

Causeway Coast & Glens

Shadow Council

Corporate Policy & Resources Committee Thursday 11th September 2014

Table of recommendations

No	Item	Recommendation
3.	Corporate Policy & Resources Committee Terms of Reference	<i>Approve</i>
4.	Programme Update from Chief Executive	<i>Noted</i>
5.	Special Responsibility Allowances	<i>Option E</i>
6.	Financial Governance <ul style="list-style-type: none">• Procurement Policy• Internal Financial Controls• Mileage Rates for Staff• Insurance	<i>Adopt</i> <i>Approve procedures</i> <i>Note</i> <i>Investigate procurement of insurance services</i>
7.	Causeway Coast & Glens Draft Equality Scheme & Draft Disability Action Plan	<i>Approve</i>
8.	Provision of Common Information and Communication Technology (ICT) Platform and Email Services	<i>In house solution</i>
9.	Limavady Unity Bridge	<i>Honour commitments post April 2015; approve Stage 2 activities</i>
10.	Initial Business Case for the Purchase of Lands for the Enabling, Development and Management of an Enterprise Zone	<i>Approve Stage 1 activities</i>
11.	Apportionment of Cost Associated with the Ethical Standards Framework between Councils	<i>Option D</i>

Organisation Development Committee

Minutes of the Meeting of Causeway Coast & Glens Shadow Council Corporate Policy & Resources Committee, held in the Council Chamber, Coleraine Borough Council on Thursday 11th September at 7.00pm.

In the Chair: Councillor D Harding

Members present: Councillors Beattie, Campbell, Clarke, Fitzpatrick, Hillis, Holmes, Knight-McQuillan, McCorkell, McGuigan, McKeown, McLean, McShane, Mullan, Nicholl, Quigley, Stevenson, Wilson

In attendance: Mr D Jackson, Chief Executive Designate
Mr D Wright, Finance Lead Officer
Mr P McColgan, ICT Lead Officer
Mrs E Beattie, Head of Policy
Mr R Baker, Leisure & Development Lead
Mr S McMaw, Head of Convergence
Mrs P McLaughlin, Committee Administrator
Mrs V Richmond, Director of Development, Limavady BC

1. Apologies

Apologies were recorded from Councillor McGlinchey.

2. Declarations of Interest

No declarations of interest were reported.

3. Corporate Policy & Resources Committee Terms of Reference

The Chief Executive Designate presented the report, circulated, as undernoted:

1.1 Background

The Shadow Council decided to create four committees to guide the convergence of the constituent Councils, transferring functions and new powers by the 1st of April 2015. This report proposes Terms of Reference for the Corporate Policy & Resources Committee.

The Committee will advise the Shadow Council on the financial planning, estimates process, and policy development for the new Council to ensure that strategic priorities, business needs and the new powers and functions of Local Government are met.

1.2 Scope

The Corporate Policy & Resources Committee (“the Committee”) will be responsible for recommending the key decisions and actions, which will

require to be taken as part of the transition and convergence arrangements for the establishment of the new Causeway Coast and Glens District Council (“the new Council”), specifically in relation to:

- **Financial planning, including the estimates process;**
- **Authorisation and oversight of procurement processes;**
- **Consideration and oversight of financial controls including officer authorisations;**
- **Consider the information and communication technology (ICT) strategy for the new council;**
- **Oversight of ICT implementation;**
- **Considering and recommending key policies for the new Council;**
- **Consider the health and safety strategy for the new council;**
- **Recommending to the new Council the resolution of any associated issues;**
- **Giving consideration to the resource implications of the recommendations.**

1.3 Membership

The Committee is comprised of the twenty Elected Members appointed to the Committee at the Annual Meeting on the 12th of June 2014. Members may be required to represent the Shadow Council at pertinent consultation and capacity building events. The membership list is provided at Annex A.

1.4 Chair

The Committee will be chaired by Councillor David Harding. In the absence of the Chairperson, the Committee will be chaired by the Deputy Chairperson, Councillor Clarke. In the absence of the Deputy Chairperson, a Chair for the meeting will be agreed by the Members present.

1.5 Meetings

The first meeting of the Committee will be held on Thursday 11th of September, when the Terms of Reference will be agreed. It will continue its work until the Annual Meeting of the Shadow Council, scheduled for March 2015. A schedule of meetings will be agreed in line with the convergence plan (Annex B). All meetings of the Committee will be governed by the Interim Standing Orders and the Code of Conduct.

1.6 Sub-Committees & Working Groups

The Committee has the facility to establish and appoint any number of Sub-Committees and Working Groups, as are necessary, to consider in more detail the work of the Committee concerning specific transition and convergence issues

1.7 Communication and Reporting

The Minutes of the Committee will be reported at each meeting of the Shadow Council by the Committee Chair.

It was recommended that the Corporate Policy and Resources Committee approve the Terms of Reference as set out.

It was proposed by Councillor Fitzpatrick, seconded by Councillor Clarke and **AGREED: to recommend that the Corporate Policy and Resources Committee approves the Terms of Reference as set out.**

4. Programme Update from Chief Executive

The Chief Executive provided members with an update on the Convergence Programme and progress to date.

5. Special Responsibility Allowances

The Finance Lead Officer presented the report circulated as undernoted.

1.1 Background

Causeway Coast and Glens District Council has to establish a scheme of allowances payable to Members for the shadow period. The initial version was tabled at Shadow Council meeting on 26 June 2014 with all aspects being approved with the exception of the Special Responsibility Allowance (SRA) subject to pension scheme membership take-up and the associated impact on the level of funding available. The scheme of allowances as it currently stands is detailed below:

<i>Basic Allowance</i>	<i>327,840</i>
<i>Dependant Carers Allowance</i>	<i>3,000</i>
<i>Travel, subsistence and other expenses</i>	<i>32,000</i>

The above are paid on the basis that:

- 1 – The maximum level of basic allowance as determined by the Department of the Environment (DoE) is paid*
- 2 – The maximum level of carers allowances as determined by the DoE are paid*
- 3 – The maximum level of mileage rates as determined by the DoE are paid*
- 4 – Councillors' payments are made on the third last banking day of each month*

It should be noted that items 2 and 3 must be claimed within three months from the end of the month of claim (eg: June expenses must be claimed no later than September)

The DoE has set aside funding of £450,120 to fund these allowances and the balance of the funding will be taken up by Employer's costs (National Insurance and pension contributions) and the Special Responsibility Allowance. This report sets out various options for Special Responsibility Allowance which if adopted will allow Council to remain within the funding limit set by the DoE.

1.2 Detail

The Local Government Act 2014 provides for Councils to allocate a level of allowances for positions of Special Responsibility up to a maximum total amount in any financial year, currently £70,000, since the Shadow period is 10 months this is restricted to £58,333. During the shadow period payment of allowances included within the remit of the approved scheme of allowances is being funded by the Department of the Environment (DoE) up to a ceiling of £450,120 the impact of which is that the level of funding available for SRA is restricted and this restriction is further impacted by the number of Councillors who have taken up membership of the Local Government Pension Scheme. It must also be borne in mind that any SRA scheme is further restricted in that no member can receive in excess of 20% of the total allowance allocated and that SRA cannot be paid to more than 50% of Council Members (in our case 20) in total, options D and E proposes payment to 19.

The legislation sets out what constitutes a position of special responsibility and does specify certain offices, eg: Presiding Councillor, as an area of special responsibility. It does also give Councils the ability to define other areas of special responsibility, eg: Party Leads, but does restrict the payment of SRA in that any defined position should have “significant additional responsibilities over and above the generally accepted duties of a Councillor”. In light of this the position of Party Lead could be defined as a position of special responsibility should Council deem it to be so.

1.3 Options

There are 5 options set out in the tables below which reflect the intent of various parties who made proposals on this matter at the previous meeting.

Option A:

Pay no SRA

	<i>Per Member</i>	<i>Total</i>
<i>Presiding Councillor</i>	<i>0</i>	<i>0</i>
<i>Deputy Presiding Councillor</i>	<i>0</i>	<i>0</i>
<i>Partnership Panel Representative</i>	<i>0</i>	<i>0</i>
<i>Committee Chair</i>	<i>0</i>	<i>0</i>
<i>Committee Vice-Chair</i>	<i>0</i>	<i>0</i>
<i>Party Leads</i>	<i>0</i>	<i>0</i>
<i>Total Allowances</i>		<i>0</i>
<i>Surplus/(Deficit) on DoE Funding</i>		<i>£27,535</i>

Option B:

Presiding Councillor, Dep. Presiding Councillor, Partnership Board Rep, Committee Chairs

	<i>Per Member</i>	<i>Total</i>
<i>Presiding Councillor</i>	<i>5,000</i>	<i>5,000</i>
<i>Deputy Presiding Councillor</i>	<i>3,750</i>	<i>3,750</i>
<i>Partnership Panel Representative</i>	<i>3,750</i>	<i>3,750</i>
<i>Committee Chair</i>	<i>3,125</i>	<i>12,500</i>
<i>Committee Vice-Chair</i>	<i>0</i>	<i>0</i>
<i>Party Leads</i>	<i>0</i>	<i>0</i>
<i>Total Allowances</i>		<i>£25,000</i>
<i>Surplus/(Deficit) on DoE Funding</i>		<i>£160</i>

Option C:

Presiding Councillor, Dep. Presiding Councillor, Partnership Board Rep, Committee Chairs, Committee Vice-Chairs

	<i>Per Member</i>	<i>Total</i>
<i>Presiding Councillor</i>	<i>4,900</i>	<i>4,900</i>
<i>Deputy Presiding Councillor</i>	<i>2,450</i>	<i>2,450</i>
<i>Partnership Panel Representative</i>	<i>2,450</i>	<i>2,450</i>
<i>Committee Chair</i>	<i>2,450</i>	<i>9,800</i>
<i>Committee Vice-Chair</i>	<i>1,225</i>	<i>4,900</i>
<i>Party Leads</i>	<i>0</i>	<i>0</i>
<i>Total Allowances</i>		<i>£24,500</i>
<i>Surplus/(Deficit) on DoE Funding</i>		<i>£95</i>

Option D:

Presiding Councillor, Dep. Presiding Councillor, Partnership Board Rep, Committee Chairs, Committee Vice-Chairs, Party Leads

	<i>Per Member</i>	<i>Total</i>
<i>Presiding Councillor</i>	<i>3,600</i>	<i>3,600</i>
<i>Deputy Presiding Councillor</i>	<i>1,800</i>	<i>1,800</i>
<i>Partnership Panel Representative</i>	<i>1,560</i>	<i>1,560</i>
<i>Committee Chair</i>	<i>1,440</i>	<i>5,760</i>
<i>Committee Vice-Chair</i>	<i>720</i>	<i>2,880</i>

Party Leads	1,050	8,400
Total Allowances		£24,000
Surplus/(Deficit) on DoE Funding		£(41)

Option E:

Presiding Councillor, Dep. Presiding Councillor, Partnership Board Rep, Committee Chairs, Committee Vice-Chairs, Party Leads (on a party strength basis)

	Per Member	Total
Presiding Councillor	3,600	3,600
Deputy Presiding Councillor	1,800	1,800
Partnership Panel Representative	1,560	1,560
Committee Chair	1,440	5,760
Committee Vice-Chair	720	2,880
Party Lead - DUP	2,310	2,310
Party Lead - UUP	2,100	2,100
Party Lead - SF	1,470	1,470
Party Lead - SDLP	1,260	1,260
Party Lead - TUV	630	630
Party Lead - All	210	210
Party Lead - PUP	210	210
Party Lead - IND	210	210
Total Allowances		£24,000
Surplus/(Deficit) on DoE Funding		£(41)

It was recommended that these one of the options detailed above be approved and appended to the scheme of allowances.

It was proposed by Councillor Wilson, seconded by Councillor Holmes **to recommend Option E for approval.**

Councillor McGuigan queried the rationale for awarding special responsibility allowances to Members for carrying out certain roles and asked for further information. In response, the Chief Executive Designate clarified the roles and responsibilities of Committee Chairs and Vice Chairs and the increased civic role over the coming months for Council's Presiding Officer.

Councillor Stevenson advised that his party would not support a Special Responsibility Allowance for party group leads. Councillor Stevenson proposed an amendment, seconded by Councillor McCorkell: that **(i) a party group should be defined as a group of more than one individual and (ii) Option C be recommended for approval.**

Speaking to part (i) of Councillor Stevenson's amendment Councillor Fitzpatrick stated that as the sole individual representing a party on Council he had duties to fulfil in that role like other party group leaders.

Councillor McGuigan stated that he did not think the issue of Special Responsibility Allowances and the definition of what constitutes a party group should be linked in Committee's deliberations on the matter and the party group definition could be discussed at another Committee meeting.

Following further discussion on the matter and some clarification by the Chair, Councillor Stevenson withdrew part (i) of his amendment, seconded by Councillor McCorkell.

The Chair put Councillor Stevenson's amendment to the vote that Option C be recommended for approval.

6 Members voted for and 7 against.

The Chair declared the amendment lost.

Councillor Stevenson proposed an amendment, seconded by Councillor Clarke: **that a group constitutes more than an individual.**

The Chair put the amendment to the vote.

6 Members voted for and 11 against.

The Chair declared the amendment lost.

The Chair put Councillor Wilson's original motion to the vote: **that Option E be recommended for approval.**

7 Members voted for and 6 against.

The Chair declared the motion carried.

6. Financial Governance

The Finance Lead Officer presented the report, circulated as undernoted.

1.1 Background

Causeway Coast and Glens District Council has to establish a framework of governance under which its services and functions can operate.

1.2 Procurement Policy

1.2.1 Detail

Causeway Coast and Glens District Council will over the coming months enter into a number of procurement exercises as it continues to establish and converge the functions of the four constituent councils. To this end Council requires a framework of guidance under which it can operate to

allow goods and services to be procured in an efficient, effective and accountable manner. You will have received with your papers a copy of the proposed procurement policy which sets out the governance arrangements for Council regarding procurement. This policy is based upon the respective policies in place in the four existing councils and therefore its contents should be familiar. It has however been adapted in some areas to reflect the current structure of the Causeway Coast and Glens District Council staffing complement and this will consequently mean that the policy will have to be updated as the Council structure develops. It is envisaged that the proposed policy will cover the shadow period and an updated policy be tabled for Council after 1 April 2015.

It was recommended that the Causeway Coast and Glens Shadow Council adopt the procurement policy.

Councillor McShane enquired about the inclusion of social clauses in Council's procurement policy. In response the Lead Finance Officer advised that the policy under consideration was an interim policy and a full policy would be brought before Council in March 2015.

Following discussion it was **AGREED** to recommend that the **Causeway Coast and Glens Shadow Council** adopts the procurement policy.

1.3 Internal Financial Controls

1.3.1 Detail

Following on from the procurement policy Council needs to establish some procedures for the authorization of invoices. These procedures are brief at this stage and are set out below:

1.3.2 Procedures

Any goods/services purchased should be invoiced to Limavady Borough Council for VAT purposes and should be addressed to Limavady Borough Council.

Prior to payment all invoices should be checked as correct and signed off by the relevant member of the Convergence Management Team (CMT) namely:

Chief Executive; Finance Lead; Organisation Development Lead; Policy Lead; ICT Lead; Environmental Services Lead; Leisure & Development Lead; Head of Convergence

In the case of the Environmental Services and Leisure and Development Leads invoices will require counter signature by the Chief Executive.

Approved invoices should be coded and passed to Limavady Borough Council for payment.

These procedures must be read in conjunction with the Council's Procurement Policy.

It was recommended that the Causeway Coast and Glens Shadow Council approve the procedures as set out and that Limavady Borough Council be authorized to make the payments on behalf of Causeway Coast and Glens District Council.

It was **AGREED to recommend** that the Causeway Coast and Glens Shadow Council approves the procedures as set out and that Limavady Borough Council be authorized to make the payments on behalf of Causeway Coast and Glens District Council.

1.4 Mileage Rates for Staff

1.4.1 Detail

Causeway Coast and Glens District Council will incur directly and indirectly travelling expenses for staff in the course of their duties. Council therefore needs to be informed of the National Joint Council rates that exist for this purpose and these are set out in the table below;

Mileage

	451 - 999cc	1000 – 1199cc	1200 – 1450cc
Essential Users			
Lump Sum per Annum	£846	£963	£1,239
Lump Sum per Month	£70.50	£80.25	£103.25
Per Mile first 8,500	36.9p	40.9p	50.5p
Per Mile after 8,500	13.7p	14.4p	16.4p
Casual Users			
Per Mile first 8,500	46.9p	52.2p	65.0p
Per Mile after 8,500	13.7p	14.4p	16.4p

It is recommended that the Causeway Coast and Glens Shadow Council note the current rates as negotiated by the National Joint Council.

It was **AGREED to recommend** that the Causeway Coast and Glens Shadow Council note the current rates as negotiated by the National Joint Council.

1.5 Insurance

1.5.1 Detail

Causeway Coast and Glens District Council will from 1 April 2015 assume liability for all the current councils' assets together with those assets transferring in from central government therefore the matter of insurance needs to be investigated. Since the process this year is made more complicated due to the merger of four councils and the transferring functions it is imperative that the procurement process begins earlier than would normally occur. There are a number of options for Council in this regard;

- ***Procure a complete insurance service for Causeway Coast and Glens District Council***
- ***Procure a complete insurance service for Causeway Coast and Glens District Council as part of a collaborative process with other new district councils***
- ***Procure an insurance service for Causeway Coast and Glens District Council with an element of self-insurance***
- ***Procure an insurance service for Causeway Coast and Glens District Council with an element of self-insurance as part of a collaborative process with other new district councils***

Given the time frame and the still uncertainty over some aspects of the transferring functions it is probably not feasible at this time to investigate the self-insurance options fully enough in order to be able to have the necessary arrangements in place for 1 April 2015.

It was recommended that the Causeway Coast and Glens Shadow Council investigates the procurement of insurance services for a complete insurance services either as a single Council or as part of a collaborative process and that the Lead Finance Officer be authorised as the administrative contact for this process, a report on the outcome of this process to be tabled for Council approval prior to 31 March 2015.

It was **AGREED** to recommend that the Causeway Coast and Glens Shadow Council investigates the procurement of insurance services for a complete insurance services either as a single Council or as part of a collaborative process and that the Lead Finance Officer be authorised as the administrative contact for this process, a report on the outcome of this process to be tabled for Council approval prior to 31 March 2015.

7. Causeway Coast and Glens Council Draft Equality Scheme and Draft Disability Action Plan

The Head of Policy presented the reports, circulated, as undernoted.

1.0 Background

1.1 The Causeway Coast and Glens Council is subject to the full range of Section 75 statutory duties under the Northern Ireland Act 1998 as well as the Disability Duties under Section 49 of the Disability Discrimination (NI) Order 2006.

- 1.2 Under these two pieces of legislation Causeway Coast and Glens Council are obliged to prepare and submit an Equality Scheme and a Disability Action Plan to the Equality Commission within six months of the establishment of the Council.**
- 2.0 Draft Equality Scheme and Draft Disability Action Plan**
- 2.1 The existing 26 Councils have previously used the model Equality Scheme and model Disability Action Plan developed and recommended by the Equality Commission for their Equality Schemes and Disability Action Plans.**
- 2.2 These two models schemes have now also been used as the basis for the draft Equality Scheme and draft Disability Action Plan for the Causeway Coast and Glens Council.**
- 2.3 The draft Equality Scheme outlines how the Causeway Coast and Glens Council will fulfil its Section 75 statutory duties and covers areas such as consultation, training, monitoring, access to information and publication of the Equality Scheme.**
- 2.4 The Disability Action Plan is a statement of the Causeway Coast and Glen Council's commitment to fulfilling its statutory obligations in relation to the disability duties and outlines a range of action measures the Council will put in place to implement the disability duties.**
- 2.5 Copies of the draft proposed Equality Scheme and the draft proposed Disability Action Plan were provided for consideration and decision.**
- 2.6 The Equality Commission requires the Council to consult publicly on its draft Equality Scheme and draft Disability Action Plan and it is proposed to commence this consultation period following Committee approval of the draft documents.**
- 2.7 Comments on the two draft documents will be solicited from a wide range of relevant local and regional organisations and comments from the public will also be sought using press releases and the Council website.**
- 2.8 Following the consultation period, the comments received will be considered and the final versions of the Equality Scheme and the Disability Action Plan will be submitted for consideration by the Shadow Council on 27th November 2014.**
- 2.9 Following the adoption of the Equality Scheme, the Council will be expected to screen any new policies in relation to Section 75 requirements and develop a timetable for conducting any Equality Impact Assessments that may result from this screening process.**
- 2.10 A Section 75 Action Plan will also have to be developed to support the effective implementation of the Section 75 duties and**

this will be based on the findings of an audit of inequalities. The Equality Commission expects this Action Plan to be finalised within six months of 1st April 2015, the date the Council takes on responsibility for its full functions.

It was recommended that the Corporate Policy and Resources Committee approve the draft proposed Equality Scheme and draft proposed Disability Action Plan as set out.

In response to queries from Members relating to adding to the list of consultees the Chief Executive Designate advised that any Member could add a consultee to the list by providing the details to the Head of Policy.

It was **AGREED** to recommend that the Corporate Policy and Resources Committee approve the draft proposed Equality Scheme and draft proposed Disability Action Plan as set out.

8. Provision of Common Information and Communication Technology (ICT) Platform and Email Services

The ICT Lead Officer presented the report, circulated, as undernoted.

1.0 Introduction

The purpose of this report is to consider the options available for provision of a common Information and Communication Technology (ICT) platform and e-mail system for the Causeway Coast and Glens Council (the Council).

1.1 Background

The Causeway Coast and Glens Council is likely to employ in the region of 800 office-based staff when the four legacy Councils converge on 1st April 2015. These staff will require a variety of ICT-based products, such as email, telephony, finance systems and the Council website.

There is then a range of other users, such as those staff transferring from Central Government and Elected Members. The legacy Councils presently have 4 separate computer platforms and each of their Departments use a range of ICT applications. For the Council to have the most efficient and cost-effective solution, it is advantageous that all future applications operate on a common platform, and that there is an agreed set of solutions across each of the technology specialisms as detailed above.

It is very important that the Council has a stable and sustainable ICT platform (In mainstream ICT systems, the product is termed 'Active Directory') solution that is fit for purpose. In addition to facilitating communication for staff, the platform also needs to provide controlled access to all other Council computer systems, such as Payroll, Accounts and HR systems. Such sensitive personal and commercial data for staff, Members and external bodies must be hosted in a secure environment. Externally, the platform is also a key communication

mechanism between Council and ratepayers. The ICT platform and e-mail system are inextricably linked – the email address links the user to the controlled facilities that are available to that particular individual on the network.

A number of options are available to deliver the new ICT platform and associated email system. Each option has different challenges, risks, costs and outcomes.

2.0 Options

The options are set out below:

2.1 Option 1: Maintain separate ICT systems in each of the four legacy Councils

The existing ICT systems remain operating as is. Emails would continue to be transmitted between the four legacy Councils. However, the Council would not have a computer platform to allow groups of users to access common areas. For example, Finance staff would not be able to access a common financial system across the 4 existing sites, creating considerable challenges in merging the legacy into a coordinated team.

Also, Council will not have a single corporate email address as part of its identity, or be able to avail of related facilities such as shared calendars and contacts. Furthermore, there will be no on-going cost savings that would have accrued from having a single email system. Costs for maintaining separate systems are challenging to quantify as legacy ICT staff perform a plethora of different ICT functions

2.2 Option 2: Source local suppliers to install the E-Mail system

Contract one of our local suppliers to manage the merger of the legacy email systems. Initial requests for expressions of interest, covering email convergence, have provided Council with approximate costings of £110,000. Whilst the company would provide substantial expertise on such a merger, the company has stipulated that they still require significant local ICT assistance in delivering a solution. Council would also need to avail of expertise in installing the necessary platform for the email system.

There is also a body of work required in devising the terms of reference for the work to be carried out, particularly as the exact configuration of the new email system will need to marry with evolving organizational structures. Risks are also associated with engaging with the said company, given that they have a limited level of expertise in merging organizations of the scale of the proposed size.

2.3 Option 3. Source a consultancy firm to install the Active Directory system

Contract one of our major ICT companies to deliver the solution. Microsoft have provided the Regional Local Government ICT Officers with a template, with approximated costing for developing the necessary technological platform for a typical new Council. The indicative costing are in the region £320,000. International expertise on the merging of email systems would be available from this supplier. Again however, local expertise in installing the email system would need to supplement Microsoft's solution.

As in Option 2.2, there is a body of work in devising the terms of reference, and a further body of work in developing the email system to operate upon the platform.

2.4 Option 4. In house solution

Approach existing legacy Council staff for expressions of interest in leading on the merger of the email systems. This option envisions backfilling of 2 relevant posts: one officer to develop the perquisite platform; a second officer to devise the new email system. There is a requirement for upskilling of appropriate staff and investment in hardware platform for the new solution. It is likely to incur spend of some £75,000 over a period of 8 months. Given that the collective ICT personnel amongst the 4 legacy staff have been down-sized due to other secondments, there will be challenges for the affected legacy Council to maintain basic ICT services in the existing Councils. This option has a further challenge in ensuring that Council is not unnecessarily reliant on specific individuals for the operation of a key council office function.

3.0 Summary

Option	Costs	Risk
Maintain separate systems	No additional cost	No common Council products such as email, finance system, HR systems.
Out-Source email solution	£110,000	Substantial additional work required in developing platform to operate email system; Limited opportunity to train local staff on product;
Out-source platform solution	£320,000	Substantial additional work required in developing email system; Limited opportunity to train local staff on product
In-house solution	£75,000	Reliance on limited number of key staff; Legacy Council skillset diminished.

It was recommended that Council avails of existing ICT expertise within the legacy organisation. Aside from the clear financial savings of this option, it also allows Council to retain local control of the process, and to offer career opportunities for existing staff.

To mitigate against concern over reliance on key individuals, appropriate secondary training and availing of external expertise would be considered in a budgeted and controlled manner. Moneys from DOE funding are expected to be available for a substantial aspect of this training.

Developing internal staff to complete the work is not only much more cost-effective, but the in-house skills will lead to a much more reliable system in future and the ability to adapt and expand the system as necessary to support transformation in the years to come.

It was proposed by Councillor Stevenson, seconded by Councillor Holmes and **AGREED to recommend that Council avails of existing ICT expertise within the legacy organisation.**

9. Limavady Unity Bridge

The Director of Development, Limavady Borough Council presented the report, circulated, as undernoted.

1.1 Project Management

On the 24th July 2014, The Causeway Coast and Glens Shadow Council approved the use of Staged Gateway Points (“go/no-go points”) for all future Capital Projects:

Stage 1 Scoping, Feasibility & Outline Business Case

Stage 2 Procurement & Final Business Case

Stage 3 Operations Contract & Management

Stage 4 Operational management

The capital cost of this project is in excess of £250,000 and therefore requires Shadow Council approval.

A Business Case for the Unity Bridge Project has been completed, and presented to the Community Foundation for Northern Ireland as the Lead Partner of the Space and Place Programme along with the Stage 2 application. Following substantial scrutiny the application has been successful in securing a significant amount of funding to deliver the project (see above).

Prior to the detailed Letter of Offer being released to Limavady Borough Council and draw down of grant permitted, confirmation is required from Causeway Coast & Glens Shadow Council that the commitments given by Limavady Borough Council will be honoured from 1st April 2015. Issue of the detailed Letter of Offer is subject to this confirmation. To recap the commitment covers the contribution towards the capital cost, funding for the programmes associated with the project and the staff resources that will be required to fulfil the obligations under the letter of offer regarding financial and non-financial monitoring and evaluation.

Shadow Council approval is also sought to undertake Stage 2 activities in relation to the Unity Bridge - a new iconic foot bridge, which will act as

a catalyst for change, physically joining the two schools and promoting interaction and engagement of underused space by the schools and within the wider community.

1.3 Background

Following the launch of the Space and Place Programme by the Big Lottery in 2013, Limavady Borough Council was approached by two of the main post primary schools within Limavady town to seek Council support on the submission of a Stage 1 application. All the post primary schools across Limavady Borough have developed a strong partnership over the years which extends to both curriculum activity and extra curriculum activity. However, Limavady High School (largely protestant) and St Mary's High School (largely Roman Catholic) have a unique relationship, being located side by side and separated by a pathway (Backburn Path) which, over the years, has suffered from anti- social behaviour and on occasion criminal activity. Limavady Borough Council agreed to take on the Lead Role and work in partnership with the two schools to submit an application to Place and Space. The Stage 1 application was successful and the partnership was invited to submit a Stage 2 application. The project was positively received by the Big Lottery and in July 2014 notification was received that the project was one of small number which were successful during the first round of funding.

1.4 The Project

The project aims to construct a new iconic foot bridge which will act as a catalyst for change, physically joining the two schools and promoting interaction and engagement of underused space by the schools and within the wider community. As noted above, Limavady Borough Council is the lead organisation in this project, working in partnership with Limavady High School and St Mary's High School. The footbridge will be constructed over the Backburn Path, an overgrown and neglected pathway with the history of anti-social behaviour. In addition to the 1,400 pupils who benefit from the shared access to facilities and activities other key beneficiaries fall within the adjacent neighbourhood Renewal Area which is made up of five of the most deprived estates in Limavady Borough. Together with an adjacent Area at Risk approximately 3,000 residents will be within easy reach of the facilities.

The project will target people who have been excluded or marginalised from economic, social and civil networks as a result of the division caused by segregation and who feel isolated and alienated within the community. It will also target people within the community who have been displaced as a result of intercommunity tensions directly, young people, older people and families. The project also aims to improve connections and cohesion between communities.

As with many capital funding programmes the capital asset is the catalyst to deliver change within and across communities. The visual impact of

the project on the local community and beyond will be immediate. As a catalyst and enabler the impact of the project will be longer term. To this end the application included a number of programmes which have very clearly defined outcomes, impacts and activities with SMART targets which will be measured and evaluated on a regular basis throughout the lifetime of the project and well beyond the completion date of the capital asset. As part of the application process a number of outputs and outcomes had to be identified for a 3 year period following completion of the bridge.

1.5 Funding

A grant of £349,243 towards the capital cost of £359,243 has been awarded. The net capital cost to Council is £10,000. A Council in-kind revenue commitment of approximately £3,350 per year for a 3 year period is also required as programme support. This is not intended to be an additional budget requirement. The programmes to be taken forward will fall across a number of Council Services and can therefore be integrated within Council's operational annual plans and budgets. The outputs, outcomes and longer term impact reflect many of the Shadow Council's themes and priority areas of activity - examples being community capacity building, encouraging good relations, cross community programmes addressing health & well-being, community safety, building skills and looking at ways to address the high levels of deprivation which exist within the area.

As partner organisations, both schools have also committed a minimum of £16,000 towards professional and technical assistance, all costs associated with future maintenance and insurance of the footbridge and teacher time to assist with the roll out of programmes, monitoring and evaluation.

1.6 Timescale

Subject to approval from the Shadow Council and issue of a formal Letter of Offer in October, the estimated completion date for the bridge is December 2015.

1.7 Strategic Fit

When the application was submitted it met key priorities and themes within Limavady Borough Council's Corporate Plan. Looking to the future the project will also deliver on key priorities within Causeway Coast & Glens Shadow Council's Corporate Plan.

From an educational perspective the project will act as a catalyst to develop Shared Education Campus status – further proposals to secure a new 6th Form Centre in St Mary's and state of the art STEM Centre in Limavady High School are being progressed independently by both schools.

1.8 Beneficiaries

During school hours, the DDA compliant bridge will be used by approximately 1,400 young people connecting through academic and non-academic social, cultural and leisure activities. During evenings and weekends usage is estimated that 41 external groups – approximately 5,800 people from the wider community including 3,000 from the Neighbourhood Renewal Area and Area at Risk will participate in a wide range of cross-community events and activities.

1.9 Need for the Project

The need for the project has been identified, evidenced and accepted by the funding body. An extensive consultation process was undertaken – 1,859 individuals engaging in the consultation process. The bridge will be an essential enabler in promoting access to underused shared spaces within each school campus. In itself the bridge will be a shared space. The project will help to develop community capacity, enhance health & well-being, address isolation and exclusion across the community. The project has the support of a wide range of stakeholders from the public, private, community and voluntary sectors. It will be a visual statement of the determination of the community to overcome intercommunity tensions, marginalisation, and build cohesion.

1.10 Management, Maintenance and Insurance of the bridge

Once constructed, responsibility for the bridge will be handed over to Limavady High School and St Mary's High School. This arrangement will be formalised. It is envisaged that in the future the bridge will be transferred into the ownership of one or both schools.

1.11 Monitoring

As the asset costs between £101,001 - £350,000 the grant will be monitored for a period of up to 10 years after the grant has ended.

It is recommended that the Shadow Council confirms that it will honour the commitments given by Limavady Borough Council (as outlined within the report) in relation to the project post 1st April 2015 and permits officers to undertake Stage 2 activities in relation to the Unity Bridge.

Speaking in support of the project Councillor Nicholl proposed, seconded by Councillor McCorkell and **AGREED** to recommend that the Shadow Council confirms that it will honour the commitments given by Limavady Borough Council (as outlined within the report) in relation to the project post 1st April 2015 and permits officers to undertake Stage 2 activities in relation to the Unity Bridge.

Councillor Mullan and the Chair also spoke in support of the project.

10. Initial Business Case for the Purchase of Lands for the Enabling, Development and Management of an Enterprise Zone

The Leisure and Development Lead presented the report, circulated, as attached at Appendix 1.

On the 24th July 2014, The Causeway Coast and Glens Shadow Council approved the use of Staged Gateway Points (“go/no-go points”) for all future Capital Projects:

Stage 1 Scoping, Feasibility & Outline Business Case (1% of total costs).

Stage 2 Procurement & Final Business Case (3% of total costs).

Stage 3 Operations Contract & Management (110% of total costs).

Stage 4 Operational management (Revenue costs).

The purpose of this Initial Business Case is to gain Shadow Council’s approval to undertake Stage 1 activities in relation to the purchase of lands for the enabling, development and management of Northern Ireland’s first Enterprise Zone.

It is recommended that Shadow Council approve officers to undertake Stage 1 activities in relation to the purchase of lands for the enabling, development and management of Northern Ireland’s first Enterprise Zone in order to secure the tenancy of the 5Nines.

Following discussion during which Councillors Holmes, Hillis, Fitzpatrick, Harding and Clarke spoke in support of the project it was proposed by Councillor Holmes, seconded by Councillor Hillis and **AGREED to recommend that Shadow Council approve officers to undertake Stage 1 activities in relation to the purchase of lands for the enabling, development and management of Northern Ireland’s first Enterprise Zone in order to secure the tenancy of the 5Nines.**

11. The Apportionment of Costs Associated with the Ethical Standards Framework between Councils

The Chief Executive Designate summarised the consultation document, circulated.

The Local Government Act (Northern Ireland) 2014 has put in place a new ethical standards regime for local government, including a mandatory Code of Conduct for Councillors. The Northern Ireland Commissioner of Complaints will be responsible for handling any allegations made against councillors for breaches of this Code.

Councils will be obliged to cover the Commissioner’s costs in providing this service, and the Act provides for the Department to apportion the costs between Councils.

Four options for apportioning costs have been identified.

A. Number of councils (11);

B. Number of councillors (462);

C. Total population (1,823,600) based on the small area population estimates 2012.
D. Tax base, as measured by Gross Penny Rate Product at 30th September 2013 (22,459,998)

It was proposed by Councillor Stevenson, seconded by Councillor Fitzpatrick and **AGREED to recommend that Council approves Option D as the preferred option on how the costs associated with the ethical standards framework should be apportioned.**

12. Correspondence

- 12.1 Circular LG 32/2014 – Designation of Local Government Auditor – from Department of the Environment Policy Division. The document can be viewed at http://www.doeni.gov.uk/circular_lg_32-2014_-_designation_of_local_government_auditor_-_accessability.pdf
- 12.2 Circular LG 34/2014 – Financial Operation of New Councils during the Shadow Period – from Department of the Environment Policy Division . The document can be viewed at http://www.doeni.gov.uk/guidance_on_financial_operation_of_new_councils_during_the_shadow_period_final_.pdf
- 12.3 Circular LG 37/2014 – Guidance on Loans from Systems Convergence and Reimbursement – from Department of the Environment Policy Division. The document can be viewed at http://www.doeni.gov.uk/lg_37-2014_reform_-_guidance_on_systems_convergence.pdf

Members noted the correspondence.

The meeting closed at 8.35pm.

Initial Business Case for the Purchase of Lands for the Enabling, Development and Management of an Enterprise Zone

Project Management

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The purpose of this Initial Business Case is to gain Shadow Council’s approval to undertake Stage 1 activities in relation to the purchase of lands for the enabling, development and management of Northern Ireland’s first Enterprise Zone.

Legislative Position

The Local Government (Miscellaneous Provisions) (Northern Ireland) Order 1992, supplemented by the Local Government (Miscellaneous Provisions) Bill (2002) provides the current legislative framework within which council-led local economic development activity is undertaken in Northern Ireland and subsequently in the Causeway Coast & Glens District Council.

The legislation permits local government to incur expenditure *“for the purpose of taking such steps, as the council considers appropriate, for promoting economic development of its district and to acquire, hold and develop land for economic development purposes”*.

Project Kelvin / Digital Causeway

Project Kelvin is an extensive submarine and terrestrial cable deployment that directly connects Northern Ireland to North America. Co-financed under the EU’s INTERREG IVA programme 2007-2013, through competitive tendering, Hibernia Networks was selected by the Department of Enterprise, Trade & Investment (DETI) for Northern Ireland and the Irish Department of Communications and Natural Resources (DCENR) to deploy “Project Kelvin”. The €30 million contract was awarded in December 2008 (€22.5 million of which was funded through European Regional Development Fund (ERDF)). This cable connects to Hibernia Networks’ terrestrial fibre optic ring consisting of 13 towns and cities, including Armagh, Ballymena, Belfast, Coleraine, Londonderry, Omagh, Portadown, Strabane, Letterkenny, Castleblayney, Dundalk, Drogheda and Monaghan.

Project Kelvin provides Northern Ireland with its first ever direct telecommunications connectivity with the North American continent and the link also establishes a greater connection with Europe.

On completion of the project in 2010, Enterprise Minister Arlene Foster concluded:

“The Programme for Government recognises the importance of telecoms to the development of our economy. We have invested, not only in Project Kelvin, but in other significant areas such as the Next Generation Broadband Project and the Northern Ireland Broadband Fund, to create a world-class telecommunications infrastructure. I

would encourage Northern Ireland companies to exploit the business opportunities offered by our core telecoms infrastructure for the benefit of the local economy.”

Today Project Kelvin provides Coleraine and the Causeway Coast and Glens District with direct communications to major North American cities and has become an optimal Atlantic telecommunications hub for North American and European high capacity telecommunications. It is also the fastest connection allowing us to justifiably claim the telecommunications “Blue-Riband” prize for making the fastest Atlantic crossing between the North American and European continents.

Project Kelvin now remarkably connects this region to the very heart of the Financial District in Manhattan and back again, in just over 66 thousandths of a second.

This unrivalled communications capability, combines with the exceptional talent flow from the University of Ulster Coleraine campus, to provide an outstanding opportunity for international companies to establish new low cost operation centres to directly service on-line their UK, European, North American and Asian markets.

It is highly appropriate that the University of Ulster Coleraine campus houses the Computer Science Research Institute, which is recognised as a ‘Centre of Excellence for Cloud Computing’. The confluence of local ‘Cloud Computing’ skills and this revolutionary telecommunications capability combines to present the burgeoning cloud computing and customer services industry with a highly competitive and distinct FDI proposition, branded as the **Digital Causeway**.

Over and above these commercially attractive offerings, is the fact that the Digital Causeway region is perhaps one of the most attractive places throughout the UK to work, rest and play.

The current student population of over 5,000 per annum provides a rich resource that is yet untapped in terms of major employment opportunities. The combined arrival of the Kelvin Cable into the region and the emergence of the Cloud Computing industry, estimated to employ 14 million people globally by 2015, offers great potential for the area. As the optimal communications hub strategically located between Europe and North America, this region needs to be part of this employment revolution.

However, even now, this high-speed fibre facility is being under-utilised and there is a strong appetite within the public sector to capitalise on Project Kelvin, and to “explode the bandwidth” provided by Kelvin. Project Kelvin will also require data centre space, significantly more than is currently in place.

5NINES

5Nines is a global data centre developer and consultancy business. The company has been researching Northern Ireland's need and demand for data centres for over 3 years. The launch of Coleraine Borough Council's Digital Causeway brand in April 2012 (hosted by the late Lord Ballyedmond), focused 5Nines' attention upon Coleraine.

Currently no large, commercial, carrier neutral, data centre capability or capacity exists in NI and access to high quality communications and digital technology platforms is of significant importance for countries to develop their economies and their services to citizens, and improve quality of life. An unsatisfied requirement for 25,000 m² of data centre space in Northern Ireland has been identified.

Though data centres themselves do not employ a large number of people, they encourage other firms, particularly those focused on cloud computing, to set up nearby. Indeed, key data centre facilities are required to support the development of a cloud computing cluster, where the global cloud computing services market is forecast to grow rapidly, creating an additional 16,200 jobs in Northern Ireland by 2020 and a corresponding £1.2 Billion financial boost to the economy. The project will however also directly generate a minimum of 15 employment opportunities in each data centre.

During the period from 2012 to date, 5NINES, has developed a project plan to construct and operate the first modern bespoke, carrier neutral data centre in Northern Ireland. The first stage of the project will see the construction of a data centre in Northern Ireland's first Enterprise Zone in Coleraine. 5NINES have secured investment, identified a 5 acre site adjacent to the University of Ulster, gained full planning permission and are in the final stages of design. Furthermore sales of the 'rackspace' are at an advanced stage.

Construction of a Data centre on the University of Ulster site will attract further investment to the region. The construction and letting activity will have an inevitable knock on effect in both the short term and, more importantly, the long term for the emerging Digital Economy.

University of Ulster Site

The first stage of the 5NINES proposal is to provide a single modular data centre within a site on the University of Ulster Coleraine Business Park campus in Coleraine.

The University of Ulster identified an opportunity to create a new business park adjacent to the University campus in Coleraine. They applied for and originally obtained planning permission in 2003 for the development of a business park on the Portstewart Road site, which was renewed in 2008. The entire site is circa 20 acres and is situated on the Portstewart Road.

Figure 1. 20 Acre University of Ulster Site.

Yellow line – 20 Acre Business Park Site. Red line – 5Nines proposed site.



The University was unsuccessful in attracting any suitable occupiers or developers to the site and so planning permission lapsed in January 2013.

5Nines approached the University of Ulster regarding locating the proposed data centre on the Coleraine Business Park campus. The approach was initially very well received by the University. Heads of Terms for the acquisition of a long leasehold interest in a 5 acre site were agreed and signed off by the University in February 2013.

5Nines commenced detailed discussions with Coleraine Borough Council regarding submission of an independent planning application for use of the 5 acre site for data centre use. The application was submitted in July 2013 and planning permission was granted in October 2013.

Pilot Enterprise Zone

On the 19th March 2014, the Chancellor of the Exchequer announced that the creation of Northern Ireland's first enterprise zone would be in the Borough of Coleraine.

The UK Government's Economic Pact, published on 14 June 2013, set out 3 commitments in relation to Enterprise Zones, focusing on Enhanced Capital Allowances (ECAs), which permit 100% first year allowances for qualifying plant and machinery expenditure.

State Aid rules stipulate that ECAs cannot be offered alongside other forms of regional aid such as Selective Finance Assistance and business rates discounts. ECAs will therefore only be attractive for large, capital-intensive projects where the benefits from ECAs would outweigh other forms of available support.

Enterprise Zones in GB offer a number of incentives including business rate discounts, simplified planning, superfast broadband and enhanced capital allowances (for a small number of Enterprise Zones within assisted areas). With the exception of ECAs, the Executive is already taking steps to support businesses across Northern Ireland using these levers.

The pilot Enterprise Zone announced in the Budget statement on 19 March will only offer ECAs as an incentive.

In selecting a location for a pilot Enterprise Zone, the over-riding criteria was that it could potentially assist the development of new capital-intensive projects where ECAs would provide an attractive incentive and would outweigh other forms of available financial support.

The pilot Enterprise Zone adjacent to the University of Ulster Coleraine Campus was selected for the following reasons:

- The investment was already at an advanced stage and 5Nines had already received planning permission (in October 2013), so the project could potentially benefit from ECAs before the April 2017 cut-off date;
- It is an important infrastructure investment for the ICT sector and builds on the area as a digital hub;
- This particular investment project would not qualify for Invest NI financial support;
- ECAs would provide the incentive for the project to proceed and could potentially lead to further phases;
- It is a joint venture between the University of Ulster, Coleraine Borough Council and 5Nines, which has the potential to promote economic development and further investment in the area.

The Chancellor's budget announcement on 19 March has extended the current legislation for ECAs for a further three years to 2020.

Premise for the Initial Business Case for the Purchase of Lands for the Enabling, Development and Management of an Enterprise Zone.

Since October 2013, the progression of the acquisition of the 5 acre site by 5Nines from the University of Ulster has proved problematic (despite the Chancellor of the Exchequer's announcement). It is understood that the University of Ulster is now unable to deal directly with a private sector entity in the matter of a long leasehold, including 5NINES.

Following discussions with DETI, INI, the University of Ulster and 5Nines, the preferred option now is for Council to acquire the entire 20 acre site and sub-lease the 5 acre site within to 5Nines, as the anchor tenant.

Based upon the current legislative framework and the greater responsibility for local economic development, provided for by Local Government Reform, the acquisition of lands for the enabling, development and management of an enterprise zone is a strategically logical and appropriate responsibility for the Causeway Coast and Glens District Council.

The undertaking of the enabling, development and management of the first enterprise zone in Northern Ireland, allows Council to achieve the objectives of the Digital Causeway: to become an optimal communications hub, strategically located between Europe and North America to create regional employment and prosperity.

Statement of Need and Benefit

As identified in the sections above, a significant need exists to realise the benefits of Project Kelvin by developing the Digital Causeway value proposition and establishing data centres in Northern Ireland to leverage economic growth to stimulate the Digital Economy.

The announcement that the creation of Northern Ireland's first enterprise zone will be in the Borough of Coleraine, further enhances the region's value proposition by making capital investment even more advantageous.

Clearly, the potential to benefit from Project Kelvin, the Digital Causeway and the Enterprise Zone is a reality made possible by the investment in digital infrastructure offered by 5NINES.

The creation of an Enterprise Zone with an anchor tenant (5NINES Data Centre) could become a hub of innovation in Northern Ireland. With the steady growth of the IT / Computing sector in the United Kingdom and Ireland, data centres have the potential to establish themselves as centres of excellence for cloud computing, operations, data management and IT services. The benefits of an Enterprise Zone with an anchor tenant (5NINES Data Centre) will stimulate enterprise, investment, growth and employment regionally, providing a pedestal for future growth.

Recommendation: It is recommended that Shadow Council approves officers to undertake Stage 1 activities in relation to the purchase of lands for the enabling, development and management of Northern Ireland's first Enterprise Zone in order to secure the tenancy of the 5Nines.

