

POLICY AND RESOURCES COMMITTEE

Date: 10 October 2016

Venue: East Northamptonshire House, Cedar Drive, Thrapston

Time: 7.30pm

Present: Councillors: Richard Lewis (Chairman)
Glenvil Greenwood-Smith (Vice-Chairman)
Steven North (Leader of the Council)
Glenn Harwood MBE (Deputy Leader of the Council)

Tony Boto Roger Glithero JP
Wendy Brackenbury Philip Stearn
Val Carter

207. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors David Brackenbury, Marika Hillson and Dudley Hughes JP.

208. MINUTES OF PREVIOUS MEETING

The minutes of the meeting held on 5 September 2016 were approved and signed by the Chairman.

209. DECLARATIONS OF INTEREST

No declarations of interest were made.

210. QUESTIONS UNDER COUNCIL PROCEDURE RULE 10.3

There were no questions submitted under Procedure Rule 10.3.

211. CHANGE TO THE ORDER OF THE AGENDA

It was agreed to consider agenda item number 8, ICT Strategy, next.

212. EXCLUSION OF PUBLIC AND PRESS

RESOLVED:

That the public and press be excluded from the meeting during consideration of the following items of business as it was likely that exempt information, as defined under paragraphs 2 and 4 of Schedule 12A of the Local Government Act 1972, may be disclosed.

213. ICT STRATEGY

The Chief Executive reported that the shared ICT service with the Borough Council of Wellingborough (BCW) had been in place for over 8 years, during which time significant efficiencies and improvements had been delivered for both councils. However, the pace of change in ICT generally and the changing needs of both councils now required a new strategic approach to be developed and implemented. Consultants had therefore been commissioned by both councils to carry out a review, and a draft strategy had been approved by the ICT Partnership Board, which comprised the Chief Executives of both councils and other members of the two management teams.

The key aims of the strategy were to:

- Make the ICT infrastructure simpler, more reliable and secure
- Focus resources on business improvement rather than housekeeping and troubleshooting
- Integrate ICT with the other service areas critical to business improvement; Human resources (HR) and Business Transformation
- Introduce new governance arrangements to simplify management processes and decision-making within the ICT Service
- Work more closely with BCW to adopt common processes and improve efficiency
- Save money

Security and business continuity were major considerations. The draft strategy involved migrating much of the existing ICT infrastructure, such as servers, to an external data centre, and some of the existing software systems to external providers, so the need for on-site maintenance and management of that infrastructure and those systems would reduce or, in some cases, disappear altogether.

Following discussions with BCW senior management, it had been agreed that there was no need for a like-for-like replacement for the Head of ICT role. Much of the technical systems and infrastructure provision and maintenance would be carried out externally and, while there would be a need for monitoring and management of those external providers, the focus of the service would be more on business change / transformation. It was therefore proposed to put the ICT service under common management with the Business Transformation Team and HR by transferring it into Resources and Organisational Development (ROD) at the appropriate time, and to delete the post of Head of ICT from the Council's organisation structure.

In order to maintain a level of strategic technical input into the service, a consultancy budget would be created to enable an annual review and periodic advice and guidance.

All Members of Council had been invited to attend a briefing on the proposed Strategy immediately prior to the Policy and Resources Committee meeting. Councillors supported the proposals but sought some clarification and reassurance on a few matters. The Chief Executive assured Members that the ICT team would be well placed within the ROD department alongside the HR and Business Transformation teams as this would enable the delivery of effective change. Members also raised some concerns around the provision of effective solutions for their ICT requirements.

R.10 RESOLVED TO RECOMMEND TO COUNCIL:

- i) That the ICT strategy be approved;
- ii) That the estimated financial impact of the changes be noted and the funding is met from the proposed Medium Term Financial Strategy/Efficiency Plan Earmarked Reserve (as detailed in section 7.5 of the report);

- iii) That the implementation costs are added to the Approved Capital Programme and Development Pool (as detailed in section 7.6 of the report); and
- iv) That the post of Head of ICT be deleted from the Council's organisation structure.

(Reason: To improve ICT resilience and data security and to focus resources on delivering business improvements and efficiencies).

THE OPEN SESSION OF THE MEETING RESUMED AND THE PRESS AND PUBLIC WERE READMITTED

214. MINUTES OF SUB-COMMITTEES AND WORKING PARTIES

a) Housing Policy Working Party – 13 July 2016

The minutes of the meeting of the Housing Policy Working Party held on 13 July 2016 were received (see pages 164 to 168).

b) Personnel Sub Committee – 25 July 2016

The minutes of the meeting of the Personnel Sub Committee held on 25 July 2016 were received (see pages 169 to 170).

c) Finance Sub Committee – 12 September 2016

The minutes of the meeting of the Finance Sub Committee held on 12 September 2016 were received (see pages 171 to 174).

d) Personnel Sub Committee – 19 September 2016

The minutes of the meeting of the Personnel Sub Committee held on 19 September 2016 were received (see pages 175 to 177).

The Leader of the Council noted the importance of developing the local economy in order to maximise the opportunities from the retention of business rates and the need in addition for the council to develop additional income streams through being more commercial. He highlighted that the council lacked the necessary skills to pursue these objectives and therefore it was proposed to seek a new post to provide them. The Committee then:

R.11 RESOLVED TO RECOMMEND TO COUNCIL:

- i) That a new post of Head of Economic & Commercial Development be created.
- ii) That the costs of the role in 2016/17 be funded through any underspend in the Council's budgets or, if there is no underspend or it is insufficient to cover the full costs, any shortfall be met from the Council Improvement Reserve and the costs for 2017/18 onwards be built into the 2017/18 budget and Medium Term Financial Strategy.

(Reason: To ensure that the Council has the resources and the focus required to deliver its growth ambitions and to generate sufficient income to ensure its future financial stability).

e) Finance Sub Committee – 5 October 2016

The minutes of the meeting of the Finance Sub Committee held on 5 October 2016 were received (see pages 178 to 180).

R.12 RESOLVED TO RECOMMEND TO COUNCIL:

- i) That the Leader of the Council be invited to propose the endorsement of the efficiency plan as submitted.
- ii) That the Chief Finance Officer, in consultation with the Chairman of the Finance Sub-Committee, be authorised to finalise the efficiency plan to be submitted to the Department of Communities and Local Government by 14 October 2016

(Reason: To take advantage of the four-year offer, so that the council has more certainty over finances and can manage resources efficiently to support delivery of the Corporate Plan and Medium Term Financial Plan)

215. NORTH NORTHAMPTONSHIRE DEVELOPMENT COMPANY (NNDC) – FUTURE FUNDING

The Committee considered a report from the Executive Director setting out the background to the North Northamptonshire Development Company (NNDC), a private limited company supported by East Northamptonshire District Council (ENC) and Kettering Borough Council (KBC). Previously the membership of the NNDC had been wider and included the four North Northamptonshire District Councils, Northamptonshire County Council and two government agencies. With the withdrawal of central government funding in 2011, all members other than ENC and KBC withdrew their membership.

ENC currently contributed £30,000 per annum to NNDC and higher levels of funding would be required to ensure its sustainability therefore it was considered appropriate to review future funding arrangements. The options were:

- To increase the contribution to approximately £40,000 per annum (this will simply maintain the existing level of service)
- To continue funding £30,000 per annum for a further 18 months to two years
- To terminate funding at the end of this financial year, giving adequate time for the company to wind up its affairs between now and then.

NNDC had been advised of the two Councils' review of funding pending the submission of reports to their respective committees in order to enable the NNDC Board meeting in September to consider its position and what arrangements would be necessary if either or both councils were to withdraw, including closing down the company with effect from a date in 2017. The principal service that NNDC provided to ENC was viability testing of some major development proposals, plus some project support, advice, market intelligence and capacity when called upon. The Committee was advised that these services could be secured through the open market.

Members expressed their support for the proposals and queried the status of any funding reserves held by NNDC. The Executive Director advised that reserves would be required to settle outstanding liabilities including pension fund contributions and that no surplus would be available to return to this council..

RESOLVED:

- i) That funding contributions to NNDC cease from 31 March 2017 and provision for a rolling reserve of £20,000 for viability assessments for major applications be created from 1 April 2017.

(Reason: to secure best value in use of public resources by this council)

- ii) That written notice of termination be served on NNDC in accordance with the Articles of Association to ensure termination of ENC involvement by 31 March 2017.

(Reason: to ensure legal compliance)

- iii) That the Chairman, Chief Executive and Board members of NNDC be formally thanked for their service in their respective roles over the last few years

(Reason: to recognise past positive activity on behalf of ENC residents)

216. EXCLUSION OF PUBLIC AND PRESS

RESOLVED:

That the public and press be excluded from the meeting during consideration of the following items of business as it was likely that exempt information, as defined under paragraphs 2, 3 and 4 of Schedule 12A of the Local Government Act 1972 may be disclosed.

217. COMPULSORY PURCHASE ORDER

The Environmental Protection Manager reminded the Committee that at its meeting on 11 July 2016 it had agreed that the initial stages of a Compulsory Purchase Order (CPO) should commence. This decision had enabled the legal paperwork to be sent to the owner advising of the authority's intentions, the property to be formally valued and quotes to be obtained from LGSS with regards to the legal costs for proceeding.

The owner of the property had made contact with officers and maintained that he had the intention that at some point in time he might move back into the property. However, he did not appear to be willing to take any remedial action at the current time without further action by the council. The owner had attended the valuation meeting undertaken by a Chartered Surveyor and members received a copy of the valuation report. The owner would also be entitled to a 'basic loss payment', an additional compensatory sum, approximately 7.5% of the valuation, to reflect the inconvenience and disruption caused by the acquisition.

It was proposed to purchase legal support from a specialist CPO legal firm, NPLaw, who charged a fixed fee of £1,500 (excluding VAT and disbursements) for a non-contested CPO of a single plot. If there were objections leading to an inquiry or written representations would incur an additional fee at the rate of £80 per hour (excluding VAT and disbursements).

Because of the current state of the property it was recommended that the council resell it on the open market and try to recover the costs incurred. Basic works could be undertaken such as clearing the property and cutting back in the rear garden in an effort to increase its resale value.

The test in deciding if a compulsory purchase order should be confirmed was that of a compelling case in the public interest. It was considered that this test had been met in this case.

Members queried the funding requirements for the basic works required to the property and were advised that these could be met from within existing budgets. They also received assurance from the Environmental Protection Manager that all other options had been exhausted and that a CPO was the only action available.

R.13 RESOLVED TO RECOMMEND TO COUNCIL:

- i) That the Council should commence the Compulsory Purchase of the property as referred to in the report, pursuant to section 17 of the Housing Act 1985; and

(Reason - to bring a long-term empty property back into use)

- ii) That the funding required be taken from the Council Improvement Reserve/ Corporate Plan Reserve

(Reason – to identify the funding source)

218. LEISURE PROCUREMENT – APPONTMENT OF PREFERRED BIDDER

The Head of Customer and Community Services reported on progress on the procurement of the Council's leisure services.

An Issues Debate held in October 2015 had set the context for the new service and the need for a new and effective outreach service to be provided alongside facilities-based activities. The debate, along with the current national picture, saw the emphasis move from traditional leisure services towards the encouragement of healthy and active lifestyles. This change had been reflected throughout the procurement process, which was broken down into three phases:

- Phase 1 involved the selection of consultants to assist with the process and the development of a specification for the service.
- Phase 2 required building surveys and the agreement of the procurement process.
- Phase 3 was the selection of the preferred bidder and the recommendation to Council of the contract award.

Of the five bidders invited to tender (ITT), four submitted applications which were then assessed and scored by the working party and officers. The bidders were then subject to interviews including presentations and clarification questions relating to their submissions. The preferred bidder was selected based on the highest score at the end of the process and the Committee was advised that the Working Party's preferred bidder was Bidder D.

R.14 RESOLVED TO RECOMMEND TO COUNCIL:

- i) That the contract for the provision of leisure services be awarded to Bidder D;
- ii) That the financial consequences of the award be noted;
- iii) That the 10-day standstill period be noted, following which the contract will be awarded to Bidder D with a contract start date of 1st April 2017; and
- iv) That authority be delegated to the Chief Executive, in consultation with the Leader and the Chairman and Vice Chairman of the policy and Resources Committee, to finalise the contract with the preferred bidder

(Reason – to enable the delivery of a cost-effective service to help achieve healthy and active lifestyles across the District).

Chairman