



**King's Lynn Area Consultative Committee**  
**Thursday, 19th October, 2017 at 6.00 pm**  
**in the Town Hall, Saturday Market Place, King's Lynn**

**Reports marked to follow on the Agenda and/or Supplementary Documents**

1. **King's Lynn Special Expenses 2018/2019 - Report to follow (Pages 2 - 9)**

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## Agenda Item 8

REPORT TO:	King's Lynn Area Consultative Committee		
DATE:	19 October 2017		
TITLE:	Recommendations on Special Expense Charge for King's Lynn		
TYPE OF REPORT:	Policy development		
PORTFOLIO(S):	Leader, Environment, Housing and Community		
REPORT AUTHOR:	Stuart Ashworth – Assistant Director – Environment & Planning Lorraine Gore – Executive Director – Finance Services		
OPEN		WILL BE SUBJECT TO A FUTURE CABINET REPORT:	Yes

### **REPORT SUMMARY**

<b>PURPOSE OF REPORT/SUMMARY:</b>
To help provide options for the Committee in its consideration of the King's Lynn Special Expenses for the year 2018/2019.
<b>KEY ISSUES:</b>
<p>The terms of reference for the King's Lynn Area Consultative Committee (KLACC) describe one of its roles as acting as a consultative forum, on the funding raised by, and utilisation of the King's Lynn Special Expenses, and to offer input on priorities for this expenditure and if appropriate the level of funds to be raised. This will need to be a recommendation to Cabinet.</p> <p>Any recommendations will need to be made in full consideration of the implications on the Special Expenses charge.</p>
<b>OPTIONS CONSIDERED:</b>
<ol style="list-style-type: none"> <li>1. Make no recommendations for changes to Special Expenses for the 2018/2019 financial year.</li> <li>2. Make recommendations to Cabinet on the priorities for, and utilisation of, the Special Expense charge for King's Lynn, for the period 2018/2019.</li> </ol>
<b>RECOMMENDATIONS:</b>
<ol style="list-style-type: none"> <li>1. That the Committee consider the options for the Special Expenses charge for 2018/19, and make a recommendation to Cabinet on that charge.</li> <li>2. That the Committee nominates a Member/Members to speak to Cabinet under Standing Order 34 to advocate the Committee's recommendations.</li> </ol>
<b>REASONS FOR RECOMMENDATIONS:</b>
Making recommendations on the utilisation of Special Expenses for King's Lynn was within the original terms of reference of the Committee.

## 1. Introduction

- 1.1 One of the Terms of Reference of KLACC, is “to act as a consultative forum on the funding raised by, and utilisation of the King’s Lynn Special Expenses, and to offer input on priorities for this expenditure and if appropriate the level of funds to be raised.”
- 1.2 The Local Government Finance Act 1992 defines a Local Authority’s Special Expenses. It states that Special Expenses are any expenses incurred by the authority in performing in a part of its area, a function performed elsewhere by a Parish Council.
- 1.3 Special Expenses are currently charged for:
- Footway Lighting
  - Play Areas
  - Community Centres
  - Closed Churchyards
  - Allotments
  - Pavilions
  - Dog Bins
  - Open Spaces
  - Bus Shelters
- 1.4 The total cost of Special Expenses is met by the Council tax payers of King’s Lynn. The annual charge to the residents is made through an addition to the Council tax bill. The table below details the Special Expenses charge 2017/2018 for King’s Lynn.

	<b>Charge 2017/2018</b>
	<b>£</b>
Footway Lighting	24,120
Play Areas	30,820
Community Centres	51,060
Closed Churchyards	9,740
Allotments	19,980
Pavilions	32,570
Dog bins	9,950
Open Spaces	288,600
Bus Shelters	13,000
<b>Total</b>	<b><u>479,840</u></b>
Less Council Tax Support Grant	(24,000)
<b>Net Total Charged as Special Expenses</b>	<b>455,840</b>
Taxbase 2017/2018	9,783.7
<b>Band D Charge 2017/2018</b>	<b>46.59</b>

- 1.5 At the KLACC meeting on 15 December 2016 it was agreed to determine items to be considered by KLACC during 2017 to tie in with the budget timetable for 2018/2019. At the KLACC meeting on 5 January 2017 it was agreed that items be added to the work programme which would ultimately lead to recommendations to Cabinet to be included in King's Lynn Special Expenses for future years. It was also agreed to set up an Informal Working Group to go through aspects of the Special Expenses which could then report back to the main Committee to help to inform it when considering Special Expenses.
- 1.6 To ensure that KLACC is able to provide input into the setting of Special Expenses in King's Lynn for the 2018/19 financial year, then it will need to make its recommendations at this October meeting.

## 2. Options/Issues

- 2.1 During 2017 KLACC have reviewed elements of the Special Expenses charge and a summary of the recommendations made on the various topics through the year is given below.

### Meeting

- |         |  |
|---------|--|
| 27/3/17 | Footway Lights – Agreed that Neil Gromett would update the group on Re:fit (footway lights part of this programme)   |
| 26/6/17 | Bus Shelters – Agreed they be added to the work programme for further consideration (due to be considered in January 18)<br>Re:fit – The Committee supported the Re:fit programme (including footway lights)<br>Pavillions and Community Centres – The results from the Working Group would be fed into the Special Expenses meeting   |
| 24/8/17 | No recommendations made on grass cutting, public open space or allotments  |
| 12/9/17 | Public Toilets - The Committee made the following recommendations to the Environment & Community Panel: <ol style="list-style-type: none"> <li>1. The Public Toilets Review Informal Working Group should meet again to consider the recommendations to be put forward to the Environment and Community Panel.</li> <li>2. The Committee supported the proposal to demolish the toilets at Gaywood, however they should be replaced with new facilities.</li> <li>3. The Committee supported the reopening of the Ferry Street toilets 7 days per week.</li> <li>4. The Committee supported the continued opening of the Broadwalk and Management Building toilets in the Walks but considered that as the Walks was a Borough-wide facility the cost of this should not be included in the King's Lynn Special Expenses.</li> </ol> |

2.2. A brief summary of the outcomes from the Working Group on Pavilions and Community Centres is detailed below:

The Working Group recommended

- that staffing costs be looked at to see if savings could be identified.
- that charges be examined to see if they could bring in extra income
  
- that business rates on the Pavilions, Community Centres & sports grounds be examined to see if they were still up to date and accurate

Paragraph 2.4 below sets out the financial outcomes of that work and its impact on the Special Expenses for 2018/19

**Review of Special Expenses charge for 2017/18**

2.3 The special expenses charged in 2017/2018 will be used as the basis for the calculation for 2018/2019. The estimates have been reviewed and updated to reflect current costs and activity and are detailed in the table below.

	<b>Revised Estimate 2017/2018</b>
	<b>£</b>
Footway Lighting	31,540
Play Areas	30,410
Community Centres	37,940
Closed Churchyards	9,600
Allotments	16,210
Pavilions	29,740
Dog bins	9,950
Open Spaces	302,450
Bus Shelters	10,960
<b>Total</b>	<b>478,800</b>
Less Council Tax Support Grant	(24,000)
<b>Net Revised Total</b>	<b>454,800</b>
Less Original Estimate	455,840
<b>Reduction in Costs</b>	<b>(1,040)</b>

2.4 The main movements are –

- Footway lighting increased by £7,420 as a result of higher electricity costs and the costs of a required 6 yearly structural survey now being included. It is anticipated that the benefits of the change to LED lighting as part of the Refit programme will be important in keeping energy costs down in future.

Indications are that energy costs will continue to rise above the general rate of inflation.

- Community Centre costs have reduced overall by £13,120 mainly due to additional income being generated at South Lynn Community Centre of £8,450. A review of staffing resources at both Fairstead and South Community Centres have reduced costs by £7,340, this is partly offset by increases to the maintenance budgets of £2,670. The Working Group requested a review of the business rates payable for the pavilions and community centres and these will be reviewed by a business rates valuation specialist recently appointed by the Council to review the valuation of all the council assets following the business rates revaluation from 1 April 2017. Due to the delays with the Valuation Office considering appeals it is not expected that any changes which may result will be known in time for the budget setting for 2018/2019.
- Allotment costs reduced by £3,770 mainly due to a reduction in the maintenance budget. It is estimated that additional income of £14,970 will be raised in 2018/2019 from the phased increase in allotment rents.
- Pavilion costs have reduced by £2,830 mainly due to increased income and a reduction in business rates at the Dutton Pavilion and playing fields. The Working Group requested a review of the business rates payable for the pavilions and community centres; see comment above. In addition the staffing resources have been reviewed and the costs recharged for staffing will be reduced in 2018/2019 by £4,000.
- Open spaces costs have increased by £13,850. The grounds maintenance costs have been reviewed and reflect the current schedule of actual work being undertaken. The frequency of cuts have been increased in some areas; 72,000 metres of grass is now cut 36 times rather than 12 and hedge trimming increased from twice to 12 times.
- Bus shelter costs have decreased by £2,040 due to estimated additional income from advertising.

2.5 It is proposed that KLACC recommend that any underspend reported at 2017/2018 year end on charges made to King's Lynn Special Expenses be transferred to reserves to provide matching funding for future bids against the Parish Partnership Scheme.

2.6 As part of the estimates process the 2017/2018 base charges detailed at 2.3 will be updated for price inflation.

2.7 It should be noted that the total council tax support grant available will reduce in 2018/2019 by 32% in line with the reduction in the Council's overall revenue support grant. The amount of council tax support grant allocated to King's Lynn Special Expenses in 2018/2019 will depend on the number of council tax payers receiving the discount.

### **Current Estimated Special Expenses Charge for 2018/19**

2.8 The table below provides an illustration of the figures for 2018/2019 based on the charges detailed at 2.3 above. It should be noted that these figures are subject to change as the budgets are reviewed during the budget setting process. These

	£	
Total revised base costs for 2017/2018	478,800	
Inflation allowance for 2018/2019	19,598	RPI estimated to rise to 3.4% by 1 April 2018 and above inflation increases on electricity
Additional income for allotments	(14,970)	
Additional reduction in costs for Pavilions	(4,000)	
Less Council Tax Support Grant	(16,320)	Reduction of 32% from 2017/2018 based on reductions in revenue support grant
<b>Estimated Revised Costs 2018/2019</b>	<b>463,108</b>	
Taxbase 2018/2019	10,033	
Estimated Band D Charge 2018/2019	46.16	
Band D Charge 2017/2018	46.59	
Estimated decrease	(0.43)	

### **Parish Partnership Scheme Funding**

2.9 If the Parish Partnership Scheme – Proposal for the funding period 2018/19 is agreed (item 7 on this Agenda) the cost could be recovered through Special Expenses by for example:

- a. If the contribution of £3,500 is recovered over 5 years the Band D charge for 2018/2019 as detailed at table 2.8 above would increase by 7p i.e. to £46.23
- b. If the contribution of £3,500 is recovered in 2018/2019 the Band D charge for 2018/2019 as detailed at table 2.8 above would increase by 35p i.e. to £46.51

### **Public Toilets**

2.10 At the Environment and Community (E & C) Panel meeting on 10 October 2017 the provision of public conveniences was considered and recommendations were made to Cabinet. KLACC's previous recommendations on the Gaywood and Walks public toilets, specifically that the existing Gaywood toilets should be closed and new facilities rebuilt, and that the Walks toilets should not be charged to Special Expenses (as they were considered Borough wide facilities), were reported to E & C Panel.

However E & C recommended that one set of toilets in the Walks be closed, to allow the Gaywood toilets to remain open, and that the single Walks toilets to remain open be included as a partial charge to Special Expenses and a partial charge to the Borough (the precise split of charges was not defined). The recommendations made previously by KLACC and more recently by Environment & Community Panel in relation to the public conveniences in Gaywood and the Walks, will increase the King's Lynn Special Expenses. The table below illustrates the impact of the options put forward for the existing toilets on the Band D charge for 2018/2019:

	Estimated Costs 2018/2019 £	Impact on Band D Special Expenses £p	
Gaywood	10,180	1.01	
Walks (Boardwalk)	9,850	0.79	Based on 80% of costs charged to special expenses (suggested split)
Walks (Management Bld)	7,890	0.63	Based on 80% of costs charged to special expenses (suggested split)

### **Illustrative impact of increases in Special Expenses charge**

- 2.11 The council tax base for King's Lynn for 2018/2019 is 10,033. The table below provides some illustrative figures of additional income that could be raised from increases in the Band D charge:

Increase £	Total additional income £
0.50	5,016.50
1.00	10,033.00
2.50	25,082.50
5.00	50,165.00

### **3. Financial Implications**

- 3.1 There will be financial implications associated with the spending of Special Expenses. The implications will depend on the recommendations which the Committee make to Cabinet.



#### **4. Conclusion**

- 4.1 As part of their terms of reference the King's Lynn Area Consultative Committee (KLACC) can make recommendations on priorities for the expenditure and if appropriate the level of funds to be raised through Special Expenses within King's Lynn.
- 4.2 This report sets out the range of options for Special Expenses, and is based on the Committee's work on the various topic areas during the last year. The current estimates show a decrease of 43p on Special Expenses for 2018/19 compared to 2017/18, although this is subject to change as the budget process evolves. However, the report also makes clear that the Parish Partnership scheme proposed, and the Public Toilets issues in particular, have the potential to change this, depending on the recommendation of this Committee. The Committee is therefore asked to make recommendations to Cabinet on the King's Lynn Special Expenses to be charged for 2018/2019, as per their current terms of reference.

#### **5. Recommendations**

- 5.1 That the Committee consider the options for the Special Expenses charge for 2018/19, and make a recommendation to Cabinet on that charge.
- 5.2 That the Committee nominates a Member/Members to speak to Cabinet under Standing Order 34 to advocate the Committee's recommendations.