan	Non	Council	Leader Chief Executive		Public
∞	Data Protection Policy Review	Non	Council	Leader Monitoring Officer		Public
	Article 4 Direction	Non	Cabinet	Regeneration and Development Assistant Director – S Ashworth		Public
	KLACC – Area Committee Status	Non	Council	Leader Monitoring Officer		Public
	Redundancy Payments Scheme	Non	Council	Leader Exec Dir – D Gates		Public
	King's Lynn Town Football Club	Non	Cabinet	Property Asst Dir – M Henry		Private- Contains exempt Information under para 3 – information relating to the business affairs of any person (including the authority)

	Corporate Strategy - Annual Plan 2024/25	Key	Council	Chief Executive Leader		Public
	Performance Targets setting 2023/24	Non	Cabinet	Chief Executive Leader		Public
	CIL applications referred to Cabinet	Non	Cabinet	Development and Regeneration Asst Dir – S Ashworth		Public
	Indemnity for Councillors and Officers on outside bodies	Non	Cabinet	Leader Monitoring Officer		Public

Date of meeting	Report title	Key or Non Key Decision	Decision Maker	Cabinet Member and Lead Officer	List of Background Papers	Public or Private Meeting
11 April 2024 Special Meeting						
10	Local Plan Gypsy and Traveller Preferred Sites	Key	Council	Development and Regeneration Asst Dir S Ashworth	Local Plan Task Group mins and Agendas	Public

Date of meeting	Report title	Key or Non Key Decision	Decision Maker	Cabinet Member and Lead Officer	List of Background Papers	Public or Private Meeting
23 April 2024						
	Florence Fields – Tenure Mix	Non	Council	Deputy Leader Assistant Director – D Ousby		Part Public and part Private- Contains exempt Information under para 3 – information relating to the business affairs of any person (including the

						authority)
	Review of Outside Bodies	Non	Cabinet and Council	Leader		Public

Date of meeting	Report title	Key or Non Key Decision	Decision Maker	Cabinet Member and Lead Officer	List of Background Papers	Public or Private Meeting
11 June 2024						
	St George's Guildhall RIBA Stage 3 and project scope	Key	Cabinet	Regeneration & Development Asst Dir		Public
	Empty Homes Strategy Review	Key	Council	People and Communities Asst Dir M Whitmore		Public

Items to be scheduled

10	Notice of Motion 7-21 – Councillor Kemp – Equalities	Non	Council	People & Communities Asst Dir B Box		Public
	Procurement Strategy	Non	Cabinet	Finance Asst Dir – D Ousby		Public
	Review of Planning Scheme of Delegation (summer 23)	Non	Council	Development and Regeneration Asst Dir – S Ashworth		Public
	Custom and Self Build Site – Stoke Ferry	Non	Cabinet	Regeneration and Development Assistant Director - D Hall		Public
	Southend Road Hunstanton	Key	Cabinet	Regeneration & Development Asst Dir – D Ousby		Public
	Overnight Campervan parking in Hunstanton	Non	Cabinet	Leader Asst Director – M Chisholm		Public
	Pay Award 2024	Key	Cabinet	Leader		Public

REPORT TO CABINET

Open		Would any decisions proposed:			
Any especially affected Wards	Mandatory/	Be entirely within Cabinet's powers to decide		NO	
	Discretionary /	Need to be recommendations to Council		YES	
	Operational	Is it a Key Decision		NO	
Lead Member: Cllr Morley E-mail: cllr.chris.morley@west-norfolk.gov.uk		Other Cabinet Members consulted:			
		Other Members consulted:			
Lead Officer: Jamie Hay E-mail: jamie.hay@west-norfolk.gov.uk Direct Dial: 01553 616701		Other Officers consulted: Michelle Drewery – Assistant Director, Resources (S151 Officer) Carl Holland – Financial Services Manager Jane Mitchell – Procurement & Contract Manager Alexa Baker – Assistant Director, Legal, Governance & Licensing Laura Botten, Corporate Governance Officer Matthew Head, Internal Auditor Michael Tweed, Internal Auditor			
Financial Implications NO	Policy/ Personnel Implications YES	Statutory Implications YES	Equal Impact Assessment YES If YES: Pre-screening	Risk Management Implications YES	Environmental Considerations NO

Date of meeting: 6th February 2024

ANTI-FRAUD & ANTI-CORRUPTION POLICY REVIEW

Summary

This is a policy review which is to replace the current Anti-Fraud & Anti-Corruption Policy which was formally approved on 8th July 2021.

The policy has been reviewed to amend titles / officers with roles within the policy due to personnel changes and confirm the policy remains up to date with national strategy / legislation. To also include details of further controls and anti-fraud/anti-corruption activities undertaken across the organisation, including by Financial Services and Procurement.

Alongside this document is a suite of procedures that are contained within the Investigation Procedure Manual that is regularly reviewed.

Recommendation

Approval for this Policy to be put forward to Full Council and Cabinet for formal adoption.

Reason for Decision

Where people commit fraud against the public sector and public services, they take money away from the services on which the public depend, and damage

citizens' trust in the government. The Borough Council of King's Lynn and West Norfolk (the Council) is committed to protecting the public funds entrusted to it and to upholding the highest standards of financial probity and accountability. This Policy outlines the important work being carried out, and the roles and responsibilities across the organisation in our fight against fraud and corruption.

1 Background

- 1.1 The Council is committed to the prevention, detection and deterrence of fraud and corruption and the protection of public funds. This policy is the over-arching anti-fraud and anti-corruption policy for the Council and all of the varying functions that it delivers, including any functions and activities delivered through its Local Authority Trading Companies (LATCs) in its fight against fraud and corruption both internally and externally. For the purpose of this Policy the term "Council" refers to the Council and its LATCs.
- 1.2 The policy has been produced to conform to the policy on policies guidance and template policy requirements.
- 1.3 1 legislative change has occurred since July 2021, and this has been captured in section 2.7 of this new policy.
- 1.4 There is an upcoming change in legislation due in 2024 through the Economic Crime and Corporate Transparency Bill (which received royal assent on 26th October 2023). As such wording has been included within this policy review to help "future proof" the policy for future legislative changes, as well as any emerging threats (see section 14.14)
- 1.5 Consultation with the Fighting Fraud & Corruption Locally Group established there have not been and there are no expected upcoming amendments due to the Fighting Fraud & Corruption Locally Standards that the July 2021 policy was originally based and approved on.
- 1.6 Consultation has been undertaken internally with the Internal Audit, Procurement, Financial Services and Legal/Corporate Governance teams, as well as with the Portfolio Holder for Finance.

2 Options Considered

- 2.1 Retain the policy in current format. The current policy is no longer fully accurate and does not include the legislative change referred to in section 2.7 of this new policy. The current policy is not future proofed, and the new policy enables this with new wording included at section 14.14. Other areas of the current policy have become out of date such as job titles. New areas of responsibility have been included within this policy review regarding duties/actions that already take place across the organisation (Financial Services and Procurement Roles and Responsibilities in section 6).

3 Policy Implications

- 3.1 The report recommends approval of the revised policy of Anti-Fraud & Anti-Corruption.

4 Financial Implications

- 4.1 The Policy will help to mitigate the risk to the organisation against fraud and corruption which financially affects the council.

5 Personnel Implications

- 5.1 No Direct implications.

6 Environmental Considerations

- 6.1 There are no environmental considerations.

7 Statutory Considerations

- 7.1 Local Government Act 1972 - s151 Duty to protect public funds.
- 7.2 New Legislation due under Economic Crime & Transparency Bill in 2024 introduces "failure to prevent fraud offences" and "reasonable fraud prevention procedures"

8 Equality Impact Assessment (EIA)

- 8.1 Pre screening report attached.

9 Risk Management Implications

- 9.1 Failure to have and maintain a policy would leave the council susceptible to fraud and corruption and financial losses from both internal and external threats. The Economic Crime & Transparency Bill which received Royal Assent in October 2023 also introduces new corporate offences for "failing to prevent fraud" and not having "reasonable fraud prevention procedures".

10 Declarations of Interest / Dispensations Granted

- 10.1 None.

11 Background Papers

- 11.1 None.

Pre-Screening Equality Impact Assessment

Borough Council of
King's Lynn & West Norfolk



Name of policy/service/function	Anti-Fraud and Anti-Corruption Policy				
Is this a new or existing policy/service/function?	Existing Policy				
<p>Brief summary/description of the main aims of the policy/service/function being screened.</p> <p>Please state if this policy/service is rigidly constrained by statutory obligations</p>	<p>This policy outlines that the Council as a large organisation is at risk of loss due to fraud and corruption both from within the Council and outside it. As such this policy sets out the approach that the Council uses to manage the risk of fraud and corruption and minimise the losses incurred. Its purpose is to clarify to members, employees, the general public and other organisations what the Council's policy, strategy and approach is and how the Council intends to meet its responsibilities relating to fraud and corruption, whether attempted internally or externally.</p>				
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			X	
	Disability			X	
	Gender			X	
	Gender Re-assignment			X	
	Marriage/civil partnership			X	
	Pregnancy & maternity			X	
	Race			X	
	Religion or belief			X	
	Sexual orientation			X	
Other (eg low income)			X		



ANTI-FRAUD & ANTI- CORRUPTION POLICY

December 2023

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1. INTRODUCTION

- 1.1 Where people commit fraud against the public sector and public services, they take money away from the services on which the public depend, and damage citizens' trust in the government. The Borough Council of King's Lynn and West Norfolk (the Council) is committed to protecting the public funds entrusted to it and to upholding the highest standards of financial probity and accountability. We cannot afford to be complacent, and we urge all our members, employees, contractors, and partners to assist us in fighting fraud by having regard to this policy and the risks of fraud when carrying out their duties, recognising that, if uncontrolled, fraud diverts much needed resources from our communities.
- 1.2 The "Annual Fraud Indicator 2023" produced by Crowe Clark Whitehall estimated that annual UK fraud losses could be £219 billion, with Public Sector fraud losses estimated to be £50.2 billion. The Government's "Economic Crime Plan 2023-2026" states that Fraud accounted for an estimated 41% of all crime experienced by adults in England and Wales in the year ending September 2022. Fraud is now the most common offence in the UK and local authorities continue to face significant fraud challenge, exacerbated by the Covid-19 pandemic and the ongoing cost-of-living crisis. Economic crime refers to a broad category of activity involving money, finance or assets, the purpose of which is to unlawfully obtain a profit or advantage for the perpetrator or cause loss to others. This poses a threat to the UK's economy and its institutions and causes serious harm to society and individuals. It includes activity which:
- Allows criminals to benefit from the proceeds of their crimes or fund further criminality,
 - Damages our financial systems and harms the interests of legitimate business,
 - Undermines the integrity of the UK's position as an international finance centre, and
 - Poses a risk to the UK's prosperity, national security, and reputation.
- 1.3 This policy recognises that the terms "fraud" and "corruption" form part of a much wider agenda, but the policy has not been re-titled "economic crime"; however, acknowledging this enables us to have an awareness and provide a holistic response to the following types of criminality:
- Fraud against the individual, private sector, and public sector
 - Terrorist financing
 - Sanctions contravention
 - Market abuse
 - Corruption and bribery
 - The laundering of proceeds of all crimes.

- 1.4 This policy details the Council's arrangements for managing the risk of fraud and corruption. We are committed to reducing losses from fraud by using an integrated approach which encompasses the Fighting Fraud and Corruption Locally (FFCL) 2020's standards of:
- Governance (accountability, leadership, awareness, strategy, resources, authority, and independence),
 - Operations (capability & competency, risk assessment, intelligence & data, collaboration, prevention, investigation, and redress), and
 - Reporting (measurement, transparency, and monitoring).
- 1.5 The threat and risks of fraud and corruption are ever evolving and can quickly develop into new and complex fraud attacks and as such our response to countering fraud needs to be dynamic as developments in technology, social change and other factors create new challenges.

2. DEFINITIONS

2.1 This policy is designed to cover the risks associated with theft, fraud, corruption, bribery, and ICT abuse, whether they are perpetrated by employees, councillors, residents, visitors, contractors, suppliers or individuals and organisations unconnected with the Council. For the purpose of this policy the following definitions are used:

2.2 Fraud

Fraud is a general term covering theft, deliberate misuse or misappropriation of assets or anything that leads to a financial advantage to the perpetrator or others upon whose behalf he or she acts, even if these "others" are in ignorance of the fraud. Fraud is in fact intentional deceit and for this reason it cannot include negligence.

Fraud is defined as the intentional distortion of financial statements or other records by persons internal or external to the authority which is carried out to conceal the misappropriation of assets or otherwise for gain.

In addition, fraud can also be defined as the intentional distortion of financial statements or other records by persons internal or external to the authority which is carried out to mislead or misrepresent.

The Fraud Act 2006 which came into effect on 15th January 2007 created a new general offence of fraud with three ways of committing it: -

- a. Fraud by false representation,
- b. Fraud by failing to disclose information, and
- c. Fraud by abuse of position.

2.3 Theft

A person is guilty of theft under the Theft Act 1968 if they dishonestly appropriate property belonging to another with the intention of permanently depriving the other of it. It is immaterial whether the appropriation is made with a view to gain or is made for the thief's own benefit. In terms of "appropriation", any assumption by a person of the rights of an owner amounts to an appropriation, and this includes, where they have come by the property (innocently or not) without stealing it, any later assumption of a right to it by keeping or dealing with it as owner. "Property" includes money and all other property, real or personal, including things in action and other intangible property.

2.4 Corruption

Corruption is defined as the offering, promising, or giving a payment or benefit-in-kind in order to influence others to use their position in an improper way to gain an advantage. It is also a criminal offence to request, agree to receive or accept a bribe.

2.5 Bribery

A bribe is a financial or other advantage that is offered or requested with the intention of inducing or rewarding the improper performance of a relevant function or activity, or with the knowledge or belief that the acceptance of such an advantage would constitute the improper performance of such a function or activity. The Bribery Act 2010 reformed criminal law regarding bribery related offences, making it easier to tackle this offence proactively in both the public and private sectors. Four main offences of bribery were created as a result of the act:

- Offence of bribing another person
- Offence of being bribed.
- Bribery of foreign public officials
- Failure of commercial organisations to prevent bribery.

The corporate offence of failure to prevent bribery means that commercial organisations (including public organisation's wholly owned companies, subsidiary companies, and traded services) and their boards may be exposed to criminal liability if it is found that adequate procedures to prevent bribery have not been implemented.

2.6 ICT Abuse

There is no definition of ICT fraud and abuse, but the Audit Commission devised the following list to determine the different acts that it covers:

Type of ICT Fraud or Abuse	Ways Committed
Business Disruption	<ul style="list-style-type: none"> • Virus infections/denial of service • Hacking • Sabotage
Reputational Damage	<ul style="list-style-type: none"> • Accessing inappropriate material • Invasion of privacy • Using unlicensed software
Financial Loss	<ul style="list-style-type: none"> • Unauthorised alteration of input • Destroying, stealing, or suppressing output • Making unapproved changes to stored information. • Amending or misusing programs • Using ICT facilities for private work • Theft of information

2.7 Money Laundering

Money laundering is a term applied to any method used to convert or exchange money or assets obtained from criminal activity into money or assets that are “clean”, in such a way that the “clean” money can no longer be linked back to the criminal activity. Whilst the risk of money laundering to the Council is relatively low and the provisions of the Money Laundering Regulations 2007 do not strictly apply to the Council as an organisation, it has adopted an “Anti-Money Laundering Policy” as good practice. This policy supports all staff in complying with the money laundering provisions included within the Proceeds of Crime Act 2002 (as amended by the Crime and Courts Act 2013, Serious Crime Act 2015 and the Criminal Finances Act 2017), Terrorism Act 2000 (as amended by the Criminal Finances Act 2017) and the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 as amended by Money Laundering and Terrorist Financing (Amendment) Regulations 2019 and the Money Laundering and Terrorist Financing (Amendment) (No.2) 2022 Regulations.

3. **POLICY STATEMENT**

- 3.1 The Council is committed to the prevention, detection and deterrence of fraud and corruption and the protection of public funds. This policy is the over-arching anti-fraud and anti-corruption policy for the Council and all the varying functions that it delivers, including any functions and activities delivered through its Local Authority Trading Companies (LATCs) in its fight against fraud and corruption both internally and externally. For the purpose of this Policy the term “Council” refers the Council and its LATCs.

4. AIMS

- 4.1 This policy recognises that the Council as a large organisation is at risk of loss due to fraud and corruption both internally and externally. As such this policy sets out the approach that the Council uses to manage the risk of fraud and corruption and minimise the losses incurred.
- 4.2 There is an expectation and requirement that all Members, employees, consultants, contractors, partner organisations, volunteers and service users be fair and honest, and if able to do so, provide help, information, and support to assist the investigation of fraud and corruption. In addition, advice on how members of the public may raise suspicions about fraud and corruption is contained within this policy.
- 4.3 The Council is committed to an effective anti-fraud and anti-corruption policy designed to:
- a) Encourage prevention,
 - b) Promote detection and deterrence,
 - c) Ensure effective investigation where suspected fraud or corruption has occurred, and
 - d) Take action (including prosecuting offenders) where appropriate.

5. SCOPE

- 5.1 The Council faces several different fraud and corruption risks over a large range of service areas and functions that it undertakes. The Internal Audit team have developed and maintain a Fraud Risk Register for its internal use to establish risks and highlight internal controls that can be used to mitigate those risks to minimum/acceptable levels. The Fraud Risk Register enables the Council to identify both internal and external fraud and corruption risks and then assess their likelihood and impact. It then evaluates the risks and identifies internal anti-fraud controls to be implemented to prevent, detect, and mitigate residual fraud risk. The Fraud Risk Register is maintained as a live document to continue to inform and update on counter fraud activities and controls required. Please see Appendix 1 for details of the fraud risks the Council could face.

6. ROLES AND RESPONSIBILITIES

- 6.1 The following structures are recognised within the Council:

Role	Responsibility
All Councillors	<ul style="list-style-type: none">• Uphold the highest standards of conduct and conduct themselves in ways that are beyond reproach.

	<ul style="list-style-type: none"> • Demonstrate a commitment to this policy and ensure it has the appropriate profile within the Council. • Facilitate an Anti-Fraud and Anti-Corruption culture. • Understand their responsibility to report suspected fraud or corruption and how to do it. • Understand the need to declare any interests that may conflict with their work for the Council. • Undertake the fraud awareness e-learning training. • Declare in a timely manner any gifts and hospitality received.
All Employees	<ul style="list-style-type: none"> • Uphold the highest standards of conduct and conduct themselves in ways that are beyond reproach. • Understand and comply with the Council’s Anti-Fraud and Anti-Corruption Policy. • Understand their responsibility to report suspected fraud or corruption and how to do it. • Understand the need to declare any interests that may conflict with their work for the Council. • Undertake the fraud awareness e-learning training. • Declare in a timely manner any gifts and hospitality received.
Cabinet	<ul style="list-style-type: none"> • To approve the Anti-Fraud and Anti-Corruption Policy. • Ensure the policy is effectively implemented across the Council.
Audit Committee	<ul style="list-style-type: none"> • To monitor and review the effectiveness of the Council’s risk management arrangements, internal controls, and related counter fraud arrangements.
Chief Executive	<ul style="list-style-type: none"> • Ensure that there is strong political and executive support for work to counter fraud and corruption. • Ensure consistency across Directorates in the implementation of this policy.
Monitoring Officer	<ul style="list-style-type: none"> • To report on matters they believe are, or are likely to be, illegal or amount to maladministration. • To be responsible for matters relating to the conduct of Councillors and employees. • To be responsible for the operation of the Council’s Constitution.
Assistant Director, Resources (S151 Officer)	<ul style="list-style-type: none"> • Assistant Director with specific responsibility for the investigation and detection of fraud. • To ensure the Anti-Fraud and Anti-Corruption Policy is reviewed and maintained at appropriate intervals. • Ensure that those working to counter fraud and corruption are undertaking the work in accordance with

	<p>a clear ethical framework and standards of personal conduct.</p> <ul style="list-style-type: none"> • Ensure that those working to counter fraud and corruption are professionally trained and accredited for their role and attend regular refresher courses to ensure they are up to date with new developments and legislation. • Ensure that there is a level of financial investment in counter fraud and corruption work that is proportionate to the risk identified. • Ensure that reports on investigations include a section on identified internal control weaknesses that enabled the fraud to take place and action to be taken to correct the weakness where appropriate.
Executive Director, Central Services	<ul style="list-style-type: none"> • Ensure there are effective recruitment procedures in place, implemented by appropriately trained officers. • Ensure employment policies support the Anti-Fraud and Anti-Corruption Policy. • Ensure effective and appropriate sanctions are applied in all relevant cases.
Executive Directors/Assistant Directors	<ul style="list-style-type: none"> • Ensure the risks of fraud and corruption are identified and procedures implemented to reduce the risk to an acceptable level. • Ensure the Anti-Fraud and Anti-Corruption Policy is implemented within their Directorate. • Ensure the risk of fraud and corruption is considered in all new processes and appropriate procedures implemented. • Determine the appropriateness of gifts and hospitality offered to employees within their Directorate. • Maintain a Register of Interests and a Register of Gifts and Hospitality for their employees/service areas.
Managers	<ul style="list-style-type: none"> • Ensure all their employees are aware of their responsibilities under the Anti-Fraud and Anti-Corruption Policy. • Ensure all their employees are aware of all relevant policies and procedures relating to official conduct of Council business. • Ensure all their employees are aware of, and understand, the Whistleblowing Policy and arrangements, and the process for reporting fraud. • Ensure accurate and timely reporting of gifts and hospitality, and declaration of interests by employees. • Undertake the fraud awareness e-learning for Managers
Internal Audit	<ul style="list-style-type: none"> • Be influential to the Council, understanding fraud and

	<p>corruption, and how it is evolving, and be responsible for the Council's response.</p> <ul style="list-style-type: none"> • Support Executive/Assistant Directors and Managers in identifying and mitigating risks for fraud and corruption. • Undertake a planned programme of internal audits to examine the system of internal controls and agree actions to correct any identified weaknesses. • Undertake data matching exercises with national/local bodies and investigate results for potential frauds. • Provide specialist skills in investigating allegations of fraud, especially where it may result in a prosecution.
Financial Services	<ul style="list-style-type: none"> • Qualified Professionals maintain the standards of their professional bodies for professional development and ethics. • Designing out the risk of fraud in maintaining the Councils systems for payments and income. • Monitor and enforce compliance with the Council's Financial Regulations.
Democratic Services Manager	<ul style="list-style-type: none"> • Ensure Members are aware of their obligations in respect of the Anti-Fraud and Anti-Corruption Policy. • Ensure members are aware of, and abide by, their obligations in relation to probity. • Maintain a Register of Interests and a Register of Gifts and Hospitality for Members and employees.
Procurement	<ul style="list-style-type: none"> • Ensure tender/contract procurement exercises are undertaken in line with Contract Standing Orders. • As part of tender/contract procurement exercises ensure that Non-Collusion/Prevention of Corruption documentation is appropriately signed and recorded. • Ensure that suppliers have relevant anti-fraud and anti-corruption policies in place or that they are provided with copies of our policies (Anti-Fraud & Anti-Corruption Policy, Anti-Money Laundering Policy, Whistleblowing Policy), promoting the spirit of anti-fraud and anti-corruption culture.
Contractors and partners	<ul style="list-style-type: none"> • Create an environment in which staff feel able to approach them (or the Council directly) with any concerns they may have about suspected irregularities including fraud and corruption or other whistleblowing concerns. • Operate to the same standards of ethical conduct expected from Council staff.

6.2 Those charged with governance as above will:

- Acknowledge their responsibility for the management of fraud and corruption risks to the Council;
- Demonstrate support and strategic direction for counter fraud work;

- Help to create the anti-fraud and corruption culture which can be reinforced by their active oversight across the Council;
- Have regard to the rights of citizens and conduct practices ethically and with integrity - following due process; and
- Champion adherence to the above responsibilities and the Council's Corporate Framework (including the Corporate Code of Conduct) and making contractors and consultants aware.

7. RULES AND PROCEDURES

- 7.1 The Council has various procedures and rules to ensure that the day-to-day operations and activities are properly controlled and are an important part of the internal control framework. These include: -
- Council Constitution including Financial Regulations;
 - Contract Standing Orders Procurement Rules;
 - Code of Conduct for Councillors and Voting Co-opted Members;
 - Officers' Code of Conduct; and
 - Scheme of Delegation.
- 7.2 Individual Services will have also introduced their own measures designed to control their activities e.g., schemes of delegation, working manuals etc.
- 7.3 Assistant Directors and Service Managers need to ensure that staff have access to these rules and regulations and that staff receive appropriate training.
- 7.4 Failure to comply with the rules and regulations may result in formal action being taken. In the case of employees this would be through the Council's disciplinary process and for Members would involve the Standards Committee. It is the responsibility of the Monitoring Officer to report matters to the Standards Committee.

8. HOW TO RAISE SUSPICIONS OF FRAUD, CORRUPTION & BRIBERY

- 8.1 All employees, Members, customers, suppliers, contractors, and members of the public can raise their concerns either via:
- Contacting the Council's Customer Information Centre (01553 616200)
 - Emailing internalauditemail@west-norfolk.gov.uk
 - Directly contacting the Council's Internal Audit Service (01553 616701)
 - Writing to Internal Audit, Borough Council of King's Lynn & West Norfolk, King's Court, Chapel Street, King's Lynn, Norfolk, PE30 1PX
- 8.2 Council Tax Reduction Scheme (Council Tax Support) fraud can be reported via the following channels:

- Contacting the Council's Customer Information Centre (01553 616200)
- By email to benefit.fraud@west-norfolk.gov.uk
- Online via the Borough Council's website at https://www.west-norfolk.gov.uk/info/20021/benefit_fraud/4/report_benefit_fraud
- Writing to Internal Audit, Borough Council of King's Lynn & West Norfolk, King's Court, Chapel Street, King's Lynn, Norfolk, PE30 1PX

8.3 The Council's Whistleblowing Policy provides further information of how to report concerns of wrongdoing in the public interest, such as:

- Unlawful activity;
- Conduct contrary to the Council's Standing Orders or policies;
- Where standards or practices fall below the established standards; or amounts to improper conduct such as malpractice or ill treatment of a client/customer;
- Where a criminal offence has been committed, is being committed or is likely to be committed;
- Suspected internal fraud;
- Disregard for legislation, particularly in relation to health and safety at work;
- Breaches of Financial Regulations, Contract Standing Orders, ICT Security Policy;
- Showing undue favour over a contractual matter or to a job applicant;
- Falsification or manipulation of financial records;
- Breaches of any code of conduct or protocol;
- Information on any of the above has been, is being, or is likely to be concealed;
- Falsifying of job applications.

9. PREVENTION

9.1 There are a number of key processes that can assist in the prevention of fraud, including:

1. Internal Control Systems,
2. Employee recruitment and conduct,
3. Joint working to prevent and combat fraud,
4. Use of technology, and
5. The work of the Audit Committee.

9.2 Internal Control Systems

Internal controls are in place to prevent fraud. It is the responsibility of all managers to establish and maintain systems of internal control and to assure themselves that those controls are properly applied as intended. This includes responsibility for the prevention and detection of fraud and corruption.

The Council implements strong systems of verification of all claims for all types of financial assistance. All data available will be used to corroborate information given by applicants for the purpose of prevention and detection of fraud. Grants and assistance given to external organisations will be monitored to ensure applications are genuine.

The Council also expects partners and contractors to have adequate controls and Whistleblowing procedures in place to minimise fraud and corruption, and this will be written into all contract terms and agreements. Due diligence processes (including monitoring) will also be put in place when engaging and contracting with third parties by the project lead/responsible officer(s).

The Internal Audit Team will ensure that an adequate and effective internal audit is undertaken of the Council's systems and processes and will investigate allegations of fraud and corruption. Any system weaknesses that are identified as part of these investigations will be reported to the relevant manager / Assistant Director and an action plan agreed to remedy the issue. The Audit Committee will receive regular reports from the Internal Audit Manager on the results of internal audits and any investigations, including follow-up on the implementation of agreed actions.

The Internal Audit Team have also developed a Fraud Risk Register which is being used to understand what information and data is held within each service area within the Council that could be subject to fraud and corruption. Internal Audit will maintain the Fraud Risk Register to support the mitigation of risk through the implementation of effective controls.

9.3 Employee recruitment and conduct

Recruitment procedures require that all applicants will provide evidence of any qualifications claimed and all references will be taken up. The right to work in the country will also need to be demonstrated where necessary.

All employees must abide by the Council's rules as contained in relevant policies and procedures. This expectation forms part of the employee's contract of employment. Employees are also expected to follow any additional Codes of Conduct of a professional body to which they are registered.

All new Members and employees shall be given access to this policy document as part of their initial induction process.

9.4 Joint working to prevent and detect fraud

The Council participates in data-matching exercises such as the National Fraud Initiative (NFI), and the Norfolk FraudHub. The Council also makes full use of

its statutory powers to obtain information using bodies such as the National Anti-Fraud Network (NAFN) to identify possible instances of fraud. The Internal Audit team also conduct joint working with the DWP for the purposes of investigating benefit fraud/error and with Housing Associations for the investigation of Right to Acquire and Tenancy Fraud.

9.5 Use of Technology

The Council will make use of technology and other measures made available for the prevention and detection of fraud and corruption; this may include software available for these purposes where an appropriate Data Privacy Impact Assessment has been undertaken and legislation allows their use. Examples of such software include the use of “AppCheck”, an application checking tool available through the Cabinet Office to highlight risk relating to applications that have been received which may be fraudulent.

9.6 Audit Committee

The Terms of Reference for the Audit Committee require it to ‘*assess the potential harm to the council from fraud and corruption, monitoring counter-fraud policy, action and resources*’. As such the Committee receives regular reports from the Internal Audit Manager on work carried out and considers the adequacy of the Council’s policies relating to the prevention and detection of fraud and corruption.

9.7 All Members and employees are required within 28 days of receiving any gift or hospitality over £50 to provide written notification to the Monitoring Officer or their Assistant Director, of the existence and nature of the gift or hospitality. Registers are maintained of all declarations.

9.8 Members are required to declare their personal and prejudicial interests in accordance with the Code of Conduct for Members and Voting Co-opted Members and to act in accordance with the Code.

9.9 All employees must comply with any requirements of the Council to register or declare interests and declare hospitality, benefits or gifts received as a consequence of his or her employment as per the Officers’ Code of Conduct. Registers of Interests, memberships of, or associations with, clubs, societies and other organisations are kept to protect and safeguard the interests of all staff and the Council, where conflicts of interest may arise. Examples of where conflicts of interest may arise and how they should be approached are given below:

- Employees should not have any involvement in the procuring of goods and/or services from a supplier that is a friend / family member or other associate such as their landlord.

- Employees should not have any involvement in the processing of invoices relating to goods or services from a supplier that is a friend / family member or other associate such as their landlord.
- Employees should not have any involvement in the assessment / processing of claims for grants, benefits, or any other type of financial assistance relating to a friend/family member or other associate such as their landlord.
- Employees should not have any involvement in the handling / processing of any forms / documents relating to business rates accounts, council tax accounts or tenancies / leases of friends / family members or other associates, such as their landlord.
- Employees should not have any involvement in cash transactions or any other type of financial transactions that relate to friends / family members or other associates, such as their landlord.

9.10 Any employees found to be in breach of these controls will be subject to disciplinary proceedings.

9.11 The Council is committed to working and co-operating with other organisations to prevent organised fraud and corruption. This may involve the exchange of information with other organisations and data matching (in accordance with the Data Protection Act and General Data Protection Regulations 2018).

9.12 The Council will conduct other anti-fraud and anti-corruption measures as it sees fit where they are compliant with relevant legislation and/or regulations.

10. DETECTION AND INVESTIGATION

10.1 Whilst it is possible to reduce the potential for fraud within the Council, it is important to acknowledge that it is not possible to eradicate it. Therefore, it is essential that Members and employees are aware of what to do should they detect or genuinely suspect a fraud has or is taking place.

10.2 What should be reported?

Concerns which should be reported include, but are not limited to staff/Council Members/Associates or others committing or attempting to commit:

- Any dishonest or fraudulent act.
- Forgery or alteration of documents or accounts.
- Misappropriation of funds, supplies or other assets.
- Impropriety in the handling or reporting of money or financial transactions.
- Profiting from an official position.
- Disclosure of official activities or information for advantage.

- Accepting or seeking value from third parties by virtue of official position or duties.
- Theft or misuse of property, facilities, or services.
- Offering or receiving bribes.

External organisations' actions which should be reported include:

- Being offered a bribe or inducement by a supplier.
- Receiving fraudulent (rather than erroneous) invoices from a supplier.
- Reported allegations of corruption or deception by a supplier.

10.3 What happens if we are contacted by the press in relation to suspected or actual fraud, bribery, or corruption?

Any public statements or press releases regarding pending, current or completed investigations of financial impropriety, fraud, bribery and/or corruption should only be made through the Communications Manager and will be authorised by Chief Executive, Assistant Director, Resources (S151 Officer) or Executive Director, Central Services prior to release. Employees, Members and third parties of the Council should not make any public statement regarding suspected financial impropriety, fraud, bribery and/or corruption to avoid making libellous statements, or statements that may prejudice ongoing investigations or any subsequent disciplinary/legal action. Public or press requests for information should also be referred to the Communications Manager. The Communications Manager should optimise the publicity opportunities available to make employees and the public aware of the Council's commitment to taking action against fraud and corruption. As such any action taken relating to acts of fraud and corruption should, wherever possible, be reported in the press, as a deterrent to other potential offenders.

10.4 Alternatively, the Council's **Whistleblowing Policy** encourages and enables employees to raise any serious concerns. Employees who report their concerns in this way are afforded certain rights and protections under the Public Interest Disclosure Act 1998.

10.5 The preventative measures described in the previous section significantly reduce the risk of fraud and corruption but cannot eliminate it entirely. The operation of the internal controls in a system may alert employees to potential fraud. However, many frauds are discovered by chance or 'tip off'.

10.6 Financial Regulations require that whenever any matter arises which involves or is thought to involve financial or other irregularity, the relevant Executive Director/Assistant Director concerned must immediately notify the Assistant Director, Resources (S151 Officer), Monitoring Officer or the Audit Manager. Where a member of staff identifies a potential fraud or irregularity, they should

follow the guidance in the Council's Whistleblowing Policy and this policy. Reporting cases in this way is essential to this policy to ensure that:

- All suspected cases of fraud and corruption are investigated properly;
- There is a standard process for dealing with all suspected cases of fraud and corruption; and
- People and the Council's interests are protected.

10.7 Internal Audit will consult with the relevant Assistant Directors to decide on the type and course of investigations. Personnel staff will also be consulted and involved where appropriate in investigations, particularly where they may lead to disciplinary action. This will include referring cases to the Police where necessary. Internal Audit may also seek informal advice from the Police in the early stages of an investigation. Care will be taken to ensure that internal disciplinary procedures are followed but do not prejudice any criminal case.

10.8 Allegations of fraud will be assessed by the Internal Audit Manager or Senior Internal Auditor with the relevant Assistant Director, Assistant Director Resources (S151 Officer) and Executive Director, Central Services. The appropriate course of action will be agreed and if necessary, investigated by a suitably qualified senior member of staff independent of the area under suspicion or by a suitably qualified external person ("the investigating officer") appointed by the Assistant Director (or if they are the subject of the allegation, an Executive Director, the Chief Executive or Chair of the Audit Committee). Before making such an appointment, consultation may be undertaken with any member of the Executive Director Team, the Chief Executive, the Leader of the Council, the Chair of the Audit Committee, and any other person whom they consider appropriate. This may include staff from technical areas to provide specific insight into any relevant issues.

10.9 If the initial enquiry reveals that further investigation needs to take place, it may be necessary to preserve the available evidence. Evidence may take various forms and the way it should be handled is as follows:

- Original documents – these should be handled as little as possible and placed in a protective folder with only one person responsible for maintaining them in a secure/locked place.
- Computer held data – the computer should be secured, and the IT department consulted on how to best retrieve the data.
- Cash – where cash needs to be counted, this should be done so by the person responsible for it and their manager. A statement should then be signed to confirm a correct record of the amount.
- Video evidence – any video recording that could provide information of value should be secured so that it can be treated in accordance with the

Police and Criminal Evidence Act 1984 (PACE) Under no circumstances should it be viewed by anyone.

- 10.10 Progress on any fraud or corruption investigations will be reported to the Chief Executive/Leader of the Council who will report to the Leader of the Council and/or the Chair of the Audit Committee and any other person or organisation they consider appropriate under all the circumstances.
- 10.11 Allegations of fraud against Members which results in a complaint of misconduct under the Members' Code of Conduct will be dealt with in accordance with the codes of conduct established within the Localism Act 2011.
- 10.12 Where controls have been found to have not been followed or in the event that poor controls are identified as a contributing factor to fraud and corruption, these details will be captured as lessons learned and fed into the Fraud Risk Register and highlighted to the relevant Service areas by the Internal Audit Team in order to maintain a process of continuous improvement and to keep the Council's response to Fraud and Corruption dynamic.

11. DETERRENCE

- 11.1 The Council will seek the most appropriate sanction and redress against all those who commit fraud and/or corruption against the Council.
- 11.2 Where appropriate, and subject to our statutory obligations under data protection legislation, we will publicise details of criminal convictions and provide statistical information in relation to disciplinary action to deter others who may consider committing such offences themselves.
- 11.3 All managers have a responsibility for ensuring that control measures are in place to minimise the risk of fraud and ensure all staff are aware of these procedures. Where effective controls are in place there is less opportunity to commit fraud, which in turn acts as a deterrent.
- 11.4 It is essential that all Members and officers (including agency staff, volunteers, and contractors) adhere to the responsibilities set out within the "Roles and Responsibilities" section of this policy to assist in the deterrence of fraud and corruption.

12. SANCTIONS AND REDRESS

- 12.1 The strongest available sanctions will be pursued against all who commit fraud and/or corruption against the Council. This may include disciplinary action, prosecution, civil proceedings, or a combination of all. The decision to recommend any or all of these sanctions will be made on a case-by-case basis, having regard to the nature and extent of the fraud and evidence available.
- 12.2 At the conclusion of the investigation a report will be written, concluding on whether there is a case to answer. The final decision on the course of action to be taken will be made by the Executive Director/Assistant Director concerned. Any decision to refer the matter to the police will be taken jointly by the Assistant Director, Resources (S151 Officer), Executive Director, Central Services and the relevant Assistant Director of the service affected.
- 12.3 In cases of proven fraud, the Council will seek to recover any monies and will use all means available to recover these amounts. This can include freezing assets, Compensation Orders, Confiscation Orders, Civil Litigation, and general debt recovery according to the circumstances of the fraud.
- 12.4 Where a criminal conviction has been secured, the Council will seek a Compensation Order through the Courts and consider using the Proceeds of Crime Act 2002 to recover losses.
- 12.5 Concerns raised in good faith that turn out to be unfounded or cannot be proven will not result in any negative consequences for those who reported them. However, unfounded allegations made by Council Officers for malicious purposes may be referred to Personnel. Malicious allegations may constitute misconduct and have potential disciplinary consequences.

13. COLLABORATION

- 13.1 Arrangements are in place and will be maintained to facilitate joint working to enhance the counter fraud activity, and to liaise proactively with other organisations and agencies to assist in countering fraud, sharing resources, skills and learning, good practice and innovation, and information. Information will be exchanged as appropriate on national and local fraud and corruption activity and arrangements with external organisations including:
- The Police;
 - Other councils and housing associations;
 - Partner organisations to the Council;
 - The External Auditor;
 - The Local Government Ombudsman;
 - The Department for Work and Pensions (DWP);
 - The Cabinet Office;

- The National Anti-Fraud Network (NAFN);
- Other member organisations of the Norfolk FraudHub.

13.2 Through such arrangements the Council will also benefit from a range of appropriately skilled people from diverse counter fraud disciplines including, and beyond, investigation.

13.3 DATA MATCHING

The Council will undertake data matching exercises as appropriate for the purposes of identifying and reducing fraud and corruption.

Monthly data matching files and Real Time Information (RTI) are received from the DWP, and the information used to identify any incorrectness of a Housing Benefit or Council Tax Support claim.

The Council also takes an active part in the National Fraud Initiative (NFI) as organised by the Cabinet Office and the Norfolk FraudHub which involves Norfolk County Council and all District Authorities within Norfolk. These involve submitting data we hold in various departments of the Council for matching to data held by other organisations and other departments to identify discrepancies and following up promptly any highlighted matches returned that identifies anomalies that may be indicative of fraud or error. The use of intelligence information and data analytics in this way allows the Council to direct resources more efficiently and effectively, through identifying anomalous transactions or events for further investigation.

14. ANTI-FRAUD AND ANTI-CORRUPTION CULTURE

14.1 In order to tackle fraud and corruption effectively, the Council aims to develop and maintain an anti-fraud culture which maximises the engagement of all Members, employees, contractors, and partners of the Council. We all have a collective responsibility to have an awareness of fraud and corruption, and should consider the following five Fraud and Corruption Principles:

1. **There is always going to be fraud**
It is a fact that some individuals will look to make gain where there is opportunity, and the Council needs robust processes in place to prevent, detect and respond to fraud and corruption.
2. **Finding fraud is a good thing**
If you do not find fraud you cannot fight it. The identification of fraud should be viewed as a positive and proactive achievement.
3. **There is no one solution**

Addressing fraud needs a holistic response incorporating detection, prevention, and redress, underpinned by a strong understanding of risk. It also requires cooperation between organisations under a spirit of collaboration.

4. **Fraud and corruption are ever changing**

Fraud, and counter fraud practices, evolve very quickly and the Council must be agile and change its approach to deal with these evolutions when the need arises.

5. **Prevention is the most effective way to address fraud and corruption**

Preventing fraud through effective counter fraud practices reduces the loss and reputational damage (although this can be difficult to measure). It also requires less resources than an approach focused on detection and recovery.

14.2 This policy recognises that the Council should strive for a culture and tone of honesty, and opposition to fraud and corruption.

14.3 There is an expectation and requirement that all individuals, businesses, and organisations dealing in any way with the Council will act with high standards of probity, openness and integrity and that Council Members, employees or its agent(s) at all levels will lead by example in these matters.

14.4 The Secretary of State has specified the general principles which are to cover the “conduct of members and co-opted members”. The Council will develop its working behaviour around these principles.

14.5 The “Council’s Codes of Conduct for Members and Employees” sets out an approach to work that is honest, fair, accountable and, as far as possible, transparent. Members and employees must act in line with the codes at all times.

14.6 The Council’s employees are a vital element in its stance against fraud and corruption, and they are positively encouraged to raise any concerns that they may have.

14.7 All information supplied will be dealt with fairly, confidentially and in line with the Council’s internal sets of procedures and data protection legislation. Data protection legislation refers to the Data Protection Act 2018 and General Data Protection Regulations (UK GDPR).

14.8 Assistant Directors are expected to deal firmly and quickly with those who are corrupt, who seek to corrupt, who defraud, or who seek to defraud the Council.

Cases involving staff will usually lead to disciplinary action, which may result in dismissal. Where there is prima facie evidence that a criminal offence has been committed internally it is the policy of the Council to refer cases to the Police.

- 14.9 There is a need to ensure that any investigative process is not misused and, therefore, any abuse, such as raising unfounded malicious allegations, may be dealt with as a disciplinary matter.
- 14.10 In relation to complaints involving Members, Internal Audit will consult the Monitoring Officer on whether or not the complaint falls within the scope of the “Members’ Code of Conduct” and if so, what further steps (if any) should be taken.
- 14.11 The Standards Committee includes amongst its roles and functions the promotion and maintenance of high standards of conduct by Members, assisting Members to observe the “Members’ Code of Conduct” and the monitoring and operation of the “Member’s and Officer’s Codes of Conduct”. The Audit Committee maintains an overview of Internal and External Audit in relation to the “Member’s Code of Conduct” and an overview of the “Whistleblowing Policy”.

14.12 TRAINING AND AWARENESS

The Council recognises that an important aspect of its Anti-Fraud and Anti-Corruption Policy is the general awareness and responsiveness of employees and Members throughout the Council. To facilitate this, the Council supports the concept of induction and training in anti-fraud awareness, particularly for employees involved in internal control systems. All employees are made aware of the Anti-Fraud and Anti-Corruption Policy via various channels of communication e.g., service team briefings and the Intranet (InSite). In addition, a copy of this document is distributed to all Service Managers.

The Council will seek via appropriate publicity to increase and maintain the general public’s awareness of the facilities available to report concerns about fraud and corruption. A copy of this policy will also be made available to the general public on the Council’s website.

The investigation of fraud and corruption is carried out in consultation with Services by the Council’s Internal Audit Team whose skill base in investigative techniques is maintained by appropriate training.

- 14.13 Specific fraud awareness training is available to employees and members in e-learning format. Awareness training for line managers is mandatory to ensure their teams are aware of their responsibilities as highlighted within this policy.

14.14 The Internal Audit department will ensure it maintains an understanding of fraud and corruption, and how it is evolving, and be responsible for the Council's response, this will help to develop future fraud and corruption awareness training and communications across the Council, it's LATCs and our partners and contractors.

15. HOW THE COUNCIL WILL PREVENT FRAUD AND CORRUPTION

15.1 The Council has a dedicated resource to counter fraud (including corruption) within the Internal Audit team that undertakes a range of counter fraud work appropriate to the fraud risks that have been identified by the Council. The resource includes accredited counter fraud specialist(s), with a working knowledge of ethical practices and due process. The Internal Audit team investigate cases of fraud and corruption in consultation with service areas affected.

15.2 Counter Fraud staff will attend regular refresher courses to ensure they are abreast of new developments and legislation. Where staff have roles that include delivering fraud controls, the Council will also ensure they are suitably trained, and understand the controls they operate.

15.3 The Council will seek via appropriate publicity to increase and maintain the general public awareness of the facilities available to report concerns about fraud and corruption.

15.4 Advice and guidance on how to pursue matters of concern may be obtained by contacting the Council's Customer Information Centre on 01553 616200 who can then direct queries to the following persons:

- Chief Executive
- Assistant Director, Resources (S151 Officer)
- Monitoring Officer
- Policy, Performance & Personnel Manager
- Audit Manager
- Senior Internal Auditor

16. EQUALITIES IMPLICATIONS

16.1 This policy is considered to have no equalities implications.

17. REFERENCE DOCUMENTS

17.1 This policy outlines the Council’s approach to fighting fraud and corruption; it links in closely to the over-arching national strategy “Fighting Fraud and Corruption Locally, 2020 Standards”.

17.2 Other Council documents that should be considered along with this document are:

- The Whistleblowing Policy
- The Anti-Money Laundering Policy
- The Regulation of Investigatory Powers Act 2000 (RIPA) Policy
- Revenues & Benefits Service Penalty and Prosecution Policy
- Members Code of Conduct
- Officers’ Code of Conduct

18. VERSION CONTROL

Policy name		Anti-Fraud & Anti-Corruption Policy		
Policy description		This policy outlines that the Council as a large organisation is at risk of loss due to fraud and corruption both internally and externally. This policy sets out the approaches the Council uses to manage the risk of fraud and corruption and minimise the losses incurred. Its purpose is to clarify to Members, employees, the general public and other organisations what the Council’s policy and approach is and how the Council intends to meet its responsibilities relating to fraud and corruption, whether attempted internally or externally.		
Responsible Officer		Jamie Hay, Senior Internal Auditor		
Version number	Date formally approved	Reason for update	Author	Review date
1.0	08/07/21	To replace the previous Anti-Fraud and Corruption strategy with a Policy document and review it against new and emerging risks as well as national strategy.	Jamie Hay	November 2023
1.1		To amend titles / officers with roles within the policy due to personnel	Jamie Hay Laura Botten	December 2025

		changes and confirm the policy remains up to date with national strategy / legislation. To also include details of further controls and anti-fraud/anti-corruption activities undertaken across the organisation, including by Financial Services and Procurement.		
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Appendix 1

FRAUD RISKS FACED BY THE COUNCIL

The fraud risks that the Council face include (but are not limited to):

All Service Areas/Corporately

- Commissioning of Services, including joint commissioning, joint ventures, commercial services, and partnerships with voluntary organisations involving risk of conflicts of interest, collusion, etc.
- False payment of grants, loans, or other financial support to any private individual or company, charity, or non-governmental organisation.
- False identity/fictitious persons applying for services/payments.
- Where an officer receives an email purporting to be from a senior officer requesting an urgent payment is made to a specified account.
- Exposure to suspect transactions (including money laundering).
- Cartels and organised crime groups (OCGs) increase prices by reducing or removing competition. OCGs can fraudulently obtain social housing or taxi licensing, make fraudulent benefit claims, or use Council services to launder criminal proceeds.
- The introduction of corporate criminal offences under the Criminal Finances Act 2017 introduces a strict liability for failing to prevent the facilitation of tax evasion by an associate of the Council, such as an employee or contractor. For example, a Council employee conspires with a supplier to falsify the amount paid on an invoice so that the supplier can evade paying income or corporate taxes. The Council will need to ensure that risks are identified and that procedures proportionate to those risks have been implemented.
- Bribery, excessive gifts, and hospitality.
- Secretive lobbying.
- Conflicts of interest.
- Theft of cash, assets, or other items such as data/information.
- Work not carried out, funds diverted, ineligibility not declared.

Care & Repair

- Fraudulent applications for adaptations/disabled facilities grants to homes aimed at the disabled.

Financial Services

- Where the Council receives a telephone call, email or letter purporting to be from a supplier requesting that their bank account details are amended.
- False claims, including slips and trips.

Housing and Tenancy Related

- Fraudulent applications under the right to buy/acquire.
- False applications for assistance with housing requirements.
- Fraudulent applications for housing or successions of tenancy and subletting of the property. Local Authorities have the powers and jurisdiction to investigate tenancy fraud offences relating to social housing (including on behalf of Housing Associations) under the Prevention of Social Housing Fraud Act 2013.

ICT

- Based upon Freedom of Information requests sent to 426 councils across the UK it was identified by Gallagher that 2,274,188 attempted cyber-attacks were reported by UK councils during 2022. This is 14% more than the 1,996,204 attempted cyber-attacks reported by UK councils in 2021 in the same FOI request.
- Cyber criminals may target council systems to gain access to sensitive financial information or manipulate transaction records to disguise money laundering activities.
- High-risk breaches of GDPR because of cyber criminality could result in penalties of up to £17.5million or 4% of annual turnover being imposed by the Information Commissioner's Office (ICO).

Payroll

- False ("ghost") employees, fraudulent overtime and expenses claims.
- Claiming sick leave while doing another paid job.
- Pay rate falsification.

Planning

- Relating to Section 106 Agreements and Community Infrastructure Levy (CIL) payments.

Procurement

- Number of potential procurement frauds, such as contract and tendering issues, split contracts, double invoicing, fake invoice fraud, supplier collusion and bid rigging, mandate fraud etc.

Revenues & Benefits

- Fraudulent applications for exemptions and reliefs (such a Small Business Rate Relief), unlisted properties (i.e., hereditaments that have not been appropriately registered for billing purposes).
- Fraudulent applications for and/or failure to report changes affecting discounts and exemptions (such a Single Person Discount, Student Disregards, Zero Occupancies and second home discounts, etc.).

- Fraudulent applications for and/or failure to report changes affecting Council Tax Support claims (such as undeclared partner's and/or other household members, undeclared income, undeclared capital, property, savings and/or investments).

Appendix 2

LEGAL FRAMEWORK AND RELEVANT LEGISLATION

- 1.1 Local Authorities have a statutory duty under Section 151 of the Local Government Finance Act 1972 to make arrangements for the proper administration of their financial affairs. This includes the prevention, detection and deterrence of fraud and corruption.
- 1.2 There are also statutory requirements set out by the Fraud Act 2006, the Bribery Act 2010 and the 1968 Theft Act as set out in Section 2 (Definitions).
- 1.3 Alongside the offence legislation there are also other relevant pieces of legislation that govern the code of conduct in terms of investigation of offences:

Human Rights Act 1998 (HRA) and the European Convention on Human Rights (ECHR)

The Human Rights Act 1998 (HRA) applies to all public authorities. It incorporates the Articles contained in the European Convention on Human Rights (ECHR) into domestic law, making it unlawful for public bodies, to act in a way which is incompatible with the Convention. Paragraph 1 of Schedule 1 to the HRA lists the Articles under the ECHR. Those listed below are those most relevant to operational policing (investigating) and include the following rights:

- Article 1 Protection of property
- Article 2 Right to life
- Article 3 Prohibition of torture
- Article 4 Prohibition of slavery and forced labour
- Article 5 Right to liberty and security
- Article 6 Right to a fair trial
- Article 7 No punishment without law
- Article 8 Right to respect for private and family life
- Article 9 Freedom of thought, conscience, and religion
- Article 10 Freedom of expression
- Article 11 Freedom of assembly and association
- Article 12 Right to marry
- Article 14 Prohibition of discrimination.

Criminal Procedure Investigation Act 1996 (CPIA)

CPIA outlines the disclosure requirements for criminal investigations where persons are charged with a summary offence, indictable offence or one that is triable either way. CPIA further defines a criminal investigation and outlines the codes of practice for any investigation.

Police and Criminal Evidence Act 1984 (and the Codes of Practice) (PACE)

PACE sets out the balance between the powers of the police (or in terms of the Council, its investigating officers) and the rights and freedoms of the public. The PACE codes of practice cover:

- Stop and search
- Arrest
- Detention
- Investigation
- Identification
- Interviewing

The Regulation of Investigatory Powers Act 2000 (RIPA) and the Investigatory Powers Act 2016 (IPA)

RIPA and IPA relate to the use of covert surveillance techniques, such as:

- Directed surveillance,
- Covert human intelligence sources; and
- The acquisition of communications data.

The Council has a separate policy regarding this known as “The Regulation of Investigatory Powers Act 2000 (RIPA) Policy”.

The Data Protection Act 2018 (DPA) and the General Data Protection Regulations (GDPR)

In terms of investigations and anti-fraud and anti-corruption, DPA and GDPR govern how personal information/data and other sensitive data is recorded, retained, and revealed. DPA and GDPR contain provisions of certain exemptions which can be used:

- For the purposes of the prevention and/or detection of crime (including fraud and corruption);
- The assessment and/or collection of any tax or imposition of a similar nature, and;
- For the apprehension and/or prosecution of offenders.

Appendix 3

MEASURING IMPACT

- 1.1 The Council has adopted the Cabinet Office's national "Report Calculations" for measuring fraud loss where appropriate and uses local calculation methodologies where it feels local weighting should be applied and to furthermore enable the Council to be consistent with other member local authorities of the Norfolk FraudHub. As such, the Council will calculate fraud using the most up to date procedures and best practice.
- 1.2 Fraud and Error Reports are presented by Internal Audit to the Audit Committee on a half-yearly basis, to show how the Council is performing against the Anti-Fraud & Anti-Corruption Policy, the effectiveness of the policy and how the Council measures against the national counter-fraud standards (as set out within this policy document and the Fighting Fraud & Corruption Locally 2020 standards), including where appropriate details of corrective action where standards have not been met. The reports will include details of the level of fraud loss and will support a communication programme to publicise fraud and corruption cases.
- 1.3 The Council will conduct internal audits as part of the "Internal Audit Plan" that will review the effectiveness of the Council's Anti-Fraud and Anti-Corruption Policy, as well as periodic evaluations to provide objective feedback on the effectiveness of the investigation process. Internal Audit reviews consider any potential fraud risks which may exist within the subject area being reviewed, and where potential fraud risks exist, the mitigating controls will be identified and assessed. Periodic reviews will also be undertaken of policies, strategies and procedures surrounding anti-fraud and corruption.

REPORT TO CABINET

Open (Appendix 2 exempt)		Would any decisions proposed:			
Any especially affected Wards	Mandatory	Be entirely within Cabinet's powers to decide		NO	
	Discretionary /	Need to be recommendations to Council		YES/ NO	
	Operational	Is it a Key Decision		YES/ NO	
North Lynn					
Lead Member: Cllr Beales E-mail: cllr.alistair.beales@west-norfolk.gov.uk			Other Cabinet Members consulted: Leader and Deputy Leader		
			Other Members consulted: Cabinet		
Lead Officer: David Ousby E-mail: david.ousby@west-norfolk.gov.uk Direct Dial:01553 616505			Other Officers consulted: Executive Directors, Chief Executive, Monitoring Officer, S151 Officer		
Financial Implications YES/ NO	Policy/ Personnel Implications YES/ NO	Statutory Implications YES/ NO	Equal Impact Assessment YES/ NO If YES: Pre-screening/ Full Assessment	Risk Management Implications YES/NO	Environmental Considerations YES/ NO
If not for publication, the paragraph(s) of Schedule 12A of the 1972 Local Government Act considered to justify that is paragraph 3 (Appendix 2)					

Date of meeting: 6th February 2024

LYNNSPORT 1 (VALENTINE PARK) DEVELOPMENT UPDATE**Summary**

An update on the Lynnsport 1 development, seeking final approval to proceed with the scheme.

RecommendationCabinet Resolves:

1. To proceed with the Lynnsport 1 development to deliver 96 homes with Lovell Partnership Limited (LPL) under the Major Housing Partnership Development Management Agreement (30 April 2015).
2. That the Executive Director (Place), in consultation with the Portfolio Holder for Business and Monitoring Officer be given delegated authority to approve the final terms of a Project Partnering Contract (PPC) 2000 with LPL to deliver this project.
3. That the Council shall dispose of the properties in accordance with the tenure mix as set out in Table 2 of the report. In line with the corporate strategy.
4. Pending the transfers referred to at resolution 3 above, the affordable and private rented tenures may be leased to WNHC and WNPL respectively.

Recommendation to Full Council

5. To approve the Capital budget estimate as detailed in section 5 and appendix 2 of the report.

Reason for Decision

- Deliver housing of a range of tenures to meet local needs
- To deliver on Council Corporate Objectives:
 - Promote growth and prosperity to benefit West Norfolk;
 - Protect our environment;
 - Efficient and effective delivery of our services; and,
 - Support our communities.
- To deliver affordable and private rented (PRS) housing for acquisition by the council's wholly owned housing companies to support the delivery of council corporate objectives.

1. BACKGROUND

- 1.1. This site is the last of the Lynnsport housing sites following the successful completion of Cowper Place (Lynnsport 3), and Dewside (Lynnsport 4 & 5), and the latest scheme being delivered as part of our Major Housing Programme delivered through a Development Management Agreement (DMA) with Lovell Partnerships.
- 1.2. The latest approved planning consent (21/00855/FM) permits the development of 96 homes. This is a revision of the designed and consented scheme of 82 homes (16/02227/FM), improving the layout with a more efficient use of space. This has improved the Borough Council's ability to deliver the maximum amount of housing, and therefore, improve the viability of the scheme without impacting on its overall quality.
- 1.3. The land has been under the council's ownership for over 70 years. This is a King's Lynn allocated site, under Policy E.1.7
- 1.4. Prior to their relocation as part of an earlier phase of the Major Housing Programme, the site was used as a hockey pitch. It currently serves as a compound and site offices for Lovell's operations within the town, associated with Borough Council projects.
- 1.5. The reason for prioritising other Lynnsport schemes in advance, thus leaving Lynnsport 1 for later, was the need to construct the Lynnsport Way and Greenpark Avenue links, now successfully built and under the adoption process with the Norfolk County Council (NCC). The Lynnsport 1 scheme and the delivery of housing was one of the outputs that supported the New Anglia Local Enterprise Partnership's funding of the scheme.
- 1.6. The scheme will provide affordable dwellings. This is in line with the Council's policy of 15% 'tenure blind' affordable housing homes in King's Lynn. The remaining 85% of homes will be a mixture of for sale and private rented (PRS), representing 65% and 20% of the properties, respectively.
- 1.7. It is proposed that the Affordable and PRS housing will be disposed to and managed by the council's wholly owned companies: West Norfolk Housing Company (WNHC) and West Norfolk Property Ltd (WNPL), respectively.

1.8. Lovell Partnership Ltd (LPL) are currently engaged to undertake all necessary pre-development under our existing Development Management Agreement (30 April 2015). To proceed with construction works the council is required to enter a Project Partnering Contract (PPC 2000).

2. PROGRESS TO-DATE

2.1. A Section 106 agreement for the site has been agreed and entered by all necessary parties. Pre-commencement planning conditions have been either submitted or are under preparation to be submitted for discharge prior to works commencing.

2.2. Detailed design development has been progressed including house designs, utility infrastructure designs, and highways designs.

2.3. Utility companies have been engaged and necessary applications/ sectional agreements have been progressed.

2.4. Lovell Partnerships Ltd undertook an exercise with the local Academy Trust, West Norfolk Academies Trust to select a marketing name to the development. The name "Valentine Park" was selected after John Sutherland Valentine, engineer for the railway line between King's Lynn and Hunstanton, which once ran adjacent to the proposed development site.

2.5. Lovell have undertaken a full financial adjudication of the site outlining all anticipated risks, costs, income sources, and grant funding opportunities. Their cost estimate is included in the **Error! Reference source not found.** (Appendix 2).

2.6. Designs, investigations, and other due diligence have therefore progressed to a point in which development can commence and start on site.

3. OPTIONS CONSIDERED

3.1. The original application (16/02227/FM), which has now lapsed, proposed to deliver 82 homes, as per breakdown shown on Table 1 below:

<i>Table 1 - Tenure distribution on original application</i>		Bedrooms			
		2	3	4	Total
Tenure	Open Market	15	36	19	70
	Affordable Rent	8			8
	Shared Ownership		4		4
	Total	23	40	19	82

3.2. The current application (21/00855/FM), proposes to deliver 96 homes, as per breakdown shown in table 2 below:

<i>Table 2 - Tenure distribution on current application</i>		Bedrooms				
		1	2	3	4	Total
Tenure	Open Market		11	30	22	63

Affordable Rent	6	4			10
<i>First Home</i>		2	1		3
Shared Ownership			1		1
<i>Private Rental</i>		9	10		19
Total	6	26	42	22	96

3.3. The benefit of the current scheme is that it is designed to:

- minimise resource consumption
- maximise design quality
- improve construction quality and efficiency
- increase social inclusion and participation
- improve quality of life, and
- achieve long-term economic viability

3.4. **Tenures:**

Two new tenures have been added (First Homes & Private Rental);

Affordable Housing Provision:

- . The development will deliver 14 affordable homes (15% of the total, split into Affordable Rent, First Homes and Shared Ownership) First Homes are discounted homes for first time buyers who meet certain eligibility criteria. The discount, eligibility criteria and terms of use are secured by a Section 106 agreement The affordable rent and shared ownership homes are intended for the council's wholly owned Affordable Housing Company (WNHC); the establishment of which was approved by Cabinet on 28th June 2016.

Private Rented Units (PRS):

- The development will deliver 19 private rented homes (20% of the total) for the council's wholly owned Private Rented Housing Company (WNPL). The retention for private rent of a minimum of 20% of the housing units developed by the council on large urban sites over 50 units was approved by Cabinet on 8th January 2019 ,and it is also in line with current Housing Needs Assessment .
- The potential for this site to deliver additional PRS homes is limited by the number of available plots that would be suitable for conversion from open market sale to private rent. The council can reserve an option to lease some of the properties intended for open market sale to West Norfolk Property Limited for PRS lettings, depending on market conditions and demand. Recommendations on the mechanism for transferring the properties to the wholly owned housing companies has been made to Cabinet on 15th January 2024

3.5. **Environmental enhancement items:**

Cabinet agreed the Climate Change Strategy and Action Plan at its meeting on 21st September 2021. The Lynnsport 1 project will support the Strategy by investing in environmental benefits. These include:

- “EV-ready” charging points for all properties (ducting and cabling installed in preparation for home buyer);
- Enlarged windows to enhance natural daylight;
- Maximisation of Solar PV throughout the scheme – 30 Units;
- Air Source Heat pumps throughout, in lieu of gas central heating;
- Thermal efficiency / insulation above Building Regulations requirements.

4. POLICY IMPLICATIONS

4.1. The site will help deliver on a range of the council’s priorities and objectives, in accordance with the Corporate Strategy 2023-2027:

Promote growth and prosperity to benefit West Norfolk:

- Increase the number of good quality new homes and associated infrastructure built through direct provision by working with registered social landlords and private sector developers, by delivering this allocated site, including the delivery of the council’s Affordable Housing in line with the King’s Lynn & West Norfolk Housing Needs Assessment (2020).

Protect our environment:

- Lead by example by reducing our own carbon emissions and considering our impact on the climate with all our projects and initiatives. The environmental enhancements included within the design of the scheme will help to deliver on the council’s commitment to be carbon neutral by 2035.

Efficient and effective delivery of our service:

- Provide value for money through efficient and effective service delivery, as well as focus our capital expenditure on priority areas.

Support our communities:

- Promote and maintain attractive public open spaces across the borough for all to enjoy and that are accessible, as well as promote active lifestyles and clean travel options, both within the site and by connecting surrounding neighbourhoods to green travel corridors throughout the town. This will in turn help to improve the health and wellbeing of our communities.

5. FINANCIAL IMPLICATIONS

5.1. The table in (exempt) appendix 2 sets out the current cost estimate against the initial budget figures provided by Lovell in their 2015 DMA estimate. Some of the principal cost changes are as follows:

- **Revenues**

- The initial 2016 application was revised, and a new application submitted in 2021, increasing the number of dwellings from 82 to 96. The initial 2015 appraisal of 112 homes was found not to be achievable.
- Market sales values have increased by 50% over the period¹
- The First Homes are a new form of 'affordable housing' and are sold at 70% of OMV.

- **Costs**

- General building cost inflation over the period has been 40%²
- Abnormal costs not factored into the 2015 viability, principally ground stabilisation and earthworks, is estimated to cost £3.2m
- Around £405k is the abortive costs of the previous planning consent
- The environmental enhancements that will be delivered, over and above Building Regulations, will cost around £250k

5.2. The current Capital Budget for the project is £20,816,539, including historical spend. This report seeks approval to increase the Capital budget to £24.38m.

5.3. Overall, scheme costs have risen due in part to inflation, but also the challenging ground conditions within King's Lynn, and these have been partially offset by house price inflation. The development costs are consistent with those experienced on recent developments (Nar Valley Park, Salters Road) and estimated (Florence Fields), as evidenced in the council's cost consultant report GBA associates.

5.4. The change between the initial appraisal in the 2015 DMA and the current valuation and revised Capital Programme are shown in appendix 2.

5.5. The total capital spend to date (including £130k received from NCC for land to build the Greenpark Academy) is £1.095m, as detailed in table 3 below:

¹ Nationwide Building Society

² Source: Office for National Statistics - Construction Output Price Indices

Table 3 – spend to date

Lynnsport 1 spend to date (October 2023)		£,000
BCKLWN direct costs		(125)
CIL / S106		(2)
Corporate project team overheads - including GBA fees		(142)
Lovell DMA fees		(939)
NCC contribution for land, Greenpark Academy		130
offsite contributions		(13)
Total costs to date		(1,095)

5.6. S106 Commitments

The Lynnsport 1 project has generated £61,982 in S106 funding detailed in 4 below, which have been invested in off-site provisions:

Table 4 - S106 Commitment Items

Item	£
Improvements to Lynnsport Neighbourhood Equipped Area of Play (NEAP)*	39,502
Habitats Monitoring and Mitigation Strategy Contribution	5,280
The River Gaywood Restoration Contribution – Rivers Trust Enhancement (HLF Project)*	10,000
Increasing capacity of local libraries service	7,200
Total	61,982

* Undertaken as part of original Lynnsport planning application (16/02227/FM), but costs transferred to these proposals.

6. PERSONNEL IMPLICATIONS

6.1. The scheme will be delivered by the Corporate Projects team, using the Major Housing Contract with LPL. As a result, there are no personnel implications.

6.2. Staff costs and other overheads are included within the council's revenue budget and are not separately capitalised.

7. ENVIRONMENTAL CONSIDERATIONS

Environmental considerations, as Photovoltaic Solar Panels, Air Source Heating, Electric Car Charging, and other environmental technologies are core to the site's design approach, as outlined in sections 4.4 above.

8. STATUTORY CONSIDERATIONS

8.1. The statutory authority for the proposal is contained in S1 of the Localism Act 2014 and S12 and S95 of the Local Government Act 2003.

8.2. This report complies with the Terms and Conditions of the council's contract with Lovell for the Major Housing Project.

9. EQUALITY IMPACT ASSESSMENT (EIA)

No relevant impacts, as per Pre-Screening Equality Impact Assessment, on page 10.

10. RISK MANAGEMENT IMPLICATIONS

The main risks associated with proceeding with the development are as follows:

- Market values fall;
- Market values fail to increase as expected;
- Cost increase more than anticipated;
- Higher than anticipated interest rates;
- Borrowing requirement to fund the development phase.

Table 5 below presents the risk assessment for this scheme:

Table 5 Risk items	Risk Implications and Sensitivity	Level of Risk														
Market values fall	<p>Risk</p> <p>In terms of market values, these are anticipated to fall by 3.5% in 2024, with an overall growth of 16.7% in the 5 years to 2028³.</p> <p>Sensitivity/Consequences</p> <p>The sales valuations are based on current market values, which have fallen by 1.8% over the 12 months to December 2023⁴. The first open market sales on this site are due in Q2 2025, by which time Market values are forecast to have recovered, with further growth expected into 2026 as the scheme reaches completion.</p> <p>MAINSTREAM CAPITAL VALUE FORECAST</p> <table border="1"> <thead> <tr> <th></th> <th>2024</th> <th>2025</th> <th>2026</th> <th>2027</th> <th>2028</th> <th>5 years to 2028</th> </tr> </thead> <tbody> <tr> <td>East of England</td> <td>-3.5%</td> <td>3.0%</td> <td>4.5%</td> <td>6.5%</td> <td>5.5%</td> <td>16.7%</td> </tr> </tbody> </table>		2024	2025	2026	2027	2028	5 years to 2028	East of England	-3.5%	3.0%	4.5%	6.5%	5.5%	16.7%	Medium
	2024	2025	2026	2027	2028	5 years to 2028										
East of England	-3.5%	3.0%	4.5%	6.5%	5.5%	16.7%										
Market values fail to increase as expected	<p>Risk</p> <p>The anticipated growth over the 5 years to 2028 does not materialise- property prices either stagnate or fall in real terms</p> <p>Sensitivity/Consequences</p> <p>Housing markets are cyclical, but demand for housing remains strong. The council will retain the option of transferring properties from the open sales market into the private rented market to mitigate this risk.</p>	Low														
Higher than	Risk	Low														

³Savills Residential Property Market Forecasts, January 2024

⁴ Nationwide House Price Index, January 2024


Table 5 Risk items	Risk Implications and Sensitivity	Level of Risk
anticipated interest rates	<p>Mortgage interest and Public Works Loan Board (PWLB) rates continue to increase impacting on the affordability of the scheme</p> <p>Sensitivity/Consequences</p> <p>Markets are currently pricing a Bank of England(BoE) base rate cut to 4% by the end of 2024 with no further increases anticipated, and rates remaining at this level until core inflation is seen to fall within acceptable parameters. BoE Base rate changes have an impact on PWLB rates. Opportunities for temporary leasing or temporary borrowing will be explored to mitigate this in the interim.</p>	
Borrowing requirement to fund the development phase	<p>Risk</p> <p>Council is required to use PWLB borrowing to support the development of the scheme, and to fund the purchase of properties for the wholly owned companies</p> <p>Sensitivity/Consequences</p> <p>The peak debt during the development phase is around £15m, due to cash inflows from sales offsetting expenditure, with the net position at the end of the development near neutral. The council will explore opportunities to mitigate the cost of debt through debt/equity and leasing arrangements</p>	Low
Cost increase more than anticipated	<p>Risk</p> <p>Build costs exceed the contingencies allowed for within the Lovells contract price, and/ or other unknown additional / abnormal costs materialise.</p> <p>Sensitivity/ Consequences</p> <p>Tender price inflation has been built into the contract estimates, provided by Lovell, and these have been scrutinised by the council's own cost advisors. Costs will be monitored, updated and reported on frequently in order to ensure corrective action can be taken as required.</p>	Medium

11. DECLARATIONS OF INTEREST / DISPENSATIONS GRANTED

None

12. BACKGROUND PAPERS

Major Projects Cost Analysis Report, February 2023 – G Baxter Associates

Question	Answer	Comments			
Pre-Screening Equality Impact Assessment		Borough Council of King's Lynn & West Norfolk			
Name of policy/service/function	Lynnsport 1				
Is this a new or existing policy/service/function?	New Existing (delete as appropriate)				
Brief summary/description of the main aims of the policy/service/function being screened. Please state if this policy/service is rigidly constrained by statutory obligations.	The creation of 96 new homes, of which: 15% Affordable (14 units); 20% Private Rental (19 units); 65% Private Sale (64 units). No				
Question	Answer				
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? Please tick the relevant box for each group. NB. Equality neutral means no negative impact on any group.		Positive	Negative	Neutral	Unsure
	Age			√	
	Disability			√	
	Gender			√	
	Gender Re-assignment			√	
	Marriage/civil partnership			√	
	Pregnancy & maternity			√	
	Race			√	
	Religion or belief			√	
	Sexual orientation			√	
	Other (e.g., low income)			√	

Appendix 1 - Site Plan/ Proposed Design



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