

RECOMMENDATIONS TO COUNCIL ON 4 JULY 2019 FROM CABINET ON 18 JUNE 2019

CAB9 KLIC EXTERNAL ENQUIRY - TERMS OF REFERENCE AND APPOINTMENT OF CHAIR

Cabinet considered a report responding to the Council's decision of 26th March 2019:

“That the Council establish an independent inquiry into the partnership with Norfolk and Waveney Enterprise Services (NWES) and its subsidiaries and associated companies and those with common shareholders or directors, regarding the award of and administration of the KLIC project and all aspects of its (their) 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 to be chosen by an outside body, such as the Local Government Association (LGA) and consideration be given to requesting further assistance from such an outside body if required.

This enables the proposed Audit Committee Task Group to focus on the future composition and operation of the Major Projects Board, the Major Projects Progress overview and other lessons learnt from the 'KLIC Lessons Learnt Review'.

The independent Inquiry will have access to all council documents associated with NWES, subsidiaries etc as detailed above.”

Members were reminded that the Audit Committee established a cross party Audit Committee working group to further examine the findings of the Internal Audit Committee report into the KLIC project. This group held an initial meeting prior to the May elections and recommended terms of reference for the review to the Audit Committee meeting of the 3rd June. These were attached at appendix 1 to the report.

This report presented proposed terms of reference to cabinet for the external review which sought to build upon and add value to the work of the Audit Committee Cross Party Working Group. This approach was designed to be cost effective and to focus the external enquiry onto areas not covered by the Working Group. The draft terms of reference were set out at Appendix 2 to the report. The report also made proposals for the selection of a Chair for the inquiry from the persons identified by the Local Government Association.

Under standing order 34 Councillor Joyce expressed the view that the LGA would know what to look for and where and that it should be new councillors who make the appointment of the chairman and panel.

Under standing order 34 Councillor Pope asked whether the cost of the inquiry could be reclaimed from NWES. It was confirmed that as the Council had requested the inquiry it would have to pay the associated costs.

RECOMMENDED: That Council approve the following:

1. The terms of reference for the external KLIC inquiry as set out in Appendix 2 of the report
2. To delegate to the leaders of the Councils three groups the appointment of the Chair of the External Inquiry.

Reason for Decision

To respond to the Notice of Motion agreed by Council on 26th March 2019. To ensure that external expertise and insights are utilised to assist the council in improving its systems procedures for the management of large scale capital projects and partnerships.

CAB13 FOOD AND GARDEN WASTE TREATMENT - PROCUREMENT

Councillor Devereux presented a report which explained that it had previously decided that this council should enter into a procurement for the provision of a single waste collection contract with North Norfolk District Council and Breckland District Council (Cab 39 dated 1 August 2017 refers). The contract covered collecting all waste but not the treatment of collected garden waste and food waste. The council in preparation of the implementation of any contract awarded under the current procurement must also procure the arrangements for the treatment of any collected food waste and garden waste. These will be procured separately to maximise the economic benefits to the council.

Cabinet noted that the Environment and Community Panel had supported the recommendations.

Under standing order 34 Council de Whalley commended the Council on the proposal and encouraged the Cabinet to encourage other Norfolk authorities to do the same. This approach was supported.

Under standing order 34 Councillor Kemp commended the proposal and also encouraged colleagues around the county to do the same.

RECOMMENDED: That the Executive Director for Commercial Services be authorised to commence two procurements for the Borough Council's treatment of separately collected food waste and separately collected garden waste and grounds maintenance wastes.

- a) Food Waste treatment (anaerobic digestion) is procured within the existing Joint Venture arrangements.
- b) Garden Waste treatment (composting) is procured in the open market

Reason for Decision

The potential for savings in the procurement of the two treatment contracts for the separate waste streams was not delivered in previous procurement and by the very nature of the wastes local sites are required for the receipt of these wastes for treatment. The joint venture company NEWS Ltd operates the only well placed transfer station available for the receipt of food waste and has experience in the receipt and arrangements for the treatment of food waste through anaerobic digestion.

CAB14 **KING'S LYNN AREA CONSULTATIVE COMMITTEE - REVIEW**

Cabinet received a report which reminded members that at Council on the 1 May 2015, it was resolved that the King's Lynn Area Consultative Committee (KLACC) continue for a further period of 4 years. This report sought authority for KLACC to continue to operate in accordance with its revised (current) terms of reference, for a further 4 years.

Under standing order 34 Councillor A Tyler spoke in support of the continued operation of the Committee.

Under standing order 34 Councillor Joyce spoke in support of the Committee particularly their ability to comment on planning applications in King's Lynn.

Cabinet members also supported the proposal to continue the Committee.

RECOMMENDED: That the King's Lynn Area Consultative Committee continues to operate after 1 May 2019 for a further 4 years.

Reason for Decision

To allow KLACC to continue to operate.

CAB15 **COUNCIL GOVERNANCE**

The Chief Executive presented a report which made proposals to Council to set up a non proportional task group of six members (2 Con, 2 Ind and 2 Lab) to review and examine alternative governance models to the current Strong Leader and Cabinet model.

Under standing order 34 Councillor Moriarty thanked the Leader for setting the Task Group up so quickly. He indicated he would be happy with a proportional group.

Under standing order 34 Councillor Kemp asked whether the Council would look at what the County do and piggy back on the research they had undertaken. The Leader confirmed that the Council would be looking at the merits of different schemes to see which would be the right one for the Council.

It was proposed that the Task Group be proportional 3 Con, 2 Ind and 1 Lab.

RECOMMENDED: 1) That a proportional Council Task Group to consider Governance Models, consisting of 6 members (3 Con, 2 Ind, 1 Lab) be established.

2) That a budget of up to £25,000 is established to provide officer support to the task group.

Reason for Decision

To enable members to examine alternative governance models and assess their suitability for the Borough Council.

CAB16 AMENDMENTS TO THE SCHEME OF DELEGATION

Cabinet considered a report which recommended an updated scheme of delegation for approval. The Scheme had been amended to take account of the changes to the portfolio responsibilities.

RECOMMENDED:

- 1) That Council approve the amended Scheme of Delegation
- 2) That the Chief Executive, in consultation with the Leader be given delegated Authority to make minor amendments to the Scheme to resolve any anomalies which may occur.

Reason for Decision

To ensure that the Delegation Scheme mirrors the decision making structure

EXEMPT ITEM

CAB22 CINEMA DEVELOPMENT

Councillor Mrs Nockolds presented a report which detailed progress on the proposal to construct two cinema screens in the upper bar area at the Corn Exchange.

The original proposal had been developed to a detailed design to allow a tender exercise to take place. Cabinet approval was requested to changes from the original report considered by Cabinet in November 2018, the main issues were;

- Revised capital costs including roof replacement to the bar area
- Final Design
- Consideration of ground floor toilet improvements
- Works to façade and foyer area

A full detailed design had now been produced for the cinema offer and costed at 2nd quarter 2020 construction rates. This increased the cost of the scheme substantially. The revenue budget for the proposals had also been revised based on the detailed scheme. The original proposal delivering a 22% rate of return on capital investment, the revised scheme deliver a 15% rate of return.

Subject to Cabinet approval the construction works would be tendered in July and August with the aim to let the contract in September and works to commence in January 2020 and completion in May 2020 with cinemas opening in June.

Under Standing Order 34 Councillor Lowe addressed the Cabinet on the proposed development of the cinema, he expressed concerns about the affordability of the proposals for lower earners. The Leader responded to the comments by way of commenting on the freedom of choice to attend either venue and the additional boost it would give to the town centre economy.

Under standing order 34 Councillor Ryves commended the proposal and the offer of an alternative to the current provision, he expressed the hope that the highest quality seating would be provided and asked about the borrowing arrangements and terms, and whether free parking would be provided.

Under standing order 34 Councillor Pope agreed with the comments expressed by the previous councillors, and commented that he felt it was too much to spend on such a development which he considered would be short term.

Under standing order 34 Councillor de Whalley expressed some concerns at the business plan, and felt that the capital expenditure should be paid back over 5 years. He referred to the reduced space available at intervals which he felt could be off putting.

It was explained that the money for building elements would be borrowed over a 50 year period, the sound and seating equipment would be over 10 years. The Exec Director also explained that it was proposed to future proof the lift design in case of any future amendments in years to come.

Councillor Gidney supported the proposals which he considered widened the scope of the Corn Exchange, and agreed with the comments on the best seating possible.

RECOMMENDED: 1) Agree to proceed with the Corn Exchange cinema proposals and amend the Capital Programme as detailed in the report at 2.4.5.

2) Include options in the tender for ground floor toilets, façade, foyer area as separate cost items.

3) Delegate authority to the Executive Director, Commercial Services in consultation with the Portfolio Holder to proceed with the procurement and construction of the cinema screens and associated works.

Reason for Decision

To enable the cinema proposal to proceed, reduce the revenue cost of the Corn Exchange, contribute to the Council's cost reduction plan and assist with creating a vibrant town centre leisure offer.