

CABINET

MINUTES AND DECISION RECORD

16 November 2009

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 Services Portfolio Holder).
Peter Jackson (Transport and Neighbourhoods Portfolio Holder),
Victor Tumilty (Culture, Leisure and Tourism Portfolio Holder),

Officers: Paul Walker, Chief Executive
Andrew Atkin, Assistant Chief Executive
Mike Ward, Chief Financial Officer
Peter Devlin, Chief Solicitor,
Joanne Machers, Chief Personnel Officer
Dave Stubbs, Director of Regeneration and Neighbourhoods
Alan Dobby, Business Transformation Manager
Paul Watson, Road Safety Team Leader
Andrew Golightly, Senior Regeneration Officer
David Cosgrove, Democratic Services Team

103. Apologies for Absence

Councillors Pam Hargreaves (Regeneration and Economic Development Portfolio Holder), Cath Hill (Children's Services Portfolio Holder) and Robbie Payne (Deputy Mayor) (Finance & Performance Portfolio Holder).

104. Declarations of interest by members

None.

105. 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.

106. Confirmation of the minutes of the meeting held on 2 November 2009

Confirmed.

107. Hartlepool College of Further Education – Confirmation of Contribution (*Director of Regeneration and Neighbourhoods*)

Type of decision

Key Decision – tests (i) and (ii) apply.

Purpose of report

The report sought confirmation of the provision of a funding package from the Council and partners towards the costs of the proposed new Hartlepool College of Further Education (HCFE).

Issue(s) for consideration by Cabinet

The Mayor reported on the proposal for the new Hartlepool College of Further Education and the success in securing substantial funding from the Learning and Skills Council towards the £51.3m scheme. There were proposed financial contributions from the College itself (£9m), Teesside University (£2m), ONE North East (£0.5m) and the Council and its partners (£0.5m) that were necessary to secure approval from the Learning and Skills Council for Hartlepool College's new facilities. The support provided to HCFE during the development phase was also summarised along with a review of the LSC funding process.

The substantial role the new College would have in the regeneration of Hartlepool, training and education and economic development in the town was outlined. Confirmation of the Council's financial contribution promised in principle would be sought with the sources of funding outlined, including a significant contribution from the Working Neighbourhoods Fund agreed by the Skills Partnership and other existing regeneration budgets. The report also explained the contribution from ONE North East of £0.5m from Single Programme projects earmarked within Hartlepool in the Tees Valley Single Programme.

The Mayor informed Cabinet that the approval of the proposed Council funding package would require full Council approval as a departure from the Budget and Policy Framework for 2009/10.

Cabinet Members questioned the potential affect on the council's own adult learning programme from the additional provision that the college would be providing through the new development. The Chief Executive commented that the council did always look to internal provision first, but much of the provision utilised was 'commissioned' from external providers so there shouldn't be any major impact. HCFE was not proposing a significant

increase in adult learning provision in any event.

Cabinet Members also questioned the use of council services, such as building control, by the developers where possible. It was indicated that where possible, this would be done, but there may already be contractual arrangements that the developer had that couldn't be, nor would the council wish to, unravel. The nomination of sub contractors was being pursued so that local companies may be involved.

Decision

1. That the progress of the HCFE redevelopment plans and completion date be noted;
2. That the use of £500,000 of combined Council resources, including £191,683 from the Working Neighbourhoods Fund, £60,000 Council capital from existing regeneration budgets and £248,317 from the Albert Street capital receipt to support the revised HCFE redevelopment plans as part of the three way contribution offered in principle to the college and the LSC be confirmed;
3. That the reciprocal benefits agreed with HCFE connected to the redevelopment be noted; and
4. That officers prepare and submit a funding Business Case application to One North East for £500,000 Single Programme funding to further support the redevelopment.

108. Quarter 2 – Corporate Plan and Revenue Financial Management Report 2009/2010 (*Corporate Management Team*)

Type of decision

None – the report was for Cabinet's information only.

Purpose of report

The report informed 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 provided details of progress against the Council's overall revenue budget for 2009/2010 and details of forecast outturns.

Issue(s) for consideration by Cabinet

The Assistant Chief Executive outlined progress towards achieving the actions within the Corporate Plan using the new traffic light system of Green, Amber and Red. The report provided Cabinet with an overview of Council performance, with separate sections providing more detailed information for each Portfolio Holder to consider. The Assistant Chief Executive commented that overall performance was on track with less slippage on targets at this time of the year when compared to previous years.

The Chief Financial Officer indicated that the Revenue Financial

Management report covered the following areas:

- Overview of financial position;
- Review of High Risk Budget Areas;
- Progress against Efficiency Savings Targets Identified in the 2009/2010 Budget Strategy;
- Performance against Budget Pressures treated as Contingency Items;
- Progress against Departmental Salary Turnover Targets;
- Progress against Area Based Grant budgets;
- Key Balance Sheet information.

The report provided details of progress against the current year's budget. In respect of corporate budgets it is anticipated there will be an under-spend on the Centralised Estimates budget. This was due to the strategic land acquisition being delayed and higher investment income from slightly higher interest rates.

There were, however, a number of adverse income trends continuing from previous years. Some provision was made in the 2008/2009 Outturn Strategy for this risk, but this would not be sufficient to cover the anticipated shortfall. Cabinet had agreed to the proposal to fund this shortfall from the under-spend on the Centralised Estimates budget and to allocate resources to manage this risk next year.

There was also a risk that additional resources would need to be allocated for additional Equal Pay costs arising from Equal Pay tribunal cases. Cabinet has agreed to allocate part of the Centralised Estimate under-spend to manage this risk.

The Chief Financial Officer indicated that in the detailed departmental forecasts there were a number of under-spends which needed to be allocated to offset overspends. The forecast outturn position was better than this stage last year and a net under-spend on departmental budgets was currently forecast. However, this position was mainly owing to the current expectation that the contingency for Looked after Children would not be needed in the current year. This was a volatile area and trends for the first six months were not guaranteed to continue to the year end. Equally an unexpected additional complex case could commit a significant element of the available contingency. The Chief Financial Officer therefore suggested that Cabinet review the position in December to reflect the first eight months activity and if the under-spend was expected to continue to the year end a strategy for allocating the amount could then be developed as part of the 2010/2011 budget proposals report.

Cabinet Members raised concern at the potential increase in Equal Pay costs and asked for further details in the report to Cabinet in December.

Decision

That Cabinet notes current position with regard to Performance Monitoring and the revenue budget.

109. Gambling Act 2005 – Statement of Principles (*Director of Regeneration and Neighbourhoods*)

Type of decision

Non key decision.

Purpose of report

To advise and inform Cabinet of the proposed adoption of a Statement of Principles (Gambling Act Policy) that details the principles the Council will apply when exercising its licensing functions under the Gambling Act 2005.

Issue(s) for consideration by Cabinet

The Director of Regeneration and Neighbourhoods reported that Hartlepool Borough Council is a licensing authority by virtue of the Gambling Act 2005. The Act requires all licensing authorities to prepare and publish a statement of the principles (a Gambling Policy) that they propose to apply in exercising their functions under the Act. The statement of principles must be reviewed every three years although it can be reviewed more frequently if considered necessary. The Licensing Committee has recommended a Statement of Principles that includes a 'No Casino Resolution' whereby applications for casino premises licences will not be considered.

The Mayor commented that he believed that including a 'no casino' statement in the policy was not in the best interests of the town in light of the jobs and regeneration such a development could bring. There were already many ways for people to gamble, with a large number of licensed betting shops in the town and peoples ability to gamble on 'casino like' games on the internet. The Mayor stated that he could not endorse a gambling policy for the authority that contained a 'no casino' resolution and asked that this view be given to Council when the policy was submitted.

Decision

That Gambling Policy be submitted to Council with a request that a Casino Policy Statement be decided at the meeting.

110. Business Transformation – Quarterly Programme Update (*Chief Executive*)

Type of decision

Non-key.

Purpose of report

To provide a recap on the programme, to update on progress on the Programme since July 2009 and to provide an outline of forthcoming activity.

Issue(s) for consideration by Cabinet

The Assistant Chief Executive indicated that the report gave an overview of the current status of the programme and forthcoming reports which would be considered by Cabinet. In providing this review and forward plan it was the intention of the report to provide sufficient information for the overall monitoring of progress of the Programme against the originally established timescales.

In addition the report included an update in respect of both financial and risk related issues. Although the financial information is, at this stage, limited due to the previously discussed intended savings profiles it was the intention that these monitoring reports would provide up to date information in relation to both savings achieved and the costs incurred for future meetings.

The Assistant Chief Executive highlighted the particular risk involved in the implementation of the Service Delivery Options (SDO's). The SDO's did have some very ambitious targets in terms of savings. It had to be acknowledged that the majority of the 'easy win' savings had already been implemented across the authority. Cabinet and Members would have some very difficult choices to make in terms of the SDO's adopted but if decisions were not taken and implemented, then there would be an adverse affect on the Medium Term Financial Strategy.

It was reported that the majority of the centralisation proposals were on track. The centralisation of procurement functions would be completed in the next couple of months with the implementation of ICT Support early in the New Year.

Decision

That the progress made to date on the implementation of the programme and forthcoming reports to Cabinet be noted.

111. Request for money from the Contingency Fund (*The Mayor*)

Type of decision

Non-key.

Purpose of report

To seek approval from Cabinet for an amount of £6,000 towards the cost of setting up a Mini Moto Club at a proposed site in Hartlepool

Issue(s) for consideration by Cabinet

The Mayor reported that he had been pursuing the potential of scheme in Hartlepool to give mini moto owners a venue to use their machines in safety and receive training from experienced motorcyclists. The Durham Bikewise Mini Moto Club is registered with the Auto Cycle Union (ACU), the body

governing mini moto events, and has been established to offer parents and children an option to ride their mini moto machines in a controlled, non-competitive safer environment away from the illegal use on the public highway. The Mayor and Road Safety Team Leader, Paul Watson, had been to visit this scheme. Following discussions with those running the scheme, two ex-police motor cycle officers, the Mayor was confident that a similar scheme could be established in Hartlepool initially run by those behind the Durham scheme.

The main issue to be resolved was a venue for the club and a number of locations were being considered. The finance requested was based on insurance and other set up costs for the scheme, which may reduce if other sources of funding could be identified.

Cabinet supported the proposal as an excellent solution to the problem of mini motos being used illegally on residential estates causing nuisance to local residents and putting riders at risk.

Decision

That the authorisation of £6,000 towards the costs of running a regular Mini Moto Club event in Hartlepool as outlined be approved.

112. Business Transformation – Departmental Structure Tier 3 (Director of Regeneration and Neighbourhoods)

Type of decision

Non-key.

Purpose of report

To request Cabinet to consider amendments to the Regeneration and Neighbourhoods Department structure previously agreed at Cabinet on 6th April 2009 and 21st September 2009.

Issue(s) for consideration by Cabinet

The Director of regeneration and Neighbourhoods reported on his proposals to reduce the number of Divisions within the Regeneration and Neighbourhoods Department from eight to six and on some functional changes in respect of the structure agreed by Cabinet on 6th April 2009 and 21st September 2009.

The principal changes outlined by the Director were –

- Support Services Division - As a result of previous Cabinet decisions two of the main functions of this role are to be centralised, namely Financial Management and Resources and Departmental ICT. Because of these changes the Director did not believe that the functions needed or warranted a Chief Officer to head up their delivery. It was proposed therefore that the post of Assistant Director - Support Services be deleted and the following functions be transferred to the current Procurement and Asset Management Division and this Division be

- renamed the Resources Division.
- Administration
- Workforce Development, Human Resources & Diversity
- Service Development
- Performance Management & Management Information
- 'Planning and Economic Development' and 'Housing and Regeneration' Divisions - Both Divisions were strategic areas with some hands on operational functions included such as Development Control, Building Control and Housing Options. There was a need to bring together under one Assistant Director the Economic Development and Housing functions in line with Government policy and all party political thinking. At a recent Housing Market Renewal seminar the Government were at pains to reinforce the inextricable link between the two functions. There is a current weakness within the Council in respect of Housing Policy. The council has operated for several years without a strategic housing manager at Assistant Director level and the former Director of Regeneration and Planning took on that role very successfully but that way of working is not sustainable. Transport design and delivery is excellent but there is a need to complement the function with a policy strategy which ensures the synergy of spatial development with that of transport infrastructure, design and functionality. It is proposed to combine these two Divisions and form a Regeneration and Planning Division and to transfer those day to day operational housing functions, namely: Housing Options, Special Needs and Private Housing, to the Community Safety and Protection Division. Essentially the Private Housing section consists of some Environmental Health Officers and other Environmental Health support staff and would sit more appropriately in the Division responsible for delivering Environmental Health and enforcement.

Submitted as an appendix to the report was revised structure for the department and also at Appendix 2 were two tables detailing the proposed implementation process in respect of both structural proposals. Appendix 2 to the report contained exempt information under Schedule 12a of the Local Government Act 1972 (as amended by the Local Government (Access to Information) (Variation) Order 2006) namely, Para 2 – Information which is likely to reveal the identity of an individual).

The Director briefly outlined the feedback that had been received from the staff affected by the proposals during the consultation process. One issue the Director particularly wished to address was a fear among some staff that the changes to the housing services were a forerunner to the outsourcing of the service to Housing Hartlepool. The Director stated categorically that this was not the case. The Director's only intention was to strengthen both the strategic and front line housing services provided by the council.

The Chief Personnel Officer indicated that in light of the proposals, LGE had been consulted on the potential changes to the Assistant Director posts. The review indicated that the revised job descriptions would not result in

any banding changes.

The Mayor commented that he had some concerns that in order to make the structure work, too much was being asked of the third, fourth and fifth tier officers in the structure. It had been accepted that at the time of the appointment of the new Directors there would be some minor amendments to the structures, but this seemed to go beyond that. The Director indicated that the centralisation of support services made one of the changes inevitable and the others were designed to strengthen the council's housing services; an acknowledged weakness for a number of years.

The Chief Executive did indicate that there were risks but that they could be addressed. The Council had to address the financial future now. Business Transformation was doing that on an incremental process and put Hartlepool ahead of most other authorities. The Trade Unions had acknowledged that the council was trying to manage that process. In response to Member questions the Assistant Chief Executive outlined the level of communications with staff and trade unions that was being undertaken as part of the process.

The Mayor was concerned that the new ways of working were not filtering down to all staff. The Chief executive acknowledged that in many ways, staff only really saw and accepted the situation once it started to directly affect them in their teams. There was regular communication with staff through as many avenues as possible and some additional drop-in sessions with Business Transformation Team staff were being scheduled in the coming weeks.

After a detailed debate on the general issues surrounding the Director of Regeneration and Neighbourhoods' proposals, Cabinet agreed to continue its debate following the passing of the appropriate resolution to move into exempt session so that the details of the Appendix 2 and the proposed implementation process could be discussed.

Decision

That further consideration of the report be undertaken following an appropriate exclusion of the press and public.

113. Quarter 2 – Capital and Accountable Body Programme Monitoring Report 2009/2010 (*Chief Financial Officer*)

Type of decision

Non-key.

Purpose of report

The report provided details of progress against the Council's overall Capital budget for 2009/2010 and the spending programmes where the Council acts as the Accountable Body for the period to 30th September, 2009. The

report considered both Capital Monitoring and Accountable Body Programme Monitoring.

Issue(s) for consideration by Cabinet

The Chief Financial Officer reported that expenditure for all Portfolios was summarised in Appendix A to the report. Actual expenditure to 30th September, 2009, totalled £14,066,000, compared to the approved budget of £41,445,000 leaving £26,339,000 remaining expenditure expected to be spent in 2009/2010 with £728,000 being re-phased into 2010/2011.

The Chief Financial Officer highlighted that, as previously reported, it had been planned to demolish the former Blakelock Day Centre and sell the vacant land. However, it had now been decided to sell both the land and building. It should be noted that although the demolition will not take place, costs have been incurred on this project through to tender stage. Officers are working to quantify the amount, which will be financed by the capital receipt. It was understood that there were also bats on the site which would delay any demolition to March.

The Council acts as Accountable Body for the Hartlepool New Deal for Communities (NDC). As part of its role as Accountable Body the Council needs to be satisfied that expenditure is properly incurred and is progressing as planned. The programme is currently forecasting to fully spend the current years NDC allocation of £2,700,000. There is also another £912,000 of expenditure forecast which is funded through other grants, giving a total budget of £3,612,000 for the current financial year.

Decision

That the report be noted.

114. 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 115 'Business Transformation – Departmental Structure – Tier 3' paragraphs 2; 'Information which is likely to reveal the identity of an individual'.

115. Business Transformation – Departmental Structure Tier 3 (*Director of Regeneration and Neighbourhoods*)

Type of decision

Non-key.

Purpose of report

To request Cabinet to consider amendments to the Regeneration and Neighbourhoods Department structure previously agreed at Cabinet on 6th April 2009 and 21st September 2009.

Issue(s) for consideration by Cabinet

Cabinet considered the report further, particularly the information set out in the exempt appendix to the report.

Decision

1. That the proposal to combine the Planning and Economic Development and Housing and Regeneration Divisions be approved.
2. That the deletion of the Assistant Director posts for both Divisions be approved.
3. That the establishment of a new post of Assistant Director - Regeneration and Planning be approved at Band A.
4. That the deletion of the Assistant Director - Support Services post and the inclusion the remaining functions of this post into the Procurement and Asset Management Division and to rename this Division, Resources at Band A.
5. That the other functional changes referred to in the report be approved, namely the transfer of:
 - Housing Options (Advice and Support)
 - Special Needs
 - Private Housing (Grants / Loans and Enforcement)From the Housing and Regeneration Division to the Community Safety and Protection Division at Band B.

114. Senior Management Review 2008 (*Chief Personnel Officer and Chief Solicitor*)

Decision

The mayor requested that consideration of this report be deferred to a future meeting of Cabinet.

The meeting concluded at 10.40 a.m.

P J DEVLIN

CHIEF SOLICITOR

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