

CABINET

MINUTES AND DECISION RECORD

27 May 2008

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

Present:

The Mayor (Stuart Drummond) - In the Chair

Councillors: Gerard Hall (Adult and Public Health Services Portfolio Holder),
Cath Hill (Children's Services Portfolio Holder),
Victor Tumilty (Culture, Leisure and Tourism Portfolio Holder),

Officers: Paul Walker, Chief Executive
Andrew Atkin, Assistant Chief Executive
Dave Stubbs, Director of Neighbourhood Services
Adrienne Simcock, Director of Children's Services
Peter Devlin, Chief Solicitor
John Mennear, Assistant Director (Cultural Services)
Alison Mawson, Head of Community Safety and Prevention
John Smalley, Principal Environmental Health Officer
Ann Smith, Head of Information Planning and Support Services
Alistair Rae, Public Relations Officer
David Cosgrove, Principal Democratic Services Officer

1. Apologies for Absence

Pam Hargreaves (Performance Portfolio Holder), Robbie Payne (Finance and Efficiency Portfolio Holder), Peter Jackson (Neighbourhoods and Communities Portfolio Holder).

2. Declarations of interest by members

None.

3. Inquorate Meeting

It was noted that the meeting was not quorate. The Mayor indicated that (as permitted under the Local Government Act 2000 and the Constitution) he would exercise his powers of decision and that he would do so in accordance with the wishes of the Members present, indicated in the usual way. Each of the decisions set out in the decision record were confirmed by the Mayor accordingly.

4. Confirmation of the minutes of the meeting held on 12 May 2008

Confirmed.

5. Audit Commission Annual Audit and Inspection Letter 2006/07 (Chief Executive)

Type of decision

Non-key.

Purpose of report

To inform the Cabinet of the content of the Audit Commission Annual Audit and Inspection Letter 2006/07.

Issue(s) for consideration by Cabinet

The Audit Commission's Annual Audit and Inspection Letter for members for 2006/07 was submitted for Cabinet's information. Steve Nicklin from the Audit Commission was present at the meeting and gave a brief presentation on the main findings set out in the letter which summarised the conclusions and significant issues arising from the Audit Commission's recent audit and inspections of the Council. Mr Nicklin highlighted that the letter was very positive and showed that the Council was performing well and making significant improvements with a significant number of performance indicators (PIs) in the top quartile nationally.

The Assistant Chief Executive highlighted that continued close monitoring was undertaken to ensure that performance was maintained across all departments and the key PIs. The assessment would change significantly next year when it would become a Local Area Assessment and how that would be undertaken was still unclear at this time. Cabinet Members were concerned that through this new assessment process the Council's performance could be adversely affected by outside agencies and matters that would be beyond the authority's control.

The Mayor welcomed the report and thanked all those Councillors and officers who had worked extremely hard to attain this level of performance. The Council could not, however, rest on its laurels and needed to maintain the constant push for improvements, particularly in light of the new assessment regime.

Decision

That the report and the content of the Audit Commission Annual Audit and Inspection Letter 2006/07 be noted and welcomed.

6. Final 2007/2008 Outturn Strategy (Chief Financial Officer)

Type of decision

Budget and Policy Framework.

Purpose of report

To enable Members to finalise the 2007/2008 Outturn Strategy.

Issue(s) for consideration by Cabinet

The Chief Financial Officer reported on the provisional 2007/2008 revenue outturn position, the forecast level of General Fund Reserves at 31st March, 2008, capital programme outturn and BSF capital issues.

The report set out the provisional outturn for departmental and corporate budgets is more favourable than previously anticipated, owing to a lower overspend on departmental budgets and a higher underspend on corporate budgets. In total there is a net underspend of £0.726m as detailed in Appendix A to the report. A number of additional items were also reflected in the 2007/2008 Outturn Strategy and these were briefly set out in the report. After reflecting those issues there was a net contribution to General Fund Balances of £0.636m, inclusive of the underspend identified.

The level of General Fund Balances at 31st March, 2008, would increase as a result of the net underspend against the 2007/2008 budget. In addition, the General Fund Balances would benefit from the repayment of the Bonus Buy Out Loan and from a reduction in the cost of Equal Pay Protection.

Members have previously been advised that General Fund Balances will need to meet the cost of Equal Pay claims arising from Employment Tribunal cases submitted by employees or their legal representative. It was not previously possible to quantify this potential liability as the number and value of case was uncertain. There is now an increasing probability that these cases will be settled in the current financial year. Therefore, for planning purposes it would be prudent to anticipate a cost to the General Fund of £0.76m. After reflecting these factors it is anticipated that General Fund Balances will exceed the minimum requirement. A review of the purposes attached to the reserves would also need to be undertaken in line with the District Auditors recommendations.

Members had previously determined to invest £3.6m over the three years 2007/08 to 2009/10 to fund high local priorities which do not fall within the areas attracting Government funding. Details proposals for the annual allocations have been proposed by the Strategic Capital Resource and Asset Programme Team (SCRAPT), based on a thorough project evaluation process and scoring of individual projects against defined criteria. The actual costs of schemes undertaken during 2007/08 were £160,000 less than anticipated and the main favourable items were set out in the report.

The scheme to refurbish War Memorials is expected to cost £23,000 more than anticipated. It is suggested that part of the underspend identified be

allocated to meet these additional costs. If this proposal was supported, the issue would need to be referred to Council for approval.

It was suggested that Cabinet may wish to allocate the remaining resources of £137,000 to fund the refurbish of toilet facilities within the Civic Centre. These works would include the provision of more female toilet facilities to address the changes in the Council's workforce which have occurred since the Civic Centre was built and more significant health and safety and disabled access issues. This scheme was the first reserve on the existing list of schemes to be funded in 2007/08 if additional resources were available. Cabinet supported the two Capital proposals, but Members did again question the costs of the toilet refurbishments.

At Cabinet on 31st March 2008 Members determined that following closure the Brierton Community school be retained to facilitate the development of a community campus. This proposal would necessitate the demolition of buildings on the upper school site. The costs of demolishing the buildings at the Brierton upper School site currently occupied by Access to Learning were not eligible expenditure for Building Schools for the Future purposes at this time. Therefore, provision for funding these costs will need to come from the Council's own resources. At this stage no funding has been set aside for this issue.

It was expected that these works will be completed in 2008/09. The initial budget cost of demolishing these buildings is £410,000, although it is anticipated that owing to the type of construction and the materials used these costs will need to be confirmed by tender. It is expected that detailed costings will be known later in the year. The Mayor indicated his support for the inclusion of the Brierton scheme.

Decision

1. That the final 2007/2008 Outturn Strategy detailed in paragraph 3.0 of the report be approved and the Chief Financial Officer authorised to finalise the accounts if any further issues arise, provided they do not affect the net position;
2. That the position of the General Fund Reserves detailed in paragraph 4.4 of the report be noted, including the proposal to develop a strategy for using the uncommitted resources as part of the 2009/2010 budget process.
3. That Council approval be sought to allocate the capital underspend identified in paragraph 5.2 of the report to fund the additional cost of refurbishing War Memorials (£23,000) and the programme of works to toilet facilities in the Civic Centre (£137,000).
4. That Council approval be sought to advance £410,000 of the remaining 2009/10 capital resources allocated for schemes identified by SCRAP to fund the costs of demolishing the building on the upper school site at Brierton, subject to this amount being repaid from capital receipts

arising from the rationalisation of the schools estate.

7. Corporate Plan 2008/09 (*Assistant Chief Executive*)

Type of decision

Budget and Policy Framework.

Purpose of report

To enable Cabinet to consider and comment on the proposed Corporate Plan for 2008/09.

Issue(s) for consideration by Cabinet

The Assistant Chief Executive reported that as in previous years the Corporate Plan is presented in two parts. Part 1, attached at Appendix A to the report, was the main plan, which described the Council's priorities for 2008/9, including how weaknesses will be addressed, opportunities exploited and better outcomes delivered for local people. Part 2 of the plan, attached at Appendix B to the report, would again contain detailed supporting information relating to performance statistics that the Council is required to publish. The Plan would also include this year a significant number of the PI outcomes from the previous year for comparative purposes.

As in the past, there were still a number of PI details missing in the document presented to Cabinet due to the information gathering at year end still not being completed for some and others which were reliant on national information produced by central government. The plan would be reported to Scrutiny Coordinating Committee on 30 May and would be resubmitted to cabinet on 9 June prior to submission to full Council on 19 June.

The Mayor expressed some concern at the potential effect of PI's that were outside the control of the Council. It was indicated that some PI's would, in the future, be more reliant on partner organisations.

Decision

1. That Parts 1 and 2 of the Corporate Plan 2008/9-2010-11, as submitted, be approved.
- (ii) That the final version of the Corporate Plan be presented to Cabinet at its meeting on 9 June 2008.

8. Primary Capital Programme (*Director of Children's Services*)

Type of decision

Key decision – test (i) and (ii) apply.

Purpose of report

To inform Cabinet of the outcomes of the first stage of consultation in

preparation for the Primary Capital Programme and to seek approval to prepare the second stage of consultation.

Issue(s) for consideration by Cabinet

The Children's Services Portfolio Holder reported that on 26th November 2007 Cabinet authorised a first stage of consultation in preparation for the Primary Capital Programme. The aims of the first round of consultation were to share information on the Primary Capital Programme with as wide an audience as possible and to collect views on possible ways forward. Details of the responses to the first consultation round were set out in the report and briefly outlined by the Portfolio Holder. These included comments on the vision, extended services, the removal of surplus places, the options for the use of spare capacity and issues for the stage two consultation and other general comments. Full details of the comments submitted were set out in appendix 1 to the report.

It was recommended that a second stage of consultation take place in June and July 2008. The focus of Stage Two will be shaped by the outcomes of Stage One consultation and the Department for Children Schools and Families (DCSF) guidance published in December 2007 in relation to preparation of the Authority's Primary Strategy for Change.

Stage Two consultation will provide opportunities for discussion about how the Authority and its partners will ensure that primary education in Hartlepool is transformed through Primary Capital Programme investment. While the multi-million pound government investment was to be welcomed, the government set challenges must be addressed if Hartlepool was to benefit from the Programme. The principal issues would be the raising of standards and the reduction of surplus places together with meeting the government's own recommendation on the concentration on areas of deprivation.

The Mayor and Cabinet welcomed the concentration on tackling the education provision in the deprived areas of the town. The second stage of consultation was likely to bring much greater response as more detailed plans were put to schools, governors and parents. The Mayor commented that the consultation on the proposals for the primary sector were much more likely to be emotive with parents than the secondary proposals. Innovative solutions would need to be brought forward to resolve some of the issues faced in this sector. The Children's Services Portfolio Holder commented that this was the biggest investment in the primary sector in the town in several generations. There would be significant pressure placed upon Members during the process but they could not shirk the difficult decisions that needed to be made.

Decision

1. That the outcomes of the first stage of consultation in preparation for the Primary Capital Programme be noted;

2. That the preparation of a second stage of consultation be approved;
3. That the Schools Transformation Project Board be authorised to prepare appropriate consultation documents and arrangements.

9. Pay and Grading Structure and Single Status Agreement (*Corporate Management Team*)

Type of decision

Key decision – test (i) and (ii) apply.

Purpose of report

To advise on progress in respect of Single Status and seek Cabinet's response to the result of the ballot of local trade union members.

Issue(s) for consideration by Cabinet

This report set out the background to Single Status issues, a summary of previous Cabinet decisions and progress made since Cabinet last considered a report on this topic.

The results of the local trade union ballot, a risk assessment, a final version of the proposed local Single Status Agreement and equality impact assessments and financial assessment were circulated in supplementary papers before the Cabinet meeting.

Comments from the Single Status Working Group and trade union representatives were also reported to the meeting.

Cabinet agreed to discuss the matters further in the 'Exempt' section of the meeting.

Decision

10. Resident Permit Cost Increases (*Director of Neighbourhood Services*)

Type of decision

Non-key.

Purpose of report

To consider the results of a consultation with residents regarding proposed new permit cost increases.

Issue(s) for consideration by Cabinet

The Mayor reported that Cabinet had agreed in principle to amend the current permit prices based on the creation of a central discounted area

approving in principle an immediate increase of £20 per permit, but that properties within the discounted zone would be subsidised by £15, effectively making the charge £5.

The results of a resident consultation on the proposal were considered by Cabinet on 22nd January 2008. Many residents had been unsupportive of the new charge increase and although Cabinet agreed in principle to increase all permit charges to £5, they also agreed to undertake further consultation with residents in the higher band in respect of a three year phased increase (this would result in the cost of a permit increasing to £5 in the first year, £10 in the second year and £20 in the third year). In addition residents were also asked if as a result of the proposed charge increase they wished to withdraw from the scheme as and when their current permits expire.

The consultation was restricted to resident permit holders living outside of the proposed subsidised zone as they had the option to opt out of the scheme. The subsidised zone was seen as being most directly affected by the pay and display off street parking charges and as such it was a necessity that residents remained in the scheme. Appendix B to the report detailed a breakdown by location of both the percentage return and responses of returned consultation forms.

Cabinet had also indicated that the inclusion / removal of any location would be by clear majority. However, where the completed returns indicated a relatively close decision, further analysis has been carried out to determine whether a street can partially remain within the controlled zone to best meet the wishes of residents.

A summary the findings of the consultation were set out in detail in the report and supporting appendices. In Hartlepool, the residents of the following streets had either indicated a wish to opt out, or were being recommended as opting out following further detailed consultation and/or consideration of the impact of neighbouring streets opting out: -

Hartlepool: Arncliffe Gardens, Clifton Avenue, Eltringham Road, Grange Road, Grantham Avenue, Howbeck Lane, Hutton Avenue (west), Lansdowne Road, Linden Grove (Grange Road to Wilton Avenue), Park Road, Stanhope Avenue, Wansbeck Gardens, Wilton Avenue and Wilton Road

Seaton Carew: North Road, East View Terrace and The Green

The following streets were where residents had indicated a wish to remain within the scheme or were being recommended as remaining in the scheme following further detailed consultation and/or consideration of the impact of neighbouring streets: -

Hartlepool: Holdforth Road, Hutton Avenue (east), Linden Grove (Wilton Avenue to Park Road) and Warren Court.

Seaton Carew: Victoria Street, Queens Terrace, Station Lane, Green

Terrace and The Cliff.

The Mayor considered that future increases in resident parking permit charges should be considered as 'across the board' price increases, though the Mayor was clear there was no presumption of annual price rises. The operation of the scheme should also be reviewed in another twelve months time, though the Mayor did request an updated budget report for the car parking service taking into account these proposed changes to be submitted to the Executive at the earliest opportunity.

Decision

- 1) A charge increase to £5 for all residential / visitor / concessionary permits to be effective as and when the current existing permits expire.
- 2) A phased increased charge for permits be considered annually.
- 3) That locations where residents have expressed a preference to be withdrawn from the scheme as detailed above be removed as and when the current permits expire.

11. Selective Licensing of Private landlords and their Properties *(Director of Regeneration and Planning Services)*

Type of decision

Non-key.

Purpose of report

To report the results of consultation on the introduction of a selective licensing scheme for private landlords in those areas agreed by Cabinet at its February meeting, to agree the designation of those areas, and to seek approval from Cabinet to proceed with an application to the Department for Communities and Local Government (CLG) for confirmation of the designation.

Issue(s) for consideration by Cabinet

The Mayor reported that the principle of a phased introduction of selective licensing was approved at Cabinet on 18 February 2008. It was agreed that a first phase of action covering six areas, based on a 'worst first' approach, should be pursued and for residents, landlords and others with an interest in those areas to be consulted. The areas were identified as A to F in Appendix A to the report and had previously been referred to as 'Option 2'.

The Mayor commented that the scheme had the over-whelming support of residents, though it was accepted that not all landlords were in favour. The scheme needed to be introduced alongside the tenant referencing scheme in order to have the most impact. The scheme was very flexible and could be extended in the future but this would be very dependent on additional resources being made available.

Cabinet Members did question some of the areas selected for the introduction of the scheme and raised concerns from residents in surrounding areas that the problems would simply be displaced. The Mayor commented that monitoring to assess these issues would be instigated but that the scheme had to start somewhere. The areas identified were seen to be the most problematic and it was right to start with them first. Extending the scheme to resolve problems in other areas or deal with any displaced problems was something Cabinet and the Council would need to consider in the future. The current scheme was, however, somewhat limited by the resources available. Extensions in the future would need to be appropriately resourced.

Decision

1. That Cabinet note the results of the consultation exercise are noted.
2. That a selective licensing scheme in respect of the areas previously identified as Areas A to F in the report be approved.
3. That approval be given to the making an application to the Department for Communities and Local Government setting out Hartlepool's case to introduce a selective licensing scheme in those areas, and to seek approval of the designation.
4. That the concerns raised by residents about area boundaries be acknowledged and that these areas be considered as part of any second phase should evidence support it, subject to resources being available.
5. That the concerns about displacement of problems into areas outside the designated scheme be recognised and that monitoring be introduced so that any issues resulting from introduction of the scheme can be responded to.

12. Local Government (Access to Information) (Variation) Order 2006

Under Section 100(A)(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that it involves the likely disclosure of exempt information as defined in the paragraphs below of Part 1 of Schedule 12A of the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) Order 2006.

Minute 13 'Pay and Grading Structure and Single Status Agreement' (Para 4 - Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority).

13. Pay and Grading Structure and Single Status Agreement *(Corporate Management Team)*

Type of decision

Key decision – test (i) and (ii) apply.

Purpose of report

To advise on progress in respect of Single Status and seek Cabinet's response to the result of the ballot of local trade union members.

Issue(s) for consideration by Cabinet

This report set out the background to Single Status issues, a summary of previous Cabinet decisions and progress made since Cabinet last considered a report on this topic.

The results of the local trade union ballot, a risk assessment, a final version of the proposed local Single Status Agreement and equality impact assessments and financial assessment were circulated in supplementary papers before the Cabinet meeting.

The Chief Financial Officer reported the comments from the Single Status Working Group to Cabinet. The working group commented: -

- “We recognise that the Single Status negotiations have been a difficult and complex exercise and that the trade union ballot result indicates that a strong majority of trade union members support acceptance the draft Agreement.
- We note that the delay in scheduling school governors meetings from those dates set out in the report will result in a subsequent delay in school employees receiving their confirming letters.
- We are concerned that letters will be received just before the end of term limiting the time staff have to resolve queries before the summer holidays.
- General information about the Single Status Agreement needs to be available to all staff and be presented in an appropriate way.
- More technical and detailed information will be required for those who will advise on and interpret the Agreement e.g. HR staff, Trade Union representatives, etc.
- The Single Status Working Group have an on-going role at two levels:
 - monitoring the implementation of the Agreement and the impact of appeals
 - consideration of those deferred issues which are still subject to negotiation and agreement.
- An outline programme of the work involved will be considered later this week at the Scrutiny Co-ordinating Committee as part of the annual programme of work meeting.”

Trade union representatives were present at the meeting and commented that while the process was largely completed there were still quite a number of detailed issues that still required further negotiation and these included development schemes and any potential re-engineering of posts. The ballot results showed a majority 71.6% of votes in favour of the proposed single status agreement.

Cabinet questioned the turnout in the ballot which was 46.5% but the Trade Union representatives indicated that this was a very high turnout in a ballot and they were confident of the results.

Concerns were expressed at the fact that the letters to school based staff had not yet been issued and that they were likely to arrive very close to the end of the school year. The Chief Financial Officer stated that this was due to the problems in arranging additional meetings of the school governing bodies but the matter would be resolved before the end of the school year.

The draft single status agreement had been circulated to Cabinet members in advance of the meeting and while largely complete, there were still some detailed issues to be resolved. Once these were complete, a formal signing of the document could be arranged.

It was highlighted that the Council approval to the budget issues surrounding the single status agreement had approved the finalisation of the process by Cabinet as long as the financial implications were within those reported to and approved by Council. The Chief Financial Officer reported that based on the agreement now proposed, that was the case and the ongoing costs could be broadly accommodated from the provision included in the Medium Term Financial Strategy.

Cabinet welcomed the proposed agreement and indicated that it was a credit to the employees of the Council and the Trade Unions that it had been successfully concluded.

Decision

1. That the results of the Trade Union ballots be noted.
2. That the situation in relation to school based staff be noted.
3. That the comments of the Single Status Working Group be noted and that the continuation of the working group during the appeals process and while the discussions on remaining issues that needed to be finalised were completed be supported.
4. That the draft Single Status Agreement as submitted be approved and that once the remaining outstanding matters had been finalised with the Trade Unions, a formal signing of the document be arranged, and that officers be authorised to commence the payment process.

P DEVLIN

**CHIEF SOLICITOR
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