

NORTHUMBERLAND COUNTY COUNCIL

CABINET

At a meeting of the **Cabinet** held at County Hall, Morpeth on Tuesday, 9 January 2018 at 10.00 am.

PRESENT

Councillor P.A. Jackson
(Leader of the Council, in the Chair)

CABINET MEMBERS

Homer, C.
Jones, V.
Oliver, N.

Riddle, J.R.(part)
Sanderson, H.G.H.
Wearmouth, R.

OTHER MEMBERS

Davey, J.G.
Dodd, R.R.
Flux, B.

Lang, J.A.
Sharp, A.

OFFICERS IN ATTENDANCE

Elsdon, A.
Hadfield, K.

Henry, L.
Johnston, P.
Lally, D.
McNaughton, S.
Turner, M.

Director of Finance
Committee Services and Scrutiny
Manager
Legal Services Manager
Service Director, Place
Chief Executive
Strategic Transport Policy Officer
Head of Property and Capital
Programming

4 members of the press and public were present.

54. APOLOGIES

Apologies were received from Councillor Daley.

55. MINUTES

RESOLVED that the minutes of Cabinet held on Tuesday 12 December 2017 be confirmed as a true record and signed by the Chair, subject to the amendment of Councillor Cessford's name to read T. Cessford.

56. DISCLOSURES OF INTEREST

Councillor Wearmouth disclosed a personal interest in item 6 on the agenda (Summary of New Capital Proposals) in respect of the Emily Davison Memorial as he was contributing some of his small schemes funding to the project.

57. REPORT OF THE DIRECTOR OF PLANNING AND ECONOMY

Gilsland Station

The report provided members with an overview of progress to date in relation to the proposed reopening of Gilsland Station and sought member resolution as to the future support for the project (copy attached to the signed minutes as Appendix A, along with the report of the Corporate Services and Economic Growth OSC circulated at the meeting).

The report was introduced by Councillor Wearmouth. The initiative would support the local economy by providing improved commuting facilities and better access to tourism opportunities such as Hadrian's Wall.

Members were advised by Mr McNaughton that there was a strong local campaign in support of this. Risks identified needed further work to determine the scale of those risks and potential costs in more detail. The responsibility of funding the project to GRIP Stage 4 would fall to the County Council.

The Leader commented that, though it was not spelled out in the report, the project still had the active support of the Council and it was hoped that significant funding could be secured through the Borderlands Initiative and the devolution deal.

Members spoke in support of the proposal.

RESOLVED unanimously that:-

- (a) the contents of the report be noted;
- (b) support be given to the inclusion of Gilsland Station within the Borderlands Growth Deal negotiations as an opportunity for securing the necessary funds to proceed with the project; and

- (c) the report of the Corporate Services and Economic Growth OSC be noted.

58. REPORT OF THE HEAD OF PROPERTY AND CAPITAL PROGRAMMING

Summary of New Capital Proposals considered by Officer Capital Strategy Group

The report summarised proposed amendments to the Capital Programme considered by the officer Capital Strategy Group at its meeting held on 8 December 2017 (copy attached to the signed minutes as Appendix C).

RESOLVED that Council be recommended to agree the following:-

(a) Emily Davison Memorial, Carlisle Park:

Members were fully supportive of this and its impact on the local tourism agenda. The support of the Town Council and local community was welcomed.

Recommendation to Council - that the proposals be endorsed and the associated budget requirement of £50,000 be approved, to be met from existing Parks Enhancement Programme budget.

(b) England Coast Path – Seaton Sluice to Amble:

Members welcomed this exciting initiative, which was almost fully funded and expected to become a significant tourist attraction.

Recommendation to Council - that the grant award from Natural England be accepted and the associated budget requirement of £149,250 be approved.

(c) Desk-Top Refresh Programme:

Councillor Oliver supported the proposal which would accelerate new ways of working and future proof IT systems through the need for less training and reduced support and maintenance costs.

Recommendation to Council - that the associated revised budget requirement of £1,600,000, including £240,000 in 2017-18 be approved.

(d) Replacement of the current Swift application with a new Person Centred Care Information System:

Recommendation to Council - that the proposal and indicative budget requirement of £450,000, to be met from the Adult Care Capital Grant, be approved.

(e) Replacement of Single Point of Access (SPA) Telephony System, Foundry House:

Recommendation to Council - that the proposal and associated budget requirement of £30,730, to be met from the Adult Care Capital Grant, be approved.

Councillor Riddle left the meeting at this point.

59. REPORT OF THE DIRECTOR OF FINANCE

Shared Services Proposal

The report sought approval to establish a shared service with Newcastle City Council for a range of transactional financial services which were currently provided by both councils (copy attached to the signed minutes as Appendix B along with the report of the Corporate Services and Economic Growth OSC circulated at the meeting). An amendment to the recommendations was circulated (copy attached to the signed minutes).

Councillor Oliver introduced the report, highlighting the following points:-

- This was a complex proposal with a lot of work still to be finalised.
- Concerns had been looked at in detail, particularly around the level of consultation with County Council staff. A reassurance had been given that detailed consultation would be undertaken at every step.
- There were substantial cost savings to be achieved.
- The County Council currently operated a very good level of service, but there were still opportunities for improvement and investment. There was a lot of expertise in Northumberland which needed to be recognised and staff needed to be involved in the process.
- The proposed location in Northumberland would be beneficial in terms of bringing jobs into the County and increased business rates.
- The merger would bring benefits in terms of the rollout of universal credit as Newcastle were ahead of Northumberland on this, and on home working practices which would improve flexibility for staff.

Mrs Elsdon detailed some of the main points in the report, highlighting that Northumberland would be responsible for supplying the “big ticket” services to the Shared Service. 430 staff were involved in total and the proposal offered a good opportunity to streamline processes and systems and save on IT and procurement costs. It was estimated that around £900,000 of revenue savings could be made over a three year period, though there would be some capital and one-off redundancy costs in the first year. She referred to the amended recommendations circulated which proposed the deletion of recommendation 8(a) and added an additional recommendation 13 regarding the development of risk management and internal audit arrangements.

Councillor Oliver referred to the detailed consideration of the matter by Scrutiny the previous day on issues such as staff, location, economic impact, membership of the joint committee and due diligence. He had agreed that proposals would be taken back to Scrutiny so they could be looked at as they evolved. He then read the four recommendations from Scrutiny as detailed in the Committee's report.

The Leader felt that these were acceptable and asked Mrs Elsdon to take the recommendation regarding membership of the Joint Committee back to Newcastle City Council for agreement.

RESOLVED unanimously that:

1. the establishment of a shared service with Newcastle City Council with effect from 1 April 2018, be approved;
2. the name for the shared service be agreed as "NNTS";
3. the establishment of a Joint Committee to oversee, regulate and monitor performance of the shared service be approved;
4. the required constitutional amendments be delegated to the Monitoring Officer.
5. the Joint Committee agreement (Appendix 3) between the two Councils be approved;
6. the development and finalisation of the detailed operating agreement be delegated to the Director of Resources in Newcastle, and, Director of Finance in Northumberland.
7. Northumberland County Council be agreed as the employer for all staff within the scope of the shared service and provide:
 - a) Office accommodation
 - b) Human Resources support
 - c) ICT platforms and support
 - d) Procurement support
 - e) Accountancy and budget support
8. Newcastle City Council to provide:
 - a) Legal support
 - b) Joint Committee support
 - c) A proportion of ICT support for the Newcastle network in Northumberland
 - d) Transformational support

- e) Communications and marketing
 - f) Digital Printing Service if this provides value for money. If not this will be done externally;
9. all Newcastle City Council staff within the scope of the shared service TUPE transfer into Northumberland County Council on 1 April 2018 or as soon as practicable thereafter;
 10. the ICT recommendations in the ICT paper, Appendix 11 of the business case be noted;
 11. the financial model and three year savings proposal be noted;
 12. the accommodation recommendations as outlined in paragraphs 51 and 52 of the business case be approved;
 13. it be noted that risk management and internal audit arrangements will be developed which allow the statutory assurance responsibilities of each authority to be met and provide optimum assurance to the proposed Joint Committee. More work will be undertaken on developing and evaluating options around these assurance arrangements; and
 14. the recommendations of the Economic Growth and Corporate Services OSC, as detailed in its report, be accepted.

CHAIR.....

DATE.....