

BOROUGH COUNCIL OF KING'S LYNN & WEST NORFOLK

CABINET

**Minutes from the Meeting of the Cabinet held on Tuesday, 30th July, 2024
at 6.00 pm in the Council Chamber, Town Hall, Saturday Market Place,
King's Lynn PE30 5DQ**

PRESENT: Councillor A Beales (Chair)
Councillors B Anota, M de Whalley, C Morley, S Ring, J Rust, S Squire

Apologies for absence were received from Councillor J Moriarty

CAB20 **MINUTES**

RESOLVED: The Minutes of the meeting held on 11 June 2024 were approved as a correct record and signed by the Chair.

CAB21 **URGENT BUSINESS**

None

CAB22 **DECLARATIONS OF INTEREST**

Lorraine Gore declared a non pecuniary interest in the Alive West Norfolk item as a Council appointed Director of Alive West Norfolk.

CAB23 **CHAIR'S CORRESPONDENCE**

None

CAB24 **MEMBERS PRESENT UNDER STANDING ORDER 34**

Councillor A Ware attended under standing order 34.

CAB25 **CALLED IN MATTERS**

No matters had been called in.

CAB26 **FORWARD DECISIONS**

The Forward Decisions list was noted.

CAB27 **MATTERS REFERRED TO CABINET FROM OTHER BODIES**

The following items were submitted to the Cabinet from the Panels, all of which had been supported by them.

Environment and Community Panel – 16 July 2024

EC19: Cabinet Report- Homelessness and Rough Sleeping Strategy (to be included with the forthcoming report)

EC20: Cabinet Report- Alive West Norfolk Arrangements

Corporate Performance Panel – 17 July 2024.

CP23: 2023-2024 Full Year Performance Management Report

CP24: Productivity Plan

CP29: Cabinet Report – Revenue Outturn 2023-2024

CP30: Cabinet Report – Capital Outturn – 2023-2024

Regeneration and Development Panel – 23 July 2024

RD25: Cabinet Report – Guildhall RIBA Stage 4 Options

CAB28 **AUDIT COMMITTEE CHAIRS REPORT TO COUNCIL 2023-24**

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Cabinet considered the Chair of Audit Committee's Annual report to Audit Committee which was submitted on 24 June 2024. It is now presented to Cabinet for onward recommendation to Council.

The Chair thanked the Audit Committee for its work.

RECOMMENDED: That the Annual report of the Chair of Audit Committee be noted and passed for consideration by Council

Reason for Decision

It is good practice for the Audit Committee to report on its work.

CAB29 **PRODUCTIVITY PLAN**

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The Leader presented the Council's Productivity Plan report. He explained that the document had been submitted to Ministry for Housing Communities and Local Government (MHCLG) in time for their deadline, subject to approval by Cabinet.

The Governance Manager explained that the report had been drafted in response to the Productivity in Local Government request from the Department for Levelling Up, Housing and Communities (DLUHC) now MHCLG. The plan required Member approval and had to be submitted to DLUHC and published on the Council's website by 19 July 2024. Due to meeting arrangement constraints, it was submitted to DLUHC, subject to final approval by Cabinet. She also explained that the Plan and the questions it raised was a mechanism to be able to talk to Government about the issues.

Councillor Squires asked that the following wording be included at the end of paragraph 2.2.1 of the Plan: "The council will review how waste services are delivered in the future, to transform design and delivery to materialise proper gains and maximise flexibility to meet the needs of residents". The amendment to the Plan was agreed.

In response to a question regarding receiving feedback from Government on the content, the Governance Manager confirmed she would liaise with the LGA on this as all local authorities were in the same position.

Councillor Morley suggested the amended Plan be forwarded to the Council's two MPs for their information and use. This was supported.

RESOLVED: That the Productivity Plan, as amended to include at the end of 2.2.1 "The council will review how waste services are delivered in the future, to transform design and delivery to materialise proper gains and maximise flexibility to meet the needs of residents", be approved for submission to MHCLG.

Reason for Decision

To ensure that the Council complies with the requirements set out by MCHLG to produce a Productivity Plan.

CAB30 **2023-24 FULL YEAR PERFORMANCE MANAGEMENT REPORT**

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The Leader presented the Performance Management report which was produced to update Cabinet on progress against the Council's Corporate Strategy and key performance indicators. He drew attention to the debate on the item at the Corporate Performance Panel meeting.

The Corporate Performance Officer informed Members that the report contained information on progress made against key actions and indicators up to 31 March 2024.

She explained that there were 38 actions in place to monitor performance against the Council's Corporate Strategy. The report

confirmed that 19 of the actions were on target, 8 actions had minor issues/delays and 11 actions had been completed.

Of the 64 indicators for 2023-2024, 31 performance indicators had met or exceeded targets, 6 indicators had not met target by more than 5% and 1 indicator did not meet the target by less than 5%. 21 indicators would be reported as monitor only for 2023-2024 to allow sufficient data to be collected to help set targets for 2024-2025. 5 indicators would be introduced when new data processes had been established.

Councillor Ring asked if the extension of time given to Planning Applications was statutory or if any lobbying could be done to extend this. It was confirmed it was set by the Government, but planning were working on the blockages in the process such as the untimely responses by other agencies.

Councillor Squire explained that she was aware that some authorities put a 28 day time limit on responses being made to planning application consultations. She explained that the tonnage for food waste was near target and that there would be a further recycling initiative in September, she also reminded members the fly tipping figures were contained in the report.

The Leader drew attention to the fact that the Peer Review suggested a monitoring system was to help inform members decisions. He reminded members that extensions of time for planning, which were often required for responses from statutory consultees without which , important material planning considerations would be missed. He suggested that further consideration would be given on further honing the indicators recorded.

The Leader also drew attention to the comments that the Corporate Performance Panel had raised about the car parking strategy not being brought forward so far. He drew attention to the fact that this would come forward with the Cultural and Economic Strategies.

RESOLVED: That the Performance Management Report and the delivery against the Corporate Strategy be noted.

Reason for Decision

Cabinet should use the information within the management report to review progress on the agreed actions and indicators and satisfy themselves that performance is at an acceptable level. Where progress is behind schedule members can seek additional information to explain variances.

CAB31 REVENUE OUTTURN 2023-24

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Councillor Morley presented the revised report which set out in summary the revenue outturn for 2023/2024 for the Council. The report showed details of the major differences between actual costs/income compared to the revised estimates for 2023/2024 reported in the January 2023 financial monitoring. He commented on the last Administration's decision not to increase fees and charges when inflation had increased by over 11% with the resulting reduction in income. He drew attention to the fact that despite this, the Council had assisted its residents where possible with financial issues.

The Assistant Director – Resources explained that the accounts showed the Borough's spend of £28,006,479, which was significantly higher as a result of an advanced pension payment £3.62m to be funded from General Fund Reserve in 2023/2024, which itself would be replenished from Revenue Budget in 2024/2025 and 2025/2026. Removing the advance pension payment resulted in a Borough spend representing service activity, £24,386,479, which was (£542,741) below original budget.

The Assistant Director further drew attention to the fact that throughout the year there was significant uncertainty and variation to budget as reported in the budget monitoring report:-

- largely as a result of growing inflation on cost of supplies.
- Less than estimated Planning fee income.
- Additional car parking shared service provision.
- Settlement of VAT claim in favour of the Council.

The Council's continuing strategy was to identify budget savings in year, as part of the monitoring process and at year end. Such a review increased estimated budget for income in the MTFS for 2023 – 2028 resulting in a net decrease in cost of service of 2.15% (£465k).

As set out in the Medium-Term Financial Plan in February 2023 a review of earmarked reserves was completed resulting in a re-allocation to the General Fund Reserve of £2,860,645.

The General Fund Reserve opening balance for 2023/2024 was £9,656,698.

Following movements within the financial year, the balance was reduced to £7,004,015 at the year end which would be the starting position for 2024/2025.

It was explained that the additional transfers to reserves and requests had resulted in revised estimates and hence the revised report had been issued.

The Leader sought clarification of the detail of the upfront payment of the pension of £3.6m, to which it was explained that the upfront payment of £5.4m was budgeted at £1.8m across 3 years. The upfront payment of £5.4m was paid in 23/24 and £1.8m was offset against this so £3.6m came from the general fund reserve balance. The £1.8m budget in the next 2 years would be used to pay back to the general fund reserve balance.

With regards to the question on the £3m project reserve it was explained this was an earmarked reserve and therefore additional to the general fund reserve previously discussed.

In response to a question on 4.2 of the report, the Assistant Director provided more detailed explanations around the reasons for the adjustments to the policy in respect of the maximum limits for reserves.

She confirmed the next triannual review of the Pension Scheme would begin engaging next year for implementation in the 2026/27 financial year.

Councillor Rust commended the discretionary work being carried out by the authority which made a huge difference to a lot of lives.

Councillor Morley made reference to grant allocations from the County Council which he felt did not always reflect the amount of work carried out by the Borough on their behalf, and suggested that a list be compiled of those things to potentially suggest some reciprocation.

RESOLVED: 1) That the amended draft revenue outturn position for 2023/2024 (section 2 of the report) be approved.

2) That the new transfers to reserves as listed at the amended Appendix 2 be approved.

3) That the amendments to the Earmarked Reserves Policy (Section 4 of the report) be approved.

Reason for Decision

To consider and approve the draft revenue outturn position for 2023/2024 for the Council.

CAB32 CAPITAL OUTTURN 2023-24

[Click here to view the recording of this item on You Tube](#)

Councillor Morley introduced the report which set out the outturn of the 2023/2024 capital programme and outlined amendments and re-phasing to the spending on schemes, revising the programme for 2023/2028. In presenting the report Councillor Morley drew attention to the need to further re-profile the capital projects for more realistic projections.

The Assistant Director Resources presented the detail of the report which showed that the capital programme outturn for 2023/2024 totalled £36,446,601 (including Exempt items) against an original budget of £58,369,790 (£66,671,310 including Exempt items).

It had been necessary to rephase a total of £23,331,560 (£31,633,080 including Exempt) of scheme costs to future years.

Useable capital receipts generated in the year from housing, land and property sales totalled £13,179,446.

The capital resources available to fund expenditure in 2023/2024 were detailed in section 3 of the report.

Councillor Beales asked about the £8m in the capital programme for projects, the Assistant Director confirmed that the projects would be reviewed and re-phased. She also confirmed that no new capital projects had come forward at this time.

Councillor Beales asked if the Council's Companies were re-financed if the funding were returned the money would go into the Capital programme. The Assistant Director confirmed that it would be an amendment on the balance sheet as temporary borrowing would reduce.

RESOLVED: 1) That the outturn of the capital programme for 2023/2024 of £36,446,601 including Exempt Schemes be noted;

2) That the financing arrangements for the 2023/2024 capital programme be noted.

Reason for Decision

To report the outturn 2023/2024 for the Capital Programme and receive an update to the Capital Programme 2023/2028.

CAB33 REVIEW OF ALIVE WEST NORFOLK

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Councillor Ring introduced the report which he explained had been one of the items he wished to be brought forward. He drew attention to the fact that the VAT opportunities which were in place when the Company was set up had now closed removing the financial advantages of it. He drew attention to the fact that the leisure service was key to tackling the Borough's health inequalities and raising aspirations in accordance with the Corporate Plan.

Councillor Ring also clarified a comment he had made in the Environment and Community Panel regarding Alive West Norfolk being unwieldy and inefficient, he was not referring to the staff, but the operating model.

The Governance Manager presented the detail of the report which explained that the Council established Alive West Norfolk (AWN) in 2018. It had been trading as a Local Authority Controlled Company (LACC) since July 2019. The Cabinet report which proposed the setting up of AWN outlined a number of aspirations for the company. After five years of trading these aspirations remain challenging, largely as a result of the difficult external environment, coupled with the need for investment in aging facilities.

The report explained that AWN continued to require substantial council subsidy, and this was projected to increase in the coming years. AWN had not received capital investment grants from the council to make the required improvements to the facilities. At the same time there was an urgent need to seek major capital investment in the venues.

The council had previously agreed to increase the independence of the company's board which potentially created an unsustainable position for the council of increasing cost, reducing control, possible limitations on contributions to council corporate priorities and the growing risks of failure to secure capital investment to renew the venues. Alongside this, the Authority had key corporate objectives around health and wellbeing, to include reducing health inequalities which would be supported by closer integration between staff employed by the council and AWN employees. This together with impending changes in Senior Management at the council, and the recent retirement of the AWN Managing Director called for consideration of alternative management options.

The report assessed four options for the future operating model for AWN – an independent trust, tendering to external operators, continuing with the LACC model and in-house council management.

The conclusion was that the first two options would give no better outcomes than the current model (at least for now) and the existing model was unlikely to substantially improve the financial and policy outcomes for the council, mainly due to external forces. It was therefore recommended that in-house management by the council with AWN staff TUPE'd to the Authority was the best option for the foreseeable future.

It was explained that at this stage, if agreed, the reporting line/s for the existing Alive WN staff and facilities had not been agreed, but would be considered when the new Chief Executive had the chance to review the overall structures.

The Cabinet in considering the report decided it would need to discuss exempt information so agreed to further consider the report in exempt session. Before doing so the Chair read out the recommendations contained within the report.

CAB34 **THE GUILDHALL RIBA STAGE 3 OPTIONS**

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Councillor Ring introduced the report and confirmed that a lot of work had gone into this project over a long period of time. He referred to the changes in the business plan which he considered was why it was such an exciting project and would bring income to the Borough.

Executive Director O Judges presented the report which set out options for the delivery of the St George's Guildhall & Creative Hub project – a nationally significant cultural heritage regeneration scheme – including an update on the latest programme outputs, business plan and funding position.

The report set out three options in detail: broadly 1) deliver the full scheme 2) phase the delivery 3) 'do nothing', although as the report stated doing nothing did entail doing something, namely some immediate repairs to satisfy obligations under the terms of the lease from the National Trust.

A decision on the preferred option of the scheme to be delivered was required to determine the scope of what was taken forward to RIBA Stage 4 (technical and detailed design), planning and procurement phases. The recommended option set out in the report would ensure the scheme could progress in accordance with the Town Deal timeframe, to achieve greater cost certainty and determine the council's ambition in line with the vision in the Town Investment Plan to maximise the benefits of the project to King's Lynn.

The report was informed by key studies undertaken during October 2023 – May 2024 including an updated Business Plan, an Economic Impact Assessment and a funding options review report, alongside the detailed site concept design development and extensive site surveys.

To date, the Council had incurred approximately £1.6m in developing this Major Project which had been met from the Towns Fund. Progressing this scheme through to RIBA Stage 4 in accordance with recommendation 1 would result in further expenditure from the Towns Deal Fund of £0.6m.

Councillor Morley asked who had carried out the procurement work to date on the project, to which it was confirmed the Council's procurement team had been involved with it.

Cabinet agreed that further discussion they wished to hold would involve exempt information so agreed that to exclude the press and public. Before doing so, the Chair read out the recommendations in the report.

CAB35 **EXCLUSION OF THE PRESS AND PUBLIC**

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

CAB36 **REVIEW OF ALIVE WEST NORFOLK (EXEMPT ELEMENT)**

The Cabinet discussed the community services provided by Alive, and the existing financial arrangements of Alive West Norfolk and the changes which would occur on transfer back to the Council along with the operational element of the transfer work and improved staff engagement and integrations of their services with the council. Reference was also made on the Corporate Plan sessions which were being held with staff.

Further to questions on procurement matters, it was confirmed that no major procurement would be undertaken until discussion had taken place with Council Officers.

The role of the existing Board members in the future was discussed.

It was noted that work would continue on capital schemes for the current Alive venues.

The Chair asked if Business Rates would be payable, and if so if this had been considered within the financial analysis of moving services in

house. It was confirmed that this had been factored in and the net position was still beneficial. He thanked the officers for the work carried out to date on the review.

RESOLVED: 1) That the governance and operation of Alive West Norfolk is returned to in-house council management under a management structure which will need to be considered as part of any review of senior level resourcing requirements, to be undertaken by the new Chief Executive.

2) That the new arrangements be put in place by 1st January 2025 with an implementation deadline of April 2025.

3) That a budget of £20,000 be set aside to cover one-off set up costs (changes to ICT systems etc) related to the transfer of the service to an in-house provision.

4) That the transfer of contracts be by way of novation or assignment in accordance with the existing Scheme of Delegation.

5) That the negotiations for the termination of the Management Agreement with the Alive West Norfolk Board of Directors be delegated to the Monitoring Officer in consultation with the Portfolio Holder for Business and Culture and the council's AWN Client Officer.

6) That all necessary powers and authority to implement the transfer be delegated to the Monitoring Officer, in consultation with the Section 151 Officer, the Portfolio Holder for Business and Culture and the council's Client Officer.

7) That a separate report to consider capital investment proposals for the leisure facilities come to a future cabinet meeting.

Reason for Decision

A key priority of the council as outlined in the Corporate Strategy 2023-2027 is to provide access to leisure, cultural and outreach experiences, to reduce isolation, to improve the health and wellbeing of our communities and to reduce health and social inequalities. The cost of providing leisure and cultural services continues to rise and the leisure facilities require substantial investment and improvement. Returning these services to an in-house function will enable the council to directly influence and control this essential service, to plan for capital investment and benefit from simplifying the operational management of AWN, eliminating client officer and Shareholder costs

CAB37 THE GUILDHALL RIBA STAGE 3 OPTIONS (EXEMPT ELEMENT)

The Cabinet discussed the costings of the project which it was felt was now clearer on what the aspirations would cost, with the unknowns were limited. Discussions were held on the funding gap, the Town Fund's review and time frames, other funding opportunities, the change in Government, and the procurement of contractors to carry out works.

A discussion was undertaken on potential phasing, funding and profiling, it was agreed to review the profiling and phasing. Discussion was held on the situation should further funding not be forthcoming, further options would have to be considered.

It was confirmed that the CIO would continue to be involved throughout the process and discussions with Cabinet.

Following discussions on the Heritage Lottery Fund it was explained that the reasons for refusal previously had been rectified.

It was noted that the profiling of the project would be looked at in the run up to the further report on the matter.

The Chair reported that the Town Deal Board were supportive of Option 1 in the report.

RESOLVED: 1) That the RIBA Stage 4 (technical and detailed design) development of the 'Full Scheme' to include the renovation of the St George's Guildhall and creation of a Creative Hub as further set out in section 3 of the report, which, if delivered, would result in an estimated overall cost of this Major Project of £20.2m be approved.

2) To the Funding Strategy to secure £11.3m as set out in section 4 of the report which will realise the finance required to achieve the Full Scheme be approved, and the advancement of applications to funding bodies be endorsed.

3) That a report be brought back to Cabinet in February – March 2025 with the results of the Funding Strategy for a decision to be taken on approving the continued progress of this Major Project.

4) That the commencement of the procurement process to appoint a main contractor to deliver the Full Scheme, to run in parallel with the Funding Strategy be approved, with an update of the pre-tender cost and funding position for the scheme to be brought back to Cabinet in February – March 2025.

5) That, subject to the agreement by the King's Lynn Town Board and all required authorities (e.g. S151 officer agreement), a Project Adjustment Request (PAR) be submitted (as required under the Towns

Fund programme) as soon as practically possible because of changes to the agreed outputs, timings and funding assumptions.

Reason for Decision

To deliver the transformational St George's Guildhall and Creative Hub project that directly supports and will deliver against the Council's commitment and ambition for heritage and culture, to support growing businesses, a repurposed town centre and high-quality leisure offer in the historic town core, as set out in the Corporate Strategy (2023) and Town Investment Plan (2021).

To deliver the Guildhall and Creative Hub project that best meets the outputs and outcomes agreed with the Town Board and Ministry of Housing, Communities and Local Government (MHCLG).

To deliver a transformational scheme that, as identified in the updated Business Plan and Economic Impact Assessment, will provide the best opportunity for the Charitable Incorporated Organisation (CIO) to create a sustainable operation; one that will create significant wider economic benefit for the town estimated to be £30.8m and 117 jobs over 15 years post completion.

The meeting closed at 8.42 pm