

**BOROUGH COUNCIL OF KING'S LYNN & WEST NORFOLK**

**CABINET SCRUTINY COMMITTEE**

**Minutes from the Meeting of the Cabinet Scrutiny Committee held on Thursday, 22nd October, 2015 at 6.00 pm in the Committee Suite, King's Court, Chapel Street, King's Lynn, Norfolk, PE30 1EX**

**PRESENT:**

Councillors Mrs J Collingham, J Collop, P Gidney, P Kunes, Mrs K Mellish and T Wing-Pentelow

**Portfolio Holder:** Councillor A Beales, Deputy Leader and Portfolio Holder Regeneration and Industrial Assets

CSC:47 **APPOINTMENT OF VICE-CHAIRMAN**

**RESOLVED:** That Councillor Mrs S Collop be appointed Vice-Chairman for the meeting.

CSC:48 **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors Gourlay and Kittow.

CSC:49 **MINUTES**

The minutes of the Cabinet Scrutiny Committee held on 17 September 2015 were agreed as a correct record and signed by the Chairman.

CSC:50 **URGENT BUSINESS UNDER STANDING ORDER 7**

There was no urgent business.

CSC:51 **DECLARATIONS OF INTEREST**

There were no declarations of interest.

CSC:52 **MEMBERS PRESENT PURSUANT TO STANDING ORDER 34**

There were no Members present under Standing Order 34.

CSC:53 **CHAIRMAN'S CORRESPONDENCE**

There was no Chairman's correspondence.

**CSC:54 RESPONSE TO PREVIOUS COMMITTEE RECOMMENDATIONS**

None.

**CSC:55 MATTERS CALLED IN PURSUANT TO STANDING ORDER 12**

None.

**CSC:56 SCRUTINY OF CABINET DECISIONS****a Devolution**

The item had been brought to the Committee at the request of the Chairman Councillor Collop.

The Chairman, Councillor Collop referred to the Cabinet minutes of 6 October 2015 and the two recommendations put forward by Councillors Lord Howard and A Lawrence and asked the Deputy Leader if the proposed amendments were acceptable and why they had been put forward.

In response the Deputy Leader explained that Councillor Lawrence had commented that as some other authorities might have financial problems, they might struggle to carry out their obligations, and potentially stop the rest. Councillor Lawrence had expressed reservations about the word “endorse” in recommendation 2 at this stage in the proceedings and suggested that the recommendation should confirm continued work on the proposal which was agreed by Cabinet.

With regard to the comments made by Councillor Lord Howard that the paper was broad and that a final decision could not be taken until all of the detail was available. Councillor Lord Howard proposed an amendment to recommendation 5 to show that the decision being taken “does not extend to conceding any existing Borough Council functions or powers without separate and prior authorisation by this Cabinet and Council.” The amendment had been agreed by Cabinet.

The Deputy Leader advised Members that the above two amendments had provided useful clarification.

In response to comments from the Chairman, Councillor Collop on the amendments to the recommendations and how the other 16 Councils would look at how this Borough Council moved forward, the Deputy Leader explained that this was a difficult to judge, but it was fair to say that all authorities would have concern regarding the lack of detail and the timetable. It was highlighted that there was presently no clear mandate.

In response to questions from the Chairman, Councillor Collop as to how/when devolution could be expected to happen, the Chief Executive provided an overview of the process and an update of the current position as set out below:

- The expression of interest had been submitted to Government on 4 September 2015. The initial submissions for both Norfolk and Suffolk had been well received in Government and civil servants had made it very clear that going forward these two proposals would be greatly strengthened if they could be combined into a single 'devolution deal.'
- 4 November 2015 – Leaders would present proposal to Lord Hesselatine. If the proposal was given the go ahead there would be a series of intense negotiations over a 3 week period to reach agreement on each theme which would then be pulled together and a formal agreement reached with DCLG. It was highlighted that there were only a small number of two-tier rural areas left in the forerunners.
- If agreement reached by all 16 authorities then each Council would be required to hold a Special Council meeting late November/early December 2015.
- Next phase would be a full governance review.
- Daily conference calls were scheduled relating to each work stream.
- An overview of how the finance had evolved.
- The five themes were: Economic Development, Infrastructure and Physical Assets, Skills and Worklessness, Strategic Planning and Housing Delivery, Health and Social Care which were being co-ordinated by DCLG from Government's perspective..

The Chairman, Councillor Collop commented that the update by the Chief Executive was useful and that it was important that Members would view an Agreement if reached at the Special Council meeting.

The Chief Executive explained that if on 4 November the proposal was agreed by Lord Hesselatine, negotiations would be required and the agreement would need to go back to the Leaders for the formal Agreement to be written up and presented to a Full Council meeting in each of the 16 authorities.

The Chairman, Councillor Collop commented that he had been present at three meetings when Devolution had been presented and that each time there had been a change to the proposal. He stated that it would be helpful if the Leaders and Deputy Leaders of each political group met when there was an important issue to discuss to enable them to report back to their Group and would be putting this forward as a recommendation from the Committee. In response, the Deputy Leader commented that if that was a recommendation from the Committee then he would be happy to do so to ensure that all Members were kept updated by whatever mechanism was appropriate.

Councillor Mrs Mellish stated that it was important that all Members were kept up to date on such a massive venture. The Agreement

would be presented to a Special Full Council meeting when Members would have the opportunity to debate/comment.

The Deputy Leader reiterated the point that a Special Full Council meeting would be required to approve the Agreement. Currently there was no clear mandate, but it was important that the proposal went through the required democratic process. It was necessary for there to be an element of trust amongst the 16 Councils.

In response to questions from Councillor Mrs Collingham regarding the transfer of resources and concern relating to skills, etc, the Chief Executive referred to the proposals from the Chancellor regarding the reduction in Revenue Support Grant. He also outlined the implications relating to the retention of business rates during 2016/2017.

The Chief Executive added that with regard to concerns regarding unemployment there were two elements. The service currently provided by Job Centre Plus could be improved by the Borough Council tailoring it to address local employment needs and in the context of Universal Credit it made sense to bring the service together with the local Council and set up a unified service in one building. With a unified service a better scheme could be provided and savings achieved. Training needs could therefore be addressed and an improved service would be available to local firms.

The Deputy Leader added that there had been a number of good comments made by the Committee. He commented that status quo was far from being risk free and it was clear that the Revenue Support Grant would reduce in future years. The Deputy Leader emphasised that the devolution proposal provided an opportunity for the Borough Council to be in control of its own destiny.

In response to comments from Councillor Mrs Collingham being a reduced headcount in Whitehall producing inevitable savings and would this cascade locally, the Deputy Leader comments that there was £100 m for devolution available it was difficult to sell it as fiscally neutral. Previously Councils had asked for control locally, this proposal would therefore allow decisions to be made locally.

In response to questions from Councillor Gidney on the next stage and the way forward particularly relating to structures, jobs, etc, the Chief Executive explained that were two elements of governance. The proposal presented to Lord Hesseltine would make it clear that the mayoral model would not work in Norfolk and Suffolk and provided details on the combined authority and how the governance arrangements would operate, which would include a Board and a Chairman being elected for a fixed period potentially to fit in with the electoral cycle. The officer structure would be based on the Local

Enterprise Partnership model to ensure that the organisation was as lean as possible to function as an effective organisation.

The Deputy Leader added that the principle of subsidiarity was key and that what service could come to District Councils would always be the first option.

Councillor Kunes commented that articles in the press had related to Great Yarmouth and other areas but little mention had been made of West Norfolk. He asked therefore if the Council was confident that if the devolution proposal went ahead that West Norfolk would not be left behind. The Chief Executive explained that the Borough Council would obtain a reasonable share and referred to previous funding received for the College of West Anglia, King's Lynn Information Centre and the National Construction College. The Borough Council would argue the case for funding for the improvements to the A47. The Local Enterprise Partnership process had recognised that it was necessary to cover broad areas in order to see the benefits.

The Chief Executive advised that Cambridge had been invited to be part of the devolution proposal for Norfolk and Suffolk, but had determined not to submit an expression of interest at this stage. Work was in progress to leave the door open to including Cambridgeshire into the Norfolk and Suffolk proposal at a later date should they so wish.

The Chief Executive explained that the most likely controversial element outside governance would be housing numbers. The Government wished to boost house building numbers throughout the country. In the short term the aim was to double the level of housing in Norfolk and Suffolk within two years with the correct support which could be addressed through the HCA and the housing investment fund to support smaller builders up to the required level in accordance with the Local Plan.

The Chairman, Councillor Collop referred to a comment made by Councillor Pope at Cabinet in that the Government would currently take over a failing body, but if one was devolved into the Combined Authority they would potentially be a drain on resources and asked if this related to a particular council. The Deputy Leader explained that there was a worry that not all Councils were equal in resources. It was therefore important that each Council looked after itself its own budget. If agreement was reached on the devolution proposal there would be no financial pool arrangement.

Councillor Mrs Mellish commented that she did not know enough detail regarding the devolution proposal, but hoped potentially that the Borough Council would remain its own boss.

The Chairman, Councillor Collop expressed concern that if agreement was reached by all councils and one Council required assistance from another, and added that it was important that such a mechanism was developed to call upon if required.

The Deputy Leader advised that if the proposal was agreed and a formal Agreement being presented to Full Council, this would provide an opportunity for Members to raise any concerns. It would be naive for the Council to think that budget issues being experienced by Norfolk County Council would not impact upon the Borough Council.

In response to questions from the Chairman, Councillor Collop on how the proposal would affect Parish Councils, the Deputy Leader explained that the proposal would strengthen Parish Councils ability to influence matters devolved to the local authority. Parish Councils would be closer to the decision makers.

The Chairman, Councillor Collop thanked Members for their valuable input into the debate and also thanked the Chief Executive for the update position and the Deputy Leader for attending.

On behalf of the Committee, the Chairman, Councillor Collop wished a speedy recover to both the Leader and Councillor Gourlay who were unwell.

**CSC:57 DATE OF NEXT MEETING**

The next scheduled meeting was 19 November 2015.

**The meeting closed at 7.22 pm**