

CABINET

MINUTES AND DECISION RECORD

18 May 2009

The meeting commenced at 9.00 am in the Civic Centre, Hartlepool

Present:

The Mayor (Stuart Drummond) - In the Chair

Councillors: Pam Hargreaves (Deputy Mayor),
Gerard Hall (Adult and Public Health Services Portfolio Holder),
Robbie Payne (Finance & Efficiency 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
Peter Devlin, Chief Solicitor
Mike Ward, Chief Financial Officer
Dave Stubbs, Director of Neighbourhood Services
Adrienne Simcock, Director of Children's Services
Nicola Bailey, Director of Adult and Community Services
Steve Hilton, Assistant Public Relations Officer
Tom Argument, Children's Services Department
Denise Wimpenny, Principal Democratic Services Officer

277. Apologies for Absence

Apologies for absence were submitted on behalf of Cath Hill, Children's Services Portfolio Holder.

278. Declarations of interest by members

The Mayor and Councillors Gerard Hall and Robbie Payne declared a personal interest in Minute 282.

279. Confirmation of the minutes of the meeting held on 1 May 2009

Confirmed.

280. Corporate Plan 2009/10 – Part 1 *(Assistant Chief Executive)*

Type of decision

Budget and Policy Framework

Purpose of report

To enable Cabinet to discuss the Council's Corporate Plan for 2009/10

Issue(s) for consideration by Cabinet

The Performance Portfolio Holder advised that as in previous years the plan would be produced in two parts. Part 1 described the context for identifying the priority outcomes for improvement, the medium term financial strategy, performance and risk management arrangements and the detailed actions agreed for each outcome, attached at Appendix A.

Part 2 would continue to contain the detailed supporting information relating to performance statistics relevant to the Corporate Plan. This information was currently being collected as part of the normal Performance Indicator collection process which would be presented to Cabinet and Scrutiny Coordinating Committee in June/July for consideration. At this stage Cabinet was only being asked to consider Part 1 of the Corporate Plan which was attached at Appendix A.

Details of the proposed timetable for consideration of Parts 1 and 2 was included in the report.

Decision

- (i) That Part 1 of the Corporate Plan 2009/10, be approved.
- (ii) That parts 1 and 2 be received at a meeting of Cabinet in June/July prior to approval being sought at Council.

281. Final 2008/2009 Outturn Strategy *(Chief Financial Officer)*

Type of decision

Budget and Policy Framework

Purpose of report

To enable Members to finalise the 2008/2009 Outturn Strategy

Issue(s) for consideration by Cabinet

The Chief Financial Officer reported on the initial outturn strategy approved in February 2009 which included the following key issues, further details of which were set out in the report:-

- (i) the allocation of uncommitted one-off resources to support

- specific one-off expenditure commitments (£0.147m) and the allocation of resources to support future years budgets (£2.186m);
- (ii) the allocation of additional resources for Building Schools for the Future costs (£1.5m) and Tall Ships (£0.5m);
- (iii) a strategy for funding departmental overspends of £2.6m.

It was reported that at the time of preparing the report work to close the 2008/2009 accounts was nearing completion which confirmed that the overall position was more favourable than previously reported. Resources were available for items (i) and (ii) detailed above. In relation to departmental outturns, item (iii) above refers, the overall overspend was not expected to be as high as forecast. It was anticipated that the actual overspend would be in the range of £1.4m to £1.7m compared to the previous forecast overspend of £2.6m. The reduction in the overall overspend reflected actions by departments to reduce expenditure in the latter part of the year and overspends on demand services not being quite as high as previously forecast.

Whilst the actual departmental overspend was not as high as previously forecast this amount still needed to be funded by releasing Revenue Contributions to Capital Outlay (RCCO's) and the Capital Funding Reserves. Therefore it was still appropriate to capitalise expenditure of £2.6m and to fund this expenditure from Prudential borrowing. It was suggested that this uncommitted balance be transferred to the General Fund and carried forward at the end of 2008/09, further details of which were set out in paragraph 3.3 of the report.

With regard to the use of the Area Based Grant, as set out in paragraph 3.4 of the report, it was expected that expenditure in this area would be slightly less than the approved budget of £10.5m and it was suggested that any uncommitted Area Based Grant was also transferred to the General Fund and carried forward to the end of 2008/09.

In response to a query regarding the future budget planning proposals, the Chief Financial Officer advised that a report would be submitted to Cabinet following the Mayoral Elections outlining the future budget proposals.

Decision

- (i) That the report, be noted.
- (ii) That the proposals as detailed in paragraphs 3.3 and 3.4 of the report, be approved.

282. Inspiring Communities Grant Programme – Request for Support in Selecting an Expression of Interest to Progress Towards Submitting a Bid *(Director of Children's Services)*

Type of decision

Key – type 1 test applies

Purpose of report

1. To seek approval to develop an expression of interest in Inspiring Communities Grant Programme.
2. To request a selection as to which neighbourhood partnership the Council should support from the 3 received (see Appendices 1,2 and 3), to develop its expression of interest for potential selection to participate in the new Inspiring Communities Grant Programme. A decision was required fairly urgently because a full bid must be submitted by 3 June 2009. There has been an extremely tight timescale in relation to progressing expressions of interest since first notification of the potential grant in April 2009.

Issue(s) for consideration by Cabinet

The report contained background information to the Inspiring Communities grand funding, the aims of the initiative and Hartlepool's proposal to submit one of three expressions of interest from community groups.

Inspiring Communities followed on from a Government study into aspirations and attainment in deprived communities which showed that whilst parents were the most important influence upon young people, the people and places where they lived also affected their aspirations. This programme was about working with young people, their families and the wider community in response to the unique challenges each area faced. The focus was upon 11-14 year olds as this was found to be the key age range when young people move from idealistic to more realistic ambitions.

Neighbourhood partnerships would be supported to design and deliver a programme of activities to raise the aspirations and attainment of local young people. These activities would be supported by up to £450,000 core funding per neighbourhood over 2009-10 and 2010-11. Additional support and funding was available for certain specified activities which would be brought together with existing work into an Inspiring Communities campaign unique to each neighbourhood.

The Government was seeking up to 15 neighbourhoods to participate in the programme. These would be selected on the basis of an application submitted by core members of the partnership, identifying within this membership a dynamic community leader with grassroots support and an accountable body responsible for administering and reporting on the grant

funding. Hartlepool had been offered the opportunity to submit a neighbourhood partnership bid for up to £450,000 to support innovative community projects. Only 64 Councils had been selected to express an interest, however, the eventual grant would only be available to 15 local authorities.

Three expressions of interest had been received, one from the Extended Services in North Hartlepool Partnership with support from the West View Community Group, one from Central Hartlepool supported by Belle Vue Sports Club and Youth Centre and one from the South of the town supported by Manor Residents Association.

Cabinet was requested to consider the bids and support one bid as the Government department strongly discouraged submission of more than one application per local authority area.

Discussion ensued regarding the Government's recommendation to support only one bid and Members were of the view that from the limited information available at this stage of the process and the tight timescale for submission of expressions of interest, it was difficult to support only one bid as all of the bids submitted had individual advantages. Members therefore expressed their support for all three bids and requested that the Director of Children's Services outline the reasons for support in an accompanying letter to the Government.

Decision

- (i) That Hartlepool's three expressions of interest in the Inspiring Communities grant programme, be approved and submitted for consideration.
- (ii) An accompanying letter from the Director of Children Services be submitted to the Government department outlining the reasons for supporting all three bids.

283. The Carbon Reduction Commitment (CRC) *(Director of Neighbourhood Services)*

Type of decision

Non-key

Purpose of report

To highlight the main elements of the Carbon Reduction Commitment (CRC), to consider the potential implications for Hartlepool Borough Council (HBC) and to gain support for 'Invest to Save' policies that could improve performance under the CRC

Issue(s) for consideration by Cabinet

The Neighbourhoods and Communities Portfolio Holder presented the report which provided background information relating to the Carbon

Reduction Commitment (CRC).

The CRC would be a mandatory emissions trading scheme for the UK's largest energy consumers. Organisations would be included if their total energy use for 2008 exceeded 6,000 MWh and whose energy charges were settled to some extent, on the half-hourly market. Approximately 5,000 public and private organisations, including HBC, were to be involved fully in the CRC. Hartlepool Council's total energy use in 2007/8 including schools was around 50,000 mwh which equated to around 14,000 tonnes of CO₂. 6,000 MWh equated to a cost of approximately £700K - £1M in energy bills.

Organisations involved were required to purchase an allowance for each tonne of CO₂ they emitted, the cost of which was likely to be £12 per tonne. Allowances would be purchased in advance, based on energy use estimates and would be surrendered at the end of the financial year to cover CO₂ emissions. Any surplus originating from a reduction in emissions from the previous year could be sold. However, demand would dictate the cost of allowances and, as a result, they may be sold at a considerably lower price than that at which they were purchased. Conversely, if the Council were to purchase too few allowances, extra allowances would need to be bought and performance against CRC would be negatively affected.

An annual league table would be produced showing the energy performance of all participants in CRC. All of the revenue raised from allowances would be redistributed back to participants depending on performance, details of which were included in the report. An Early Action Matrix would be in place so that those organisations that had already made efforts to reduce emissions before the introduction of CRC were not unfairly penalised. The CRC would run as a series of phases and subsequent phases would run for 7 years. The main elements of the first phase were set out in Appendix 1.

The report outlined the registration process together with financial and risk considerations. In relation to costs, a single set of charges would apply throughout the UK though it was not year clear what this figure would be. However, the CRC would cost organisations £12 per tonne of CO₂. Based on 6,598 tonnes the CRC would require £79,176 per annum. The cost of emissions from buildings energy use for the two years from April 2011 to March 2013 would, based on the above be £158,352. This did not include energy for street lighting. Energy use from Hartlepool's schools was included in the report.

Based on 2007/08 energy use, the total financial outlay for all council buildings, including schools was estimated at £336,792 (£168,396 per annum for the two year period). However, once street lighting figures were added, the total funding required for the CRC would be in excess of this figure and would need to be paid in full in April 2011. A more accurate estimate of the costs would not be possible until a footprint had been calculated. The CRC was a complex scheme and the Business

Transformation process should present an opportunity for identifying roles and responsibilities in relation to the implementation of the CRC.

In response to a Member's concerns regarding the financial risks of the scheme and the implications if too many or too few allowances were purchased, the Director of Neighbourhood Services advised that the Council must achieve a good position in the CRC league table in order to receive a high proportion of this investment back and past performance would play a part.

Decision

- (i) That the potential cost and associated implications of the CRC for Hartlepool Borough Council, be noted.
- (ii) Cabinet agreed that Officers apply to gain accreditation under the Carbon Trust Energy Standard to contribute to the Early Action Matrix, resulting in a higher entry level into the CRC league table.

284 Quarter 4 – Corporate Plan 2008/09 Monitoring Report *(Corporate Management Team)*

Type of decision

Non-key

Purpose of report

To inform Cabinet of the progress made towards achieving the Corporate Plan actions.

Issue(s) for consideration by Cabinet

The Performance Portfolio Holder indicated that the report described progress towards achieving the actions within the Corporate Plan using the traffic light system of Green, Amber and Red. The report provided an overview of Council performance, with separate sections providing more detailed information for each Portfolio Holder to consider.

Overall performance was good with 91% of the actions either having been completed or on target. Table 1 summarised the results for individual portfolios.

With regard to the action relating to the out of hours noise patrol service, a Member highlighted the value of this service to residents and the benefits of extending this service to operate mid-week as well as weekends. It was suggested that the feasibility of extending the service to weekdays be further explored.

Members were pleased to note the number of achievements and expressed their thanks to staff for their hard work and efforts in achieving these targets.

In conclusion, a Member expressed his personal thanks and appreciation to

the Mayor for the opportunity to serve as a Cabinet Member for a number of years and the chance to take decisions forward.

Decision

That the report, be noted.

The meeting concluded at 9.30 am

P J DEVLIN

CHIEF SOLICITOR

PUBLICATION DATE: 26 May 2009