

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



Shareholder Committee

Agenda

Wednesday, 11th September, 2024
at 10.00 am

in the

Council Chamber
Town Hall
Saturday Market Place
King's Lynn

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

3 September 2024

Dear Member

Shareholder Committee

You are invited to attend a meeting of the above-mentioned Task Group which will be held on **Wednesday, 11th September, 2024 at 10.00 am** in the **Council Chamber, Town Hall, Saturday Market Place, King's Lynn PE30 5DQ** to discuss the business shown below.

Yours sincerely

Chief Executive

AGENDA

1. Minutes of the previous meeting (Pages 5 - 9)

To receive the minutes of the meeting held on 23 April 2024.

2. Apologies for absence

3. Declarations of Interest (Page 10)

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.

4. Chair's correspondence

5. 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.

6. 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.

7. Committee Forward Plan (Pages 11 - 13)

8. Appointing a Director to Alive Management Ltd (Pages 14 - 16)

9. Update to Shareholder Committee on governance documents status (Pages 17 - 20)

10. Date of future meeting

14 October 2024 @ 3pm

11. Exclusion of the Press and Public

The Committee 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.

12. West Norfolk Housing Business Plan (Pages 21 - 43)

13. West Norfolk Property Ltd Business Plan (Pages 44 - 62)

To:

Shareholder Committee: Councillors A Beales, C Morley and S Ring

Officers

Alexa Baker, Monitoring Officer,

Michelle Drewery S151 Officer

Duncan Hall, Assistant Director, Regeneration, Housing and Place

Honor Howell, Assistant to the Chief Executive

Karl Patterson, Housing Development Officer

BOROUGH COUNCIL OF KING'S LYNN & WEST NORFOLK

SHAREHOLDER COMMITTEE

Minutes from the Meeting of the Shareholder Committee held on Tuesday, 23rd April, 2024 at 11.00 am in the Council Chamber, Town Hall, Saturday Market Place, King's Lynn PE30 5DQ

PRESENT: Councillor A Beales (Chair)
Councillors C Morley and S Ring

1 MINUTES OF THE PREVIOUS MEETING

RESOLVED: The Minutes of the meeting held on 20 November 2024 were agreed as a correct record and signed by the Chair.

2 DECLARATIONS OF INTEREST

Councillors Bhondi and Ware and Duncan Hall declared interests as Directors of West Norfolk Housing Company and West Norfolk Property Company.

3 CHAIR'S CORRESPONDENCE

None

4 MEMBERS PRESENT UNDER STANDING ORDER 34

Councillors Bhondi, Bone, Dark, Moriarty, Parish, Ryves and de Whalley attended under standing order 34.

5 URGENT BUSINESS

None

6 COMMITTEE FORWARD PLAN

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The list of items on the Forward List was referred to. In discussing the appointment of new Board Directors to West Norfolk Property Ltd, the Committee agreed that the Board be requested to give an update on the situation so Shareholders could be updated at the June meeting.

It was noted that a schedule of meetings going forward would be prepared, although the timings would be governed by the relevant documentation being submitted to the company's boards.

The Chair also indicated the Committee may wish to look at the scheme of delegation for the Committee and Boards at its June meeting.

- RESOLVED:** 1) That the Committee Forward Plan be noted.
- 2) That the West Norfolk Property Board be asked to provide the Committee of an update on their plans for the appointment of Directors.
- 3) That a schedule of meetings for the year be prepared to tie in with items being submitted to the Boards.

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SHAREHOLDER COMMITTEE TERMS OF REFERENCE

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The Committee's Terms of Reference were noted. It was noted that 5.3 included that the Audit Committee was to receive assurances on the sound system of internal control and Risk Management process for the Committee.

Under standing order 34 Councillor Ryves asked if the Internal Auditors would have access to the Company's books as he felt that without the ability to do so he considered there would be vulnerability that the Audit Committee wouldn't be able to express confidence in all processes. The Monitoring Officer explained that she would look at what was available under the Shareholder Agreement, which if it said it would be available for scrutiny. It was noted that it would be subject to confidentiality rules.

The S151 Officer explained the Internal Audit had carried out a position statement on both companies in line with the governance arrangements the Council had over the companies. Ensorrs were the external auditors of the Companies. The Audit Committee discussed whether it had responsibility to carry out the process, which was being investigated. The arrangements would also need to be reported in the annual governance statement.

The Monitoring officer reminded members of the role of the Corporate Performance Panel regarding scrutiny of the Shareholder Committee as a Sub Committee of Cabinet. Going forward it would be made clear what the functions of Audit and Scrutiny were in the process for the Committee and the Companies.

RESOLVED: 1) That the Shareholder Terms of Reference be agreed to be reviewed annually.

2) That clarification be given on the role of Audit Committee and Corporate Performance Panel relating to the Shareholder Committee and the Council's Companies and their finances.

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**RESPONSES FROM WEST NORFOLK HOUSING COMPANY
AND WEST NORFOLK PROPERTY COMPANY ON SECTION 21
NOTICES**

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The culmination of the Boards consideration of the matter was that the Board's Directors considered that it is not in the best interests of the company to voluntarily remove section 21 notices as an option for use for ending a tenancy prior to the implementation of the Renters Reform Bill.

The West Norfolk Property Board of Directors had agreed to make the service of a Section 21 notice a matter reserved for the board in order to give reassurance that a section 21 notice would only be used where all options had been fully considered.

The Board of Directors of West Norfolk Housing Company responded that a Section 21 notice would only be used in rare cases where the breaches would not meet a mandatory ground for possession, but the circumstances were having a significant impact on the community such as anti-social behaviour. They further commented that the Council could be assured that West Norfolk Housing and Broadland Housing would in no circumstances, use a Section 21 notice to carry out a "no fault eviction"

Councillor Morley reminded members that the proposals for S21 Notices were in accordance with the Corporate Plan. The Chair drew attention to the circumstances to retain could be useful, but not for no fault evictions, although in the light of the Renters Reform Bill it may need to be reviewed.

Under standing order 34, Councillor Ware also noted that the companies offered 3 years tenancies.

RESOLVED: That the responses from the Companies Directors on S21 Notices be accepted.

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DATE OF FUTURE MEETING

After 11 June – H Howell to prepare a schedule of meetings for the year.

10

EXCLUSION OF THE PRESS AND PUBLIC

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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 item of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraphs 3 and 5 of Part 1 of Schedule 12A to the Act.

11

HOUSING COMPANIES FINANCING

At its meeting of 15 January 2024, Cabinet resolved to support the proposals for a funding arrangement for the council's housing companies. This recommendation was agreed by full Council on 7 February 2024.

A drawdown facility (comprising a mix of loan facilities and repayable grant agreements) was to be made available for the companies to consider with an overall lending cap of £50 million.

Delegated authority was given to the Executive Director (Place), in consultation with the Portfolio Holder for Business, the Section 151 Officer and the Monitoring Officer to agree the final terms of the Drawdown facility with the Companies.

During scrutiny of the proposal at the Corporate Performance Panel, it was recommended to Cabinet the involvement of the Shareholder Committee in discussions on the Council Companies financing. The Portfolio Holder for Business gave assurances that this would be the case.

In readiness of being asked to exercise this delegation, the meeting of the Shareholder Committee was to conduct a detailed examination of the arrangements for the financing of the companies to ensure all councillors were satisfied with the terms of the proposed arrangements and had further opportunity to raise any residual questions they may have. Further such meetings may be required to fully inform councillors.

Representatives from Grant Thornton attended the meeting and presented their report.

Under standing order 34 Councillors Ryves, Dark and Rust sought clarification on a number of issues which were responded to by Officers, Members of the Shareholder Committee and the representatives from Grant Thornton.

Members of the Committee sought responses to questions from officers and Grant Thornton representatives.

It was agreed that if there were any further questions or points of clarification to be asked that they be submitted to officers, collated and if necessary, a further session be arranged with Grant Thornton to provide responses.

RESOLVED: 1) That the presentation of the financial advice provided from Grant Thornton be noted.

2) That any further questions on the financial element be put in writing and if required a further meeting with Grant Thornton be added to the work programme to seek responses to the questions.

Reason for Decision

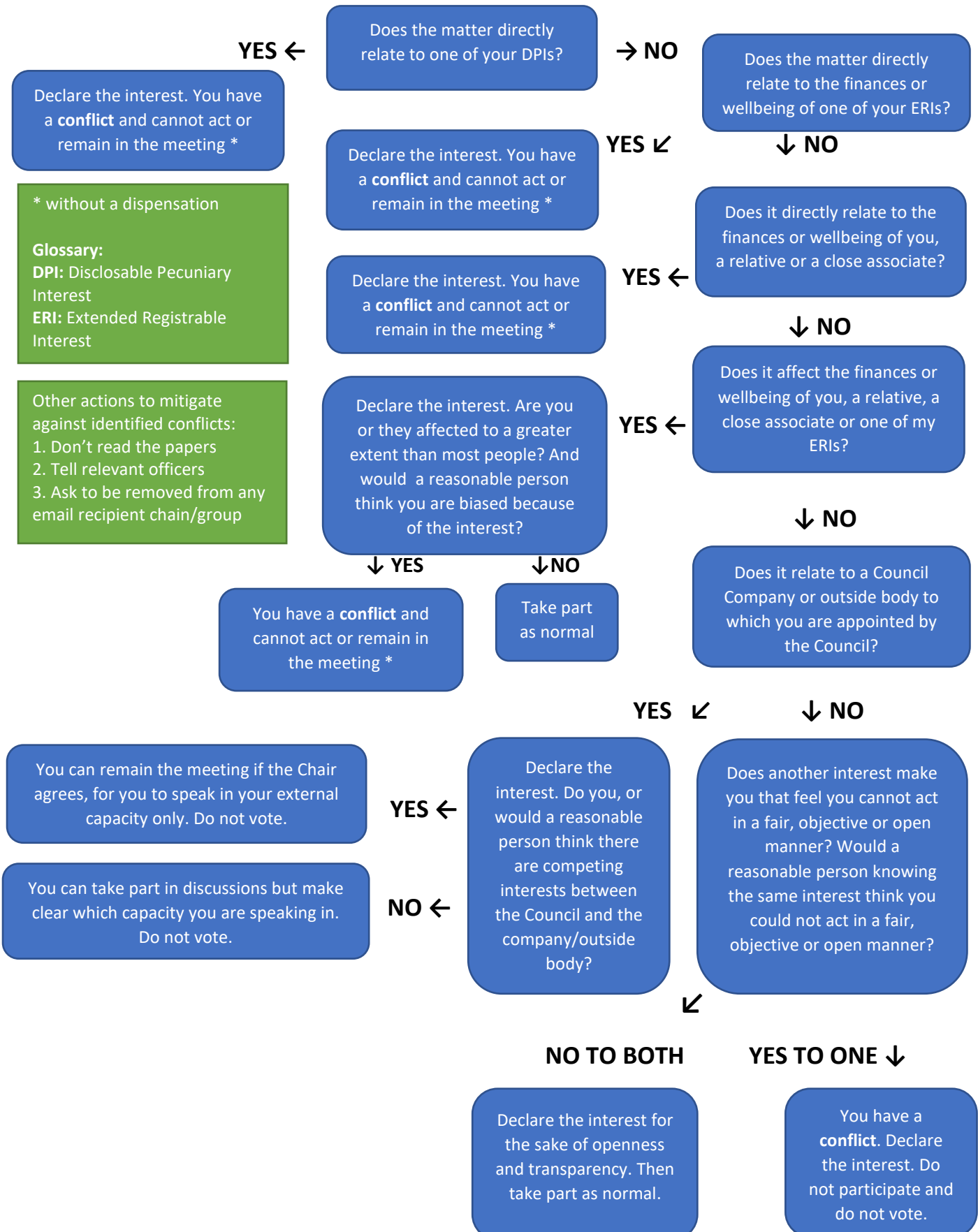
To enable all Councillors to raise any residual questions on the funding arrangements for the Council's Housing Companies, and to assist the Shareholder Committee to agree in due course, the maximum interest at which funding would be affordable, both for the Council and the Companies.

The meeting closed at 1.00 pm

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

SHAREHOLDER COMMITTEE FORWARD PLAN

Date of Meeting	Report Title	Decision Maker	Cabinet Member Lead and Lead Officer	List of Background Papers	Public or Private Meeting
23 April 2024	Shareholder Committee Terms of Reference	Shareholder Committee	Leader Monitoring Officer – A Baker		Public
	Responses from WNH and WNP regarding Section 21 Notices	Shareholder Committee	Cllr Alistair Beales – Portfolio Holder Council Companies Alexa Baker – Monitoring Officer		Public
	Financing of Housing Companies	Cabinet	Cllr Alistair Beales – Portfolio Holder Council Companies Michelle Drewery – Section 151 Officer David Ousby – Assistant Director Programme and Project Delivery		Private – Contains exempt information under para 3 – information relating to the business affairs of any person (including the authority)
Date of Meeting	Report Title	Decision Maker	Cabinet Member Lead and Lead Officer	List of Background Papers	Public or Private Meeting
June 2024 <i>Meeting Postponed</i>	Service Level Agreement with WNPL	Shareholder Committee	Cllr Alistair Beales – Portfolio Holder for Business Alexa Baker – Monitoring Officer Duncan Hall/Karl Patterson – Housing Companies		
	Shareholder Agreement - WNPL	Shareholder Agreement	Cllr Alistair Beales – Portfolio Holder for Business Alexa Baker – Monitoring Officer Duncan Hall/Karl Patterson – Housing Companies		

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	Approval of Business plans for WNP WNH	Shareholder Committee	Cllr Alistair Beales – Portfolio Holder for Business Alexa Baker – Monitoring Officer Duncan Hall/Karl Patterson – Housing Companies		Private – Contains exempt information under para 3 – information relating to the business affairs of any person (including the authority)
	Appointment of new Directors to WNPL	Shareholder Committee	Cllr Alistair Beales – Portfolio Holder for Business Alexa Baker – Monitoring Officer		Item scheduled at end of agenda should the committee determine to exclude the Press and Public to consider the report
Date of Meeting	Report Title	Decision Maker	Cabinet Member Lead and Lead Officer	List of Background Papers	Public or Private Meeting
11 Sept 2024	Appointing a Director to Alive Management Ltd.	Shareholder Committee	Cllr Alistair Beales – Portfolio Holder for Business Honor Howell – Corporate Governance Manager		Open
	Update to Shareholder Committee on governance documents status	Shareholder Committee	Cllr Alistair Beales – Portfolio Holder for Business Honor Howell – Corporate Governance Manager		Open
	West Norfolk Housing Business Plan	Shareholder Committee	Cllr Alistair Beales – Portfolio Holder for Business – Alexa Baker – Monitoring Officer Duncan Hall/Karl Patterson – West Norfolk Housing		Private – Contains exempt information under para 3 – information relating to the business affairs of any person (including the

					authority)

REPORT TO SHAREHOLDER COMMITTEE

Open		Would any decisions proposed:			
Any especially affected Wards	Mandatory/	Be entirely within Shareholder Committee powers to decide YES/NO			
	Discretionary /	Need to be recommendations to Council		YES/NO	
	Operational	Is it a Key Decision		YES/NO	
Lead Member: Cllr Alistair Beales E-mail: <i>cllr.alistair.beales@west-norfolk.gov.uk</i>		Other Cabinet Members consulted:			
		Other Members consulted:			
Lead Officer: Honor Howell – Corporate Governance Manager E-mail: <i>honor.howell@west-norfolk.gov.uk</i>		Other Officers consulted: Alexa Baker – Monitoring 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

Date of meeting: 11 September 2024

APPOINTMENT OF DIRECTOR TO ALIVE MANAGEMENT LTD

Summary

Prior to the incorporation of Alive West Norfolk, the council’s sports and leisure facilities were managed by Alive Leisure, a Leisure Trust and Alive Management Ltd which provided the operational aspects of the service for Alive Leisure.

Alive Management Ltd remains a live company of the borough council, although currently dormant. Steps are now being taken to formally wind the company down and arrange for it to be struck off from Companies House.

Currently, there is only one Director for the company listed on Companies House. The Director is Debbie Gates, the former Executive Director who retired from the council in June 2024.

In order to complete the necessary work to formally close the company, permission is sought from the Shareholder Committee to appoint a further company director to Alive Management Ltd to provide resilience whilst the actions are carried out.

Recommendation

That an existing council officer is identified and appointed as a Director of Alive Management Ltd whilst the company is formally wound up.

Reason for Decision

Although the Articles of Association for Alive Management Ltd stipulate a minimum of one Director, it is deemed to be prudent to appoint an existing member of staff as a director.

1 Background

- 1.1 Prior to the incorporation of Alive West Norfolk, the council's sports and leisure facilities were managed by Alive Leisure, a Leisure Trust and Alive Management Ltd which provided the operational aspects of the service for Alive Leisure.
- 1.2 Alive Management Ltd remains a live company of the borough council, although currently dormant. Steps are now being taken to formally wind the company down and arrange for it to be struck off from Companies House.
- 1.3 Alive Management Ltd Articles of Association state a requirement for a minimum of one Director to be appointed at all times. There is currently one Director appointed, Debbie Gates, a former Executive Director of the borough council who retired from the authority's employment in June 2024.

2 Options Considered

- 2.1 Although, in principle, Alive Management Ltd requires only one Director, that Director is no longer employed by the borough council. In order to ensure resilience and that Director input is received in a timely manner during the winding up process, an existing member of staff should be identified and appointed to the Alive Management Ltd Board of Directors.

3 Policy Implications

- 3.1 The appointment of Directors to the Boards of the council companies is a reserved matter for the Shareholder Committee.

4 Personnel Implications

- 4.1 There are no personnel implications. This is a short-term, unremunerated appointment.

5. Environmental Considerations

- 5.1 There are no Environmental Considerations.

6. Statutory Considerations

- 6.1 There are no statutory considerations.

7. Equality Impact Assessment (EIA)

7.1 Not applicable.

8. Risk Management Implications

8.1 Alive Management Ltd Articles of Association stipulate a minimum of one Director should be appointed at any time. However, it is agreed that a Director should be a current employee of the borough council.

9. Declarations of Interest / Dispensations Granted

9.1 None

10 Background Papers

10.1 None.

REPORT TO SHAREHOLDER COMMITTEE

Open/Exempt		Would any decisions proposed:			
Any especially affected Wards	Mandatory/	Be entirely within Shareholder Committee powers to decide YES/NO			
	Discretionary /	Need to be recommendations to Council YES/NO			
	Operational	Is it a Key Decision YES/NO			
Lead Member: Cllr Alistair Beales – Leader of the Council E-mail: <i>cllr.alistair.beales@west-norfolk.gov.uk</i>		Other Cabinet Members consulted:			
Lead Officer: Honor Howell – Corporate Governance Manager E-mail: <i>honor.howell@west-norfolk.gov.uk</i> Direct Dial: 01553 616550		Other Members consulted:			
		Other Officers consulted: Karl Patterson David Reason			
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

Date of meeting: 11 September 2024

Update on Progress of Governance Arrangements for West Norfolk Housing and West Norfolk Property

Summary

Following work carried out by the council’s Audit Department, Position Statements for both of the council’s Housing Companies, West Norfolk Housing and West Norfolk Property, were issued detailing recommendations to improve the governance framework of both companies. Work has been ongoing to finalise the governance arrangements of both companies to ensure all documentation is updated, signed, and placed on a rolling schedule of reviews.

This report is to update the Shareholder Committee on the progress made on updating the governance framework.

Recommendation

That the Shareholder Committee note the progress made on the governance arrangements for the council’s two Housing Companies.

Reason for Decision

To provide assurance to the Shareholder Committee that all recommendations made in the Position Statements are actioned and that the governance framework of the housing companies is robust and up to date.

1 Background

1.1 West Norfolk Property Ltd

1.1.1 West Norfolk Property Ltd (WNPL) was incorporated in April 2018 and was set up to acquire properties from the council, to let for private rent to residents of the borough. In January 2019, Cabinet approved the business plan for WNPL, including the principle of retaining for private rent 20% of the homes developed by the council on sites of more than 50 dwellings through the Development Management Agreement with Lovell Partnerships.

1.2 West Norfolk Housing Ltd

1.2.1 West Norfolk Housing Ltd was incorporated in 2016 and set up to increase capacity in the social housing sector to deliver new affordable housing in the borough and to provide a vehicle to contribute towards the council's priorities, particularly in relation to accommodation for homeless households. It was registered as a not-for-profit Registered Provider of Social Housing in 2018.

1.2.2 the Company has acquired 47 affordable homes to date (35 rent and 12 shared ownership). The company also leases 7 flats from the council at 37 Broad Street which are used to help meet the council's statutory homeless duties to provide temporary accommodation.

1.3 An internal audit of WNPL in February 2024 gave the following recommendations:

- All governance and other documentation for WNPL required to meet the requirements of the Local Partnerships Local Authority Company Review Guidance 2023 edition documentation, to be completed and presented for sign off through the designated approval process, to include:
 - Service Level Agreement
 - Scheme of Delegation
- That all governance documents are centrally stored and subject to version control
- That the company websites are updated with the minutes, agendas, AGM details and Directors details.
- Service Level Agreements are signed, and costs finalised
- Business Plan is finalised to reflect the financing arrangements
- Risk Register to be updated.

1.4 Similarly, for West Norfolk Housing, the following recommendations were made:

- Service Level Agreement (SLA) to be finalised and signed
- Shareholder Agreement to be signed
- Agree Key Performance Indicators as part of the SLA

- 1.5 In August 2024, West Norfolk Housing received a notification from the Housing Ombudsman Service that the company had failed to meet the annual submission deadline for performance against the Complaint Handling Code. An extension was granted by the Ombudsman to 19 September to comply with the requirement.

2. Progress Against Recommendations and Requirements

2.1 Complaint Handling Code

- 2.1.1 WNHC did not have a complaints policy in place, but Broadland Housing Association do have a policy, although it was last updated in 2022, therefore dates the revised code. Work is now progressing on putting the code into place. The performance results against the code are required to be published on the WNHC website.
- 2.1.2 The draft SLA for WNPL will be going to the 17 September WNPL board meeting. KPI's still need to be agreed and fixed cost recharges (subject to indexation and council cost of living increases).
- 2.1.3 The Scheme of Delegation for WNPL will be presented to the board on 17 September.
- 2.1.4 The WNHC Shareholder Agreement was approved at a board meeting in October 2017 but not signed.
- 2.1.5 A Probity Policy is currently in draft format for WNHC. This will go to a later board meeting.
- 2.2 As part of the Code of Governance 2020, WNHC are required to create an Audit and Risk Committee. This is also on the board agenda for 17 September.

3 Policy Implications

- 3.1 There are no policy implications.

4 Personnel Implications

- 4.1 The officer acting as the Company Secretary is currently on long term sickness leave. This will be picked up by the Corporate Governance Manager in the intervening period.

5 Environmental Considerations

- 5.1 There are not Environmental considerations.

6. Statutory Considerations

- 6.1 WNHC did not meet a requirement by the Housing Ombudsman to provide an assessment against the Complaint Handling Code,

however, officers have been in dialogue with the Ombudsman to arrange for an extension to the deadline.

7 Equality Impact Assessment (EIA)

(Pre screening report template attached)

7.1 Not required. Update report.

8. Risk Management Implications

8.1 A high scoring risk has been raised by the council in relation to its council owned companies and the management of performance, finances, liabilities, and governance arrangements. Completion of the outstanding audit recommendations will provide mitigation towards those risks.

9. Declarations of Interest / Dispensations Granted

9.1 None.

10. Background Papers

10.1 Position Statements WNHC and WNPL – February and March 2024.

Document is Restricted

Document is Restricted