

CABINET

MINUTES AND DECISION RECORD

26 November 2007

The meeting commenced at 9.00 a.m. in the Avondale Centre, Hartlepool

Present:

The Mayor (Stuart Drummond) - In the Chair

Councillors: Gerard Hall (Adult and Public Health Services Portfolio Holder).
Pam Hargreaves (Deputy Mayor)
Cath Hill (Children's Services Portfolio Holder),
Peter Jackson (Neighbourhoods & Communities Portfolio Holder).
Victor Tumilty (Culture, Leisure and Tourism Portfolio Holder),

Officers: Paul Walker, Chief Executive
Andrew Atkin, Assistant Chief Executive
Tony Brown, Chief Solicitor
Chris Little, Assistant Chief Financial Officer
Adrienne Simcock, Director of Children's Services
Paul Briggs, Assistant Director (Resources and Support Services)
Dave Stubbs, Director of Neighbourhood Services
Nicola Bailey, Director of Adult & Community Services
Peter Scott, Director of Regeneration and Planning Service
Steve Hilton, Assistant Public Relations Officer
David Cosgrove, Principal Democratic Services Officer

137. Apologies for Absence

Councillor Robbie Payne, Finance & Efficiency Portfolio Holder.

138. Declarations of interest by members

None.

139. Confirmation of the minutes of the meeting held on 12 November 2007

Confirmed.

140. Developing a Strategic Approach to the Voluntary and Community Sector in Hartlepool (*Director of Adult and Community Services & Director of Regeneration and Planning*)

Type of decision

Non Key

Purpose of report

The report seeks Cabinet approval for the proposal to develop a strategic approach in relation to future work with the voluntary and community sector in the town and the development of the sector.

Issue(s) for consideration by Cabinet

The Adult and Community Service Portfolio Holder indicated that the report to Cabinet on 29 October 2007 outlined the background to the Strategy. Cabinet had requested clarification regarding the following issues which were addressed in this report: -

1. Cost of the work by the consultants, and the budget allocation to meet those costs.
2. Clarification that there was no duplication with existing work.

The report also clarified the relationship between the compact and the Voluntary Sector Strategy. It was noted that the total cost for this work would be in the region of £20,000, with 50% of the costs (up to £10,000) being funded by the PCT, with the residual to be funded by the council and other partners. The PCT were keen to invest in the Strategy to enable them to develop a commissioning approach with the voluntary sector.

The Director of Regeneration and Planning indicated that the strategy would look at the practical day-to-day arrangements between the Council and the voluntary sector. At this time, the PCT had been the only organisation that has committed to a contribution to costs of the strategy. Discussions were underway with other parties.

Decision

That the report be noted.

141. Schools Transformation: Review of Project Board & Project Board (*Director of Children's Services*)

Type of decision

Non key.

Purpose of report

The report provided information on the original membership and terms of reference of both the Building Schools for the Future (BSF) Project Board and BSF Stakeholder Board and requested Cabinet consider extending the

responsibilities of both boards so that they assume responsibilities for the Primary Capital Programme (PCP), as well as for BSF. Modifications to the membership of the two boards were also proposed.

Issue(s) for consideration by Cabinet

The Children's Services Portfolio Holder reported that the Department for Children Schools and Families (DCSF) has recently sent preliminary details about the Primary Capital Programme (PCP) to all local authorities. PCP is due to begin formally in April 2009 and authorities will be expected to prepare and submit a Primary Strategy for Change (PSFC) following consultation.

The Authority has recently received initial information about the Primary Capital Programme (PCP). PCP is a national fourteen-year programme, beginning in April 2009, aimed at rebuilding, remodelling or refurbishing approximately half of all primary schools. Hartlepool has been informed that its initial allocations for 2009/10 and 2010/11 total £8.4m, but in order to access the funding it must submit a Primary Strategy for Change (PSFC) which is approved by the Department for Children Schools and Families (DCSF). The PSFC must include sections indicating how PCP will be staffed, resourced and governed and how appropriate consultation will take place. It would seem appropriate, therefore, to allocate some of these responsibilities to a Project Board and a Stakeholder Board. Although it would clearly be possible to have separate Board structures for BSF and PCP, it would be sensible to avoid unnecessary duplication and draw on the expertise that the BSF Project Board and Stakeholder Board have developed in order to ensure the most efficient and effective working practices in relation to these two major capital programmes.

The Portfolio Holder indicated that it was considered appropriate that the BSF Project Board takes on the role of the PCP Project Board and was renamed the 'Schools Transformation Project Board (BSF & PCP)' and that its membership and terms of reference are modified to recognise the extended scope of its responsibilities.

The BSF Stakeholder Board had provided a useful forum for discussion of key issues before these issues are present to decision makers. It was considered appropriate that the BSF Stakeholder Board takes on the role of the PCP Stakeholder Board, and be renamed as the Schools Transformation Stakeholder Board (BSF & PCP) and that its membership and terms of reference are modified to recognise the extended scope of its responsibilities.

Partnerships for Schools, the organisation responsible to government for the delivery of the BSF programme, has requested a place on the Project Board for their Project Director. It was recommended that Cabinet agree to this request, as it would bring in significant additional expertise in relation to BSF nationally.

Because of the potential to consider BSF and PCP alongside other regeneration opportunities in the Borough, it was recommended that the post of Director of Regeneration and Planning be added to the list of officers.

The issue of the Portfolio Holder chairing the Boards and utilising her delegated powers in ratifying decisions of the Project Board was raised, specifically in those instances where the Portfolio Holder was a governor at the school under consideration. The Chief Solicitor advised that if there were a situation where the Portfolio Holder had by virtue of a declaration of interest to debar herself from the meeting, then the Board would need to appoint a Chair for that issue. However, that Chair would not have the same powers as the Portfolio Holder and the 'approval' of such a decision would need to be taken by the Mayor, or in his absence, the Deputy Mayor. The Mayor considered that it would therefore make sense if he were a member of the Board, so those decisions could be taken as they occurred. The Mayor considered that this would be an appropriate course of action as the issues surrounding primary schools were likely to be more controversial. There was a suggestion by Cabinet Members that the whole of Cabinet be appointed to the Board. There was, however, concern at Cabinet not being seen to take all the places on the Board at the expense of non-executive Councillors. The Mayor proposed that the Children's Service Portfolio Holder, the Finance and Efficiency Portfolio Holder, Mayor, Deputy Mayor, Chair of Scrutiny Coordinating Committee and Chair of Children's Services Scrutiny Committee be the elected members on the Project Board. It was highlighted that there had been strong representations made by some Members for involvement in the BSF Boards.

It was recommended that the Portfolio Holder for Children's Services be authorised to make further amendments to the terms of reference of the Project Board.

If the remit of the Stakeholder Board were to discuss issues in relation to Primary Capital Programme as well as BSF, it would be appropriate to undertake a review of membership of the Board. There were currently 57 members of the Board; this includes the head teacher and Chair of Governing Body of each secondary school and Principal and Chair of Governing Body of each of the three colleges. If the head teacher and Chair of Governors from each primary school were added, the total membership of the Board would be in excess of 100 and this would seem unmanageable.

It is proposed that the membership of the Schools Transformation Stakeholder Board is amended as follows:

Group A – Elected members – Cabinet was requested to consider whether it wishes to amend the membership of this group.

Group B – Chief Officers - Cabinet was requested to maintain the current membership of this group which comprises the Chief Executive, Director of Finance and the Director of each of the four departments of

the Council

Group C – Secondary Schools

- the head teacher of Catcote Secondary Special School
- two head teachers from mainstream secondary schools, nominated by all mainstream secondary head teachers
- three secondary chairs of governing bodies, elected by all secondary chairs of governing bodies

Group D – Primary Schools (including Springwell Special School and Seaton Nursery School)

- The head teacher of Springwell Primary Special School
- Six head teachers from mainstream primary schools, nominated by all mainstream primary head teachers
- Six primary chairs of governing bodies, elected by all primary chairs of governing bodies

Group E – Colleges

- One college principal, nominated by all college principals
- One college Chair of governing body, elected by all college chairs of governing bodies

Group F – Children, Young People, Families and Carers – It is recommended that the current representation (6) be agreed in principle, subject to further review by the Portfolio Holder for Children's Services

Group G – Key Partners, stakeholders and partner organisations – it is recommended that one Integration Support Manager (representing Children's Centres and extended services) and one private sector childcare provider be added to the membership of this group and that the remainder of membership of this group be reviewed by the Portfolio Holder for Children's Services

Group H – Unions and Associations – it is recommended that membership of this group remains as two as the members represent both the teacher unions and the support staff unions.

If the suggested membership set out above was implemented, the total membership of the Schools Transformation Stakeholder Board will be very similar to the size of the current membership of the BSF Stakeholder Board.

It was proposed that the Portfolio Holder for Children's Services be authorised, within the general terms of reference approved by the Cabinet, to determine the detail of amendments to the terms of reference of the Stakeholder Board.

There was concern expressed at the number of primary head teachers involved in the Board. The Secondary BSF Board had included all the Heads and a representative of each governing body. It was questioned if more Primary Heads should be involved. The Assistant Director (Resources and Support Services) stated that the Primary Heads had decided they all didn't wish to be involved in the Board and had elected six of their number to represent them on the Board. It was hoped that a similar stance would be taken by the Governing Body Chairs, though no nominations had been received to date. It was highlighted that there would

be a representative from each of the Neighbourhood Forums and it was important to maintain the reporting of the process through the Forums. It was stressed that there needed to be some transparency in the appointment of those representatives.

Decision

1. That the terms of reference of the BSF Project Board be extended to encompass both Building Schools for the Future (BSF) and Primary Capital Programme (PCP), as set out in the report.
2. That the Portfolio Holder for Children's Services be authorised to determine the detail of amendments to the terms of reference of the Project Board.
3. That the BSF Project Board be renamed the Schools Transformation Project Board.
4. That the inclusion of the Director of Regeneration and Planning as a member of the Project Board be approved.
5. That the inclusion of the Partnerships for Schools (PfS) Project Director as a member of the Project Board be approved.
6. That the Mayor, Deputy Mayor, and Finance and Efficiency Portfolio Holder be appointed as the Cabinet representatives to the Project Board.
7. That both the Project Board and the Stakeholder Board be chaired by the Children's Services Portfolio Holder.
8. That the terms of reference of the Stakeholder Board be extended to encompass both BSF and PCP as set out in the report.
9. That the BSF Stakeholder Board be renamed as the Schools Transformation Stakeholder Board.
10. That the Portfolio Holder for Children's Services be authorised to determine the detail of amendments to the terms of reference of the Stakeholder Board.
11. That the amendments to the membership of the Stakeholder Board to recognise its new responsibilities.
12. That consideration of further amendments to the membership of the Stakeholder Board be referred to the Portfolio Holder for Children's Services.

142. Primary Capital Programme: Stage One Consultation (*Director of Children's Services*)

Type of decision

Non-key.

Purpose of report

To seek approval to launch a first stage of consultation in preparation for the Primary Capital Programme (PCP).

Issue(s) for consideration by Cabinet

The Children's Services Portfolio Holder reported that, in his 2005 Budget statement, the Prime Minister (then Chancellor) set out his plans for long-

term strategic capital investment in primary schools through a Primary Capital Programme (PCP). On 10th October 2007, initial PCP allocations were notified to authorities. These allocations are intended to cover the current three year Comprehensive Spending Review period. Hartlepool's allocation is:

2009/10:	£3 million
2010/11:	£5.4 million

Government intends that PCP will be a fourteen-year programme. Information available to date suggests that Hartlepool's total allocations for PCP, over the entire PCP programme, will be in excess of £36 million. On 25th October 2007, the Department for Children Schools and Families (DCSF) provided initial information in respect of its requirements of local authorities in relation to PCP. All authorities are expected to submit a locally agreed Primary Strategy for Change (PSFC) by the end of April 2008. It will be essential to complete a first stage of consultation and to have developed options for a second stage of consultation by the time PSFC is submitted.

The Portfolio Holder indicated that it was proposed that a first stage of consultation in preparation for the Primary Capital Programme be undertaken in January and February 2008. The aims of the first round of consultation would be to share information on the Primary Capital Programme with as wide an audience as possible and to collect views on possible ways forward. The Authority would not formulate any options or proposals as part of the Stage One process. A wide range of organisations and groups were to be involved in the consultation and these were set out in the report. As part of the consultation process, respondents would be invited to suggest other groups or organisations that should be consulted in future stages. The scope of the Stage One consultation was set out in the report and would be in accordance with initial guidance on the requirements of the Primary Strategy for Change submission received from the Department for Children Schools and Families.

The Mayor indicated that he had two major concerns. The first related to the overall allocation of £36m over the fourteen years of the funding. This was nowhere near enough to meet the needs of the primary schools in Hartlepool. The Mayor was also concerned that expectations may well be raised that in the long run are not met because the fourteen-year commitment to funding wasn't completed. It was therefore essential that Hartlepool obtained as much 'up-front' finance as possible. The Assistant Director (Resources and Support Services) commented that it was very difficult to put a definite figure on the total funding Hartlepool could receive. Government had announced £500m as the national fund and it had been possible to estimate that Hartlepool's share of that funding would be around £2.3m each year. The first years allocations were, however, much higher due to slippage on BSF expenditure, which had been redirected to PCP. PCP was very different to BSF in that all local authorities would be starting at the same point unlike BSF that was being delivered in separate tranches.

PCP was only likely to be targeted at around 50% of all primary schools. This was going to be a very challenging funding regime and the aim would be to get the best value from whatever monies came to Hartlepool.

Cabinet Members commented that with the questions on the longevity of the programme, it was therefore essential that the Council got the first stage of consultation right. It was suggested that the Children's Services Strategic Partnership be included in the consultation.

Decision

1. That the launch of a first stage of consultation in preparation for the Primary Capital Programme be approved.
2. That the Schools Transformation Project Board be authorised to prepare and publish a Stage One consultation document.

143. Quarter 2 – Corporate Plan and Revenue Financial Management Report 2007/2008 *(Corporate Management Team)*

Purpose of report

To inform Cabinet of the progress made towards achieving the Corporate Plan Actions in order to provide timely information and allow any necessary decisions to be taken and to provide details of progress against the Council's overall revenue budget for 2007/2008.

Issue(s) for consideration by Cabinet

The Portfolio Holder indicated that the report would be submitted to Scrutiny Co-ordinating Committee on 4 January 2008. This would ensure that Scrutiny Co-ordinating Committee was able to review the report at the earliest opportunity.

In relation to overall performance and progress on actions and key performance indicators, the Portfolio Holder reported that overall performance was good with 96.4% of the actions and 84% of the KPIs (when annually reported actions and PIs have been removed) judged to be either on or above targets.

The Assistant Chief Financial Officer reported that in relation to the revenue budget forecast outturns had now been prepared for all areas on the basis of the first six months activity. In overall terms, it is anticipated that there will be an adverse variance on all departmental budget at the year-end. It is anticipated that these additional costs can largely be offset by underspends on corporate budgets, although a net year-end overspend is expected in the range of £0.093m to £0.333m. Clearly, the current situation is serious. In the current year, the net overall position of £0.333m equated to 0.14% of the gross budget. However, it was important not to be complacent, as these issues would need to be addressed on a sustainable basis. At the same time, it was difficult to influence expenditure in the remaining four months of the year. Officers would continue to monitor the position closely and look at options for reducing expenditure, including the capitalisation of

revenue expenditure should the Capital Programme have sufficient flexibility. Detailed revenue monitoring information was included in sections 5-11 of the report, on a Portfolio basis to enable each Portfolio Holders to readily review their area of responsibility.

The Chief Executive commented that much of the additional expenditure was on demand led services, such as children cared for by the authority, where the authority had little control; it had to meet the cost of these services. The additional costs were not all new and some occurred in the previous year but had been met by underspends in other areas of the budget. Possible ways of mitigating these issues was being investigated. Despite these issues, overall service performance was very good with the majority of targets being met.

Cabinet Members commented that it was often very difficult to get the message across to the public where the Council actually spent its money and the essential nature of the services provided. It was acknowledged that some of the problems within the Neighbourhood Services budget, such as the failure of the car parking service to meet its income targets, was down to the delayed implementation of increases and public resistance to the increases in charges recently approved. The Director of Neighbourhood Services commented that car parking charges did account for some of the pressure on the Neighbourhood Services budget. There were also issues such as the fall in income from school meals that had been adversely affected by increases in food prices of around 18%. Fuel prices also had a significant effect on Neighbourhood Services.

Decision

That the report be noted.

144. Quarter 2 – NRF, Capital and Accountable Body Programme Monitoring Report 2007/2008 *(Chief Financial Officer)*

Purpose of report

To provide details of progress against the Council's overall Capital budget for 2007/2008, the Neighbourhood Renewal Fund (NRF) and the Spending Programmes where the Council acts as the Accountable Body. The report considered NRF, Capital Monitoring and Accountable Body Programme Monitoring

Issue(s) for consideration by Cabinet

The Assistant Chief Financial Officer reported that all the areas were broadly in line with expectations and there were no issues to highlight to Cabinet.

Decision

That the report be noted.

J A BROWN

CHIEF SOLICITOR

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