

REPORT TO CABINET

Open report Exempt legal update		Would any decisions proposed :		
Any especially affected Wards No	Discretionary	Be entirely within Cabinet's powers to decide	YES	
		Need to be recommendations to Council	NO	
		Is it a Key Decision	NO	
Lead Member: Cllr Brian Long E-mail: cllr.brian.long@west-norfolk.gov.uk		Other Cabinet Members consulted: Cllr A Beales		
		Other Members consulted: Cllr G Middleton		
Lead Officer: Ray Harding E-mail: ray.harding@west-norfolk.gov.uk Direct Dial: 01553 616245		Other Officers consulted: Lorraine Gore, Kathy Woodward		
Financial Implications YES	Policy/Personnel Implications potentially	Statutory Implications NO	Equal Impact Assessment NO	Risk Management Implications YES
If not for publication, the paragraphs of Schedule 12A of the 1972 Local Government Act considered to justify that are paragraphs 3 & 5				

Date of meeting: 26 March 2019

NOTICE OF MOTION 1/19

Summary

The following resolution (1/19) was proposed by Cllr Joyce at the Council meeting of 24 January 2019

“That this Council establish an independent inquiry into the partnership of Norfolk and Waveney Enterprise Services, and its subsidiary companies, regarding the award of, administration of and financial relationship with the Borough Council of King's Lynn and West Norfolk.

To ensure the impartiality and independence of the inquiry the chair and personnel of such an inquiry be chosen by an outside body, notably the Local Government Association to report back to the Full Council no later than 28th February 2019.

The independent inquiry will have full access to all council documents associated with Norfolk and Waveney Enterprise Services and its subsidiary companies”

The matter was referred to Cabinet for consideration of the type of enquiry to be recommended.

An internal Audit investigation was commissioned by the Chief Executive in consultation with the Portfolio Holder in 2018. This report was present to Audit Committee on 11 March.

Recommendation

1) Cabinet is recommended to defer consideration the proposal outlined in the Notice Of Motion from Cllr Joyce pending the outcome of the Special Council meeting.

2) Cabinet notes the conclusion of the Audit Committee and the resolutions set out below.

Reason for Decision

To respond to the notice of motion referred to Cabinet by full Council

1 Background

The above Notice of Motion was referred to Cabinet for consideration of the type of enquiry to be recommended.

An internal Audit investigation was commissioned by the Chief Executive in consultation with the Portfolio Holder in 2018. This report was present to Audit Committee on 11 March. Audit Committee agreed the following :-

“RESOLVED: 1) Eastlaw does provide a redacted version of the report for the Council with reasons for redactions, as soon as possible.

2) A cross party working group be established to consider the report, lessons learnt and a way forward and report back to the Audit Committee.

3) The Major Projects Board does establish a report mechanism to enable the Audit Committee to monitor major projects and identify any steps or action required and commence a programme of reviewing each of the large scale projects currently underway.”

It is important to be aware that this matter is ongoing in terms of both the transfer of the building to the Borough Council, agreement to arrangements for the repayment of any residual sum due to the Borough Council.

Cabinet may consider it prudent to consider the views of the Audit Committee but also to await the final resolution of matters pertaining to the KLIC building prior to reaching a determination on the proposal put forward by Cllr Joyce.

A special meeting of the Council has been called by Councillor Moriarty under standing order 4.4, with the required number of supporters, on this subject matter. This meeting is taking place immediately following the Cabinet meeting.

2 Financial Implications

The council's immediate priority in relation to the financial aspects of this matter is to secure the asset in the form of the KLIC building and an agreement with NWES concerning any residual sums owing.

3 Personnel Implications

It is possible that there may be personnel implications arising from this report dependent upon the course of action determined by Cabinet and any subsequent enquiry should one to commissioned

4 Statutory Considerations

Cabinet will be given an exempt update on the legal and financial situation at the meeting.

5 Equality Impact Assessment (EIA)

(Pre screening report template attached)

6 Risk Management Implications

The principal risks relate to the Councils ability to conclude an acceptable resolution of the matter. In order to mitigate this risk and to seek to bring matters to an early conclusion legal advice /support had been procured from Counsel.

7 Declarations of Interest

8 Background Papers

Audit Committee papers

Previous Cabinet reports listed in the Audit Cttee papers