

North Tyneside Council Report to Cabinet 11 August 2014

ITEM 6(b)

Response to Overview and
Scrutiny Committee Report
on Wallsend Customer First
Centre

Portfolio(s): Elected Mayor

Leisure Tourism and
Culture
Community Engagement

Cabinet Member(s): Mrs. Norma
Redfearn
Cllr Eddie Darke

Cllr Carole Burdis

Report from Service

Area: Environment and Leisure

Responsible Officer: Phil Scott, Head of Environment and
Leisure **Tel:** (0191) 643 7295

Wards affected: All

PART 1

1.1 Purpose:

The purpose of the report is for Cabinet to consider the recommendations received from the Overview and Scrutiny Committee in relation to the finance and leasing arrangements of the new Wallsend Customer First Centre.

1.2 Recommendation:

It is recommended that Cabinet, in considering the recommendations received from the Overview and Scrutiny Committee, agrees to note the following general lessons in relation to decision making on future projects of this nature:-

- a) That any future long term leasing arrangements entered into by Cabinet should be made on the basis of comprehensive information being available and sufficient cost comparisons to ensure value for money;
- b) That a more robust audit trail and evidence of decision making should be available to enable future scrutiny of decisions;
- c) That all avenues to negotiate incentives are explored, such as rent free periods or other benefits, which could give more value for money to the council tax payer;
- d) That any future arrangements should only be entered into in the context of the wider review of the use of Council buildings, thus forming part of a strategic overview of accommodation use.

1.3 Forward Plan:

Twenty eight days notice of this report has been given and it first appeared on the Forward Plan that was published on 7th July 2014.

1.4 Council Plan and Policy Framework

This report links to 'Our North Tyneside' Council Plan, particularly to Priority 1 – Our People - to develop our sports, cultural and customer facilities to promote better health, well-being and to reduce social exclusion; and Priority 2 – Our Places – to invest in high quality infrastructure to provide excellent recreational facilities for residents and visitors, as outlined in the 2013/14 Action Plan.

1.5 Information:

Background

1.5.1 The Overview and Scrutiny committee at its meeting of 6th January 2014 requested officers to provide information in relation to the finance and leasing arrangements of the new Wallsend Customer First Centre which would:-

- a) Detail the decision making process for the progression of the centre;
- b) Provide a breakdown of the agreed leasing arrangements;
- c) Outline the financial arrangements undertaken; and
- d) Indicate the options discussed to utilise the second floor of the building

1.5.2 At subsequent meetings of the Overview and Scrutiny Committee, on the 4th February 2014, 3rd March 2014 and the 31st March 2014, officers provided information relating to the four areas of inquiry and responded to forty-four written question submitted by Committee members in relation to the finance and leasing arrangements of the new Wallsend Customer First Centre.

1.5.3 The Overview and Scrutiny committee acknowledged the establishment of a Strategic Property Group, in October 2013, with the stated purpose of

- overseeing the framework for the review of property assets
- recommending sites for retention, disposal or development/re-development; and
- formulating a programme of delivery for key development/re-development projects.

This will address many of the concerns raised by the Overview and Scrutiny Committee by taking a single view of the Council's assets and making a direct connection between those assets and the Council's policy priorities.

1.5 Decision options:

The following decision options are available for consideration by Cabinet:

Option 1

Agree the recommendations set out in section 1.2 of this report

Option 2

Not agree the recommendations set out in section 1.2 of this report.

Option 1 is the recommended option.

1.6 Reasons for recommended option:

Option 1 is recommended for the following reasons: Cabinet needs to respond to the recommendations made by the Overview and Scrutiny Committee. The recommendations outline the steps required to ensure that more detailed scrutiny takes place in advance of any future finance and leasing arrangements, thus ensuring value for money to the council tax payer.

1.7 Appendices:

None

1.8 Contact officers:

Steve Bishop, Senior Manager, Cultural Services, Tel: 643 7410

Francis Lowes, Senior Manager, Regeneration, Tel: 643 6421

Niall Cathie, Strategic Asset Manager, Tel: 643 6517

1.9 Background information:

The following background paper/information has been used in the compilation of this report and is available at the office of the author:

Overview and Scrutiny Committee: Reports and Minutes: January – March 2014

PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING

2.1 Finance and other resources

There are no direct financial implications arising from this report

2.2 Legal

There are no direct legal implications arising from this report

2.3 Consultation/community engagement

There are no direct issues relating to community engagement arising from this report.

2.4 Human rights

There are no direct issues relating to human rights arising from this report.

2.5 Equalities and diversity

There are no direct issues relating to equalities and diversity arising from this report.

2.6 Risk management

There are no direct risk management issues arising from this report.

2.7 Crime and disorder

There are no direct issues relating to crime and disorder arising from this report.

2.8 Environment and sustainability

There are no direct issues relating to environment or sustainability arising from this report.

PART 3 - SIGN OFF

- Deputy Chief Executive
- Mayor/Cabinet Member(s)
- Head of Service
- Chief Finance Officer
- Monitoring Officer
- Strategic Manager - Strategic Services