

Decision Ref No:

EX.213/10

Subject Matter:

TULLIE HOUSE TRUST GOVERNANCE ARRANGEMENTS

(In accordance with Paragraph 15(i) of the Overview and Scrutiny Procedure Rules, the Mayor has agreed that call-in procedures should not be applied to this item)

Pursuant to Minute EX.178/10, the Strategic Director submitted report GD.43/10 outlining progress made by the Council in its consideration of future governance arrangements for Tullie House Museum and Art Gallery.

The Strategic Director set out for Members the financial context, commenting that Officers within the Resources Directorate had been involved in the provision of financial and property advice to support the Business Case as now presented. The Business Case had been prepared utilising the 2010/11 budgets as the baseline figure and with the aim of achieving 20% savings over the next three years. He added that development of the Business Case had brought forward a number of key financial issues, presented in the Risk Assessment appended to his report; and he summarised the current position with regard to National Non-Domestic Rates (Business Rates); Insurance Liability; Pensions Liability; VAT; Admission / Fees and Charges; Central Administration Charges; Transfer of Assets / Set Up and Start Up Costs; Transformation Actions; and Council Level of Affordability. He referred Members to the paragraph on page 5 of his report concerning admission / fees and charges and suggested that the word "would" be substituted for the word "will" in the last sentence thereof.

Referring to the legal context, the Strategic Director explained that, before proceeding with the formation of a Trust to operate the Museum, the Council must be satisfied that it had the legal power to do so and that it was exercising its power in a proper manner thereby providing an audit trail for its decision making. Members' attention was drawn to a number of specific and general statutory powers relevant to the provision of recreational and leisure services and which provided sufficient power to support the transfer of services to a Trust, detail of which were provided.

In terms of the proper exercise of its powers the basic principle was that the Council, in determining its proposed course of action must take into account all relevant issues and disregard what was not relevant. On the information presented to Members to date that had been satisfied. In order to act on those powers the Council would seek to develop and agree with the Trust a legal framework that would provide appropriate coverage of all legal issues.

It was proposed that the development of the Trust, its Board and arrangements with the Council were governed by a legal framework. An outline of the proposed Framework, outlining the nature and form of the legal arrangements required in order to achieve a successful transfer and operation of the Trust, was attached at Appendix 4 to the report. Under those arrangements the Trust would form a Board of Trustees, the recruitment of which would build on the good work already undertaken to recruit Shadow Board Members. The precise size of the Board remained to be determined by the Shadow Board. The Council as a stakeholder in the Trust would have the opportunity to be part of the Board, however, under Charity Commission guidance Council membership of the Board may not exceed 20% of the total membership.

The Strategic Director further informed Members that development of the project had been managed and monitored via a Project Board, which had developed various work packages covering each aspect of the transfer. Leads had been established for each 'package' and updates were brought to each meeting of the Board. The Project Board had also developed a comprehensive Risk Register which covered all significant risk areas identified at this stage of the project (Appendix 3 refers). He added that, subject to Executive and Council in principle approval of the transfer, it was envisaged that the Project Board would then prepare and deliver revised work packages reflecting the requirements of the transfer and development of the Trust.

In conclusion, the Strategic Director said that the Executive had led and supported the extensive work that had shaped proposals for the future governance of Tullie House Museum and Art Gallery, the importance of which was reflected in the research and analysis, the involvement of Members and the setting up of the Shadow Board. All of the work undertaken had led Senior Officers to conclude that the establishment of a Trust represented the best way forward for the future of Tullie House and that was strongly supported by the Business Case (prepared by Armstrong Watson).

Moreover the current economic climate, with its emphasis on huge cuts to revenue support grants, made it even more important for the City Council to prepare a positive future for one of the City's most important assets, rather than considering its possible demise in years to come, with year-on-year budget cuts. Members would, no doubt, be aware that local authorities across the country were either pulling out of arts and museums services altogether or, at the very least, drastically reducing their funding. Members would also be aware that, as a District Council, the City Council did not have statutory responsibility for delivering arts and museums services. During this very difficult financial time the protection of statutory services had to be given priority.

Referring to recommendation 1, the Strategic Director suggested that Members may wish to agree to the insertion of the words "operation of" after the word "the" so that they were agreeing in principle to the transfer of the operation of Tullie House Museum and Art Gallery to a new charitable trust, subject to completion of the legal framework identified in the body of the report and achievement of the proposed levels of annual funding specified in the Business Case.

The Community Overview and Scrutiny Panel had on 25 November 2010 considered the matter and resolved (COSP.85/10):

"1) that the risk and mitigation strategy be presented to the Resources Overview and Scrutiny Panel on 7 December 2010 and that this is also circulated to Members of the Community Overview and Scrutiny Panel.

2) That the Panel recommends to the Executive that approval is only given on the satisfactory outcomes of the outstanding issues stated in the report.

3) That the Shadow Board present its ideas on the admissions scheme.

4) That there be a reasonable time period before a progress report is brought to the Community Panel.

5) That the Chair of the Resources Overview and Scrutiny Panel be requested to invite Members from this Panel to the meeting on 7 December 2010."

The Resources Overview and Scrutiny Panel had on 7 December 2010 resolved (ROSP.103/10):

"1) That the comments and observations of the Panel be referred to the Executive for their consideration.

2) That the Panel commend the excellent work of the Tullie House staff over the years and in the preparation of moving to a Trust;

3) That the Panel recommend that the Executive explore the possibility of using £150,000 of funds from the Capital Programme over three years to support the educational budget as one off capital to ensure its success in the future."

Excerpts from the Minutes of those meetings had been circulated.

The Chairman of the Resources Overview and Scrutiny Panel expressed some disappointment

that it had not been possible to achieve unanimous support for the proposal, however, the Panel was generally supportive.

The Performance and Development Portfolio Holder stated that all necessary information had been submitted to enable an 'in principle' decision to be taken. The benefits of the proposed transfer of Tullie House Museum and Art Gallery were numerous and included access to corporate and individual donations / support currently unavailable, particularly in an era when public support was in decline; safeguarding the institution and ensuring that it was one that the Council could be proud of; budgetary savings of £226,000 which would enable the Council to better cope with the financial pressures placed upon it; and enhanced cultural and economic regeneration. He added that the Risk Register contained areas of work still to be completed, but it was not possible to move forward on those until the Trust was established. That would not, however, alter the substance of the proposal before Members.

In conclusion, the Portfolio Holder stated that he would be moving the recommendations at the special meeting of the City Council tomorrow evening.

The Leader commented that the proposed transfer, which would enable further development of Tullie House as a major attraction, was a major step forward for Tullie House Museum and Art Gallery, the City Council and also for the City as a whole.

Decision:

That, further to earlier reports and the comments received from the Community and Resources Overview and Scrutiny Panels, the Executive recommended that full Council at its meeting on 14 December 2010:

1. Agree in principle to the transfer of the operation of Tullie House Museum and Art Gallery to a new charitable trust subject to completion of the legal framework identified in the body of report GD.43/10 and achievement of the proposed levels of annual funding specified in the Business Case.
2. Agree that final sign off of the legal framework including the Partnership and Funding Agreement be delegated to the Leader of the Council, Portfolio Holder for Performance and Development, and Chief Executive.

Key or Non-Key Decision:

Key

Key Decision Ref:

KD.032/10

Portfolio:

Performance and Development

Who made decision:

Executive

Date:

13-Dec-10

Reports and Background Papers considered:

A Report of the Strategic Director (GD.43/10) - Tullie House Trust Governance Arrangements and Extracts from the Minutes of the Community and Resources Overview and Scrutiny Panels

Reasons for Decision:

So that the Executive and Council have the opportunity to consider and evaluate the proposals for the externalisation of Tullie House to a Trust

Summary of Options rejected:

None

Interests declared:	<div>None</div>	
Date published:	<div>15-Dec-10</div>	
Urgent decision not subject to call in:	<div>Yes</div>	
Consent of Chairman/ Deputy Chairman of Council to Urgency:	<div>Received</div>	
Deadline for call-in:	<div></div>	
Implementation date if not called-in:	<div></div>	
Relevant Overview and Scrutiny Panel:	<div>Community and Resources Overview and Scrutiny Panels</div>	
Call-in notified to and date notified:	<div></div>	
Approved for implementation on:	<div></div>	

Decision Ref No:

EX.214/10

Subject Matter:

BUDGET 2011/12 - FEEDBACK FROM THE OVERVIEW AND SCRUTINY PANELS ON THE EXECUTIVE'S BUDGET DELIBERATIONS

The Minutes of the meetings of the following Overview and Scrutiny Panels relating to the Budget reports considered by the Executive on 22 November 2010 were submitted:

- (a) Community - 25 November 2010 (COSP.91/10)
- (b) Environment and Economy - 2 December 2010 (EEOSP.82/10)
- (c) Resources - 7 December 2010 (ROSP.104/10 - 113/10)

Copies of the above Minute Excerpts had been circulated.

The Chairmen of the respective Overview and Scrutiny Panels had been invited to speak at the meeting.

The Leader informed Members that the Chairman of the Community Overview and Scrutiny Panel had submitted apologies, but the Panel's comments as set out in the Minutes would be taken into account as part of the Executive's deliberations on the budget.

The Chairman of the Environment and Economy Overview and Scrutiny Panel was present at the meeting and outlined the debate, commenting that the Minutes were self explanatory. The Panel had raised a number of questions around areas where shortfalls were expected and had received satisfactory responses in relation thereto. She highlighted in some detail the Panel's comments on planning charges, parking and purple sacks, details of which were set out in Minute EEOSP.82/10.

In response, the Local Environment Portfolio Holder said that the budget had been discussed in detail at the Panel meeting and accepted in the main. He noted that the Panel had voted in favour of the status quo being maintained with regard to the provision of purple sacks to residents, adding that the issue was under review. However, difficult decisions required to be taken in the current economic climate.

The Chairman of the Resources Overview and Scrutiny Panel presented the Minutes of the Panel on 7 December 2010 highlighting, in particular, the comments and resolutions with regard to purple sacks; the expenditure of £1.9m on Caldew Riverside and the request for an update on the agreement between the authority and Lovells with regard to the work at Raffles as detailed in the Minutes.

The Governance and Resources Portfolio Holder had attended two of the Overview and Scrutiny Panel meetings when careful consideration had been given to the budget. He gave an assurance that due consideration would be given to the sentiments expressed by Overview and Scrutiny Members and the Executive would address areas where further explanation was required.

The Portfolio Holder added that the provision of purple sacks, which cost the Council £30,000 per annum, could be revisited, but clearly if that saving was not made the money would have to be saved elsewhere which may prove to be less savoury. He reiterated the extremely difficult financial situation faced by the City Council, adding that the Executive would take on board the comments expressed and try to find a way to present a budget resolution which the majority of Members could support.

The Leader advised that the Executive would take on board the comments made by the three Overview and Scrutiny Panels when considering and formulating its budget proposals for

2011/12.

Decision:

That the Overview and Scrutiny Panels be thanked for their consideration of the Budget reports and their comments, as detailed within the Minutes submitted, taken into account as part of the Executive's deliberations on the 2011/12 budget.

Key or Non-Key Decision:

Key

Key Decision Ref:

KD.029/10

Portfolio:

Governance and Resources

Who made decision:

Executive

Date:

13-Dec-10

Reports and Background Papers considered:

Minutes from the meetings of the Overview and Scrutiny Panels

Reasons for Decision:

The views of the Overview and Scrutiny Panels will be taken into account as part of the 2011/12 Budget process

Summary of Options rejected:

None

Interests declared:

None

Date published:

15-Dec-10

Urgent decision not subject to call in:

No

Consent of Chairman/ Deputy Chairman of Council to Urgency:

Not applicable

Deadline for call-in:

5.00 pm 22 December 2010

Implementation date if not called-in:

23 December 2010

Relevant Overview and Scrutiny Panel:

Community; Environment and Economy; and Resources Overview and Scrutiny Panels

Call-in notified to and date notified:

Approved for implementation on:

Decision Ref No:

EX.215/10

Subject Matter:

FORWARD PLAN

The Forward Plan of Key Decisions for the period 1 December 2010 to 31 March 2011 was submitted for information.

The Assistant Director (Economic Development) was scheduled to report on the North Pennines AONB Supplementary Planning Documents: Planning Guidelines and Building Design Guide (KD.036/10), however, the decision was taken by the Executive on 22 November 2010.

The Assistant Director (Local Environment) was scheduled to report back on Parking Connect - Joined Up On / Off Car Parking Enforcement for Cumbria (KD.031/10). Information was, however, awaited from the County Council and the matter was deferred.

The Assistant Director (Economic Development) was scheduled to report back on the Core Strategy Key Issues Paper (KD.037/10). The matter had been deferred until the 20 December 2010 meeting of the Executive to facilitate consideration by the Environment and Economy Overview and Scrutiny Panel on 2 December 2010.

The Assistant Director (Community Engagement) was scheduled to report back on the Carlisle Community Plan (Sustainable Community Strategy) 2011 - 2016 (KD.039/10). The matter was deferred to facilitate preparation of the final draft of the Community Plan and will be considered by the Executive on 20 December 2010.

Decision:

That the Forward Plan of Key Decisions for the period 1 December 2010 to 31 March 2011 be received.

Key or Non-Key Decision:

Non-Key

Key Decision Ref:

Not applicable

Portfolio:

Cross-Cutting

Who made decision:

Executive

Date:

13-Dec-10

Reports and Background Papers considered:

Forward Plan of Key Decisions for the period 1 December 2010 to 31 March 2011

Reasons for Decision:

Not applicable

Summary of Options rejected:

None

Interests declared:

None

Date published:

15-Dec-10

Urgent decision not subject to call in:

No

Consent of Chairman/ Deputy Chairman of Council to Urgency:

Not applicable

Deadline for call-in:

5.00 pm 22 December 2010

Implementation date if not called-in:

23 December 2010

Relevant Overview and Scrutiny Panel:

Community; Environment and Economy; and Resources Overview and Scrutiny Panels

Call-in notified to and date notified:

Approved for implementation on:

Decision Ref No:

Subject Matter:

REFERENCE FROM THE COMMUNITY OVERVIEW AND SCRUTINY PANEL - OVERVIEW REPORT AND WORK PROGRAMME

Pursuant to Minute COSP.84/10, consideration was given to a reference from the Community Overview and Scrutiny Panel on 25 November 2010 requesting that the Executive approve the nomination of Councillor Mrs Riddle to replace Councillor Mrs Parsons as the City Council's representative on the Cumbria Joint Health and Well-Being Scrutiny Committee for the remainder of the Municipal Year.

In response, the Leader indicated that there was no need for Councillor Mrs Parsons to stand down and the matter would be reviewed again at the end of the current Municipal Year.

Decision:

That the Community Overview and Scrutiny Panel be informed that Councillor Mrs Parsons would continue as the City Council's representative on the Cumbria Joint Health and Well-Being Scrutiny Committee, and the matter would be reviewed again at the end of the Municipal Year.

Key or Non-Key Decision:

Key Decision Ref:

Portfolio:

Who made decision:

Date:

Reports and Background Papers considered:

Reasons for Decision:

Summary of Options rejected:

Interests declared:

Date published:

Urgent decision not subject to call in:

Consent of Chairman/ Deputy Chairman of Council to Urgency:

Deadline for call-in:

Implementation date if not called-in:

**Relevant Overview and Scrutiny
Panel:**

Community Overview and Scrutiny Panel

Call-in notified to and date notified:

Approved for implementation on:

Decision Ref No:

EX.217/10

Subject Matter:**REFERENCE FROM THE AUDIT COMMITTEE - ANNUAL AUDIT LETTER 2009/10**

Pursuant to Minute AUC.76/10, consideration was given to a reference from the Audit Committee on 30 November 2010 concerning the City Council's Annual Audit Letter for 2009/10. The Audit Committee had resolved:

"(1) That the Committee welcomed submission of the Annual Audit Letter for 2009/10 and were particularly pleased to note that the District Auditor had on 30 September 2010 issued an unqualified opinion on the financial statements and also an unqualified value for money conclusion, stating that the Council had satisfactory arrangements to secure economy, efficiency and effectiveness in its use of resources.

(2) That the Committee noted the Council's strong performance in its use of natural resources.

(3) That the new approach to local value for money work from 2010/11, which would concentrate on ensuring that the Council had proper arrangements in place to secure financial resilience and challenge how it secured economy, efficiency and effectiveness, be drawn to the attention of the Executive. The Audit Committee would keep a watching brief on the matter.

(4) That the Committee received the update from the District Auditor concerning the objection to the Council's accounts; noting that the matter was progressing.

(5) That the Committee's thanks and appreciation of the considerable amount of hard work undertaken by the Assistant Director (Resources) and his staff, which contributed towards the 2009/10 audit findings be placed on record.

(6) That the Committee wished to congratulate those members of staff who had contributed towards the Council's effective use of National Fraud Initiative reports to identify and appropriately review data matches. As a result of that work the Council had identified savings in benefits of approximately £52,000 and £40,000 from single person Council Tax discounts."

Copies of Minute Excerpt AUC.76/10 and the Annual Audit Letter 2009/10 had been circulated.

The Chairman of the Audit Committee then outlined in some detail the recommendations made by the Audit Committee as set out above and also the key messages contained within the Annual Audit Letter, pointing out that the Committee had placed on record their thanks to members of staff for what was a very positive Audit Letter.

The Governance and Resources Portfolio Holder was very pleased with the Annual Audit Letter which evidenced a great deal of good and hard work by staff. He wished to record the thanks of the Executive to staff involved.

The Leader echoed the above sentiments.

Decision:

1. That the reference from the Audit Committee be received, it being noted that the Annual Audit Letter was to be submitted to the City Council for consideration.

2. That the Executive wished to place on record their thanks and appreciation of the hard work undertaken by the Assistant Director (Resources) and his staff which had contributed towards such a positive Annual Audit Letter.

**Key or Non-Key
Decision:**

Non-Key

Key Decision Ref:

Not applicable

Portfolio:

Governance and Resources

Who made decision:

Executive

Date:

13-Dec-10

Reports and Background Papers considered:

Excerpt from the Minutes of the Audit Committee on 30 November 2010 and Annual Audit Letter 2009/10

Reasons for Decision:

To respond to a reference from the Audit Committee concerning the Annual Audit Letter 2009/10

Summary of Options rejected:

None

Interests declared:

None

Date published:

15-Dec-10

Urgent decision not subject to call in:

No

**Consent of Chairman/ Deputy Chairman of
Council to Urgency:**

Not applicable

Deadline for call-in:

5.00 pm 22 December 2010

Implementation date if not called-in:

23 December 2010

**Relevant Overview and Scrutiny
Panel:**

Resources Overview and Scrutiny Panel

Call-in notified to and date notified:

Approved for implementation on:

Decision Ref No:

EX.218/10

Subject Matter:**REVIEW OF POLLING ARRANGEMENTS**

The Assistant Director (Governance) submitted report GD.65/10 presenting the results of the annual review of polling arrangements as required by the Representation of the People Act 1983. He informed Members that all City Councillors had been consulted on the polling arrangements in their particular wards, and set out the statutory provisions and the criteria which had been used in carrying out the review.

He drew Members' attention to the use of mobile polling stations and the use of schools as polling places, commenting that in the light of concerns and in response to requests from School Governing Bodies, the number of schools used as polling places had been reduced in recent years, and now only ten Schools within the Council's area were used as polling venues.

The large majority of polling places were satisfactory and had remained unchanged for many years. The choice of suitable buildings was limited and, in most cases, there was no alternative to the present arrangements.

The Assistant Director (Governance) then reported in more detail on suggested changes in voting arrangements for the Belah and Stanwix Rural, Stanwix Urban, Castle and Morton Wards. He further recommended that the Returning Officer be given authority, after consultation with the relevant Ward Councillors and the Portfolio Holder, to change polling place locations at the elections in 2011 if the usual premises proved to be unavailable due to unforeseen circumstances.

The Governance and Resources Portfolio Holder moved the recommendations contained within the report.

Decision:

That Report GD.65/10 and the recommendations therein be referred to Council for consideration, the recommendations being that:

- (1) Officers continue to monitor the use of portable cabins as polling stations and continue to investigate potential alternatives. It be further recommended that Officers discuss with the supplier the use of self contained units and improved units with a wider door as detailed in paragraph 17 at a number of polling station locations where portable cabins are used it being noted that the costs of using these improved models as a means of accommodating disabled access would require additional funding to be voted to the Election Management Budget (paragraph 19);
- (2) the polling arrangements in all other Wards remain unchanged (paragraph 23);
- (3) the Portable Cabin on the east side of Kingstown Road located in the car park of the Gosling Bridge continue to be the polling place for districts AE, BF and PBK (paragraph 24);
- (4) the St Michael's Parish Centre continue to be the polling place for districts BB, BC and BE but Officers monitor the possible future use of the Stanwix Community Building (paragraph 25);
- (5) the West End Temperance Hall in Caldewgate continue to be designated as the polling place for district JB and Officers discuss with the leaseholders the possibility of siting a polling station notice outside the premises prior to polling day (paragraph 28);
- (6) the portable cabin at Borrowdale Road continue to be used as the polling station for district KD (paragraph 29);

(7) the Returning Officer be given authority, after consultation with relevant Ward Councillors and the Portfolio Holder, to change polling place locations at the elections in 2011 if the usual premises prove to be unavailable due to unforeseen circumstances (paragraph 30).

Key or Non-Key Decision:

Non-Key

Key Decision Ref:

Not applicable

Portfolio:

Governance and Resources

Who made decision:

Executive

Date:

13-Dec-10

Reports and Background Papers considered:

A Report of the Assistant Director (Governance) (GD.65/10) - Review of Polling Arrangements

Reasons for Decision:

To carry out a review of the Council's polling arrangements

Summary of Options rejected:

A number of options set out in Report GD.65/10 with regard to polling arrangements

Interests declared:

None

Date published:

15-Dec-10

Urgent decision not subject to call in:

No

Consent of Chairman/ Deputy Chairman of Council to Urgency:

Not applicable

Deadline for call-in:

5.00 pm 22 December 2010

Implementation date if not called-in:

23 December 2010

Relevant Overview and Scrutiny Panel:

Community Overview and Scrutiny Panel

Call-in notified to and date notified:

Approved for implementation on:

Decision Ref No: EX.219/10

Subject Matter:

LAND AND PROPERTY TRANSACTION - PUBLIC OPEN SPACE, GARLANDS ESTATE, CARLISLE

(Public and Press excluded by virtue of paragraph 3)

The Assistant Director (Resources) submitted report RD.63/10 seeking the approval of the Executive to the transfer of land at the Garlands Estate, Carlisle into Council ownership for use as public amenity open space.

The Governance and Resources Portfolio Holder moved the recommendation set out in the report.

Decision:

That the Executive approved the transfer of land at the Garlands Estate, Carlisle (as identified on the plan attached to Report RD.63/10) into the ownership of the Council for use as public amenity open space, subject to the agreement of terms finalised by the Property Services Manager.

Key or Non-Key Decision:

Non-Key

Key Decision Ref:

Not applicable

Portfolio:

Governance and Resources; Local Environment

Who made decision:

Executive

Date:

13-Dec-10

Reports and Background Papers considered:

A private report of the Assistant Director (Resources) (RD.63/10) - Land and Property Transaction - Public Open Space, Garlands Estate, Carlisle

Reasons for Decision:

To bring into public ownership and control areas of amenity open space for the use and wellbeing of local residents in the community at large in accordance with planning policy

Summary of Options rejected:

None

Interests declared:

None

Date published:

15-Dec-10

Urgent decision not subject to call in:

No

Consent of Chairman/ Deputy Chairman of Council to Urgency:

Not applicable

Deadline for call-in:

5.00 pm 22 December 2010

Implementation date if not called-in:

23 December 2010

Relevant Overview and Scrutiny Panel:

Community; Environment and Economy; and Resources Overview and Scrutiny Panels

Call-in notified to and date notified:

Approved for implementation on:
