

CABINET

MINUTES AND DECISION RECORD

6 February 2012

The meeting commenced at 9.15 am in the Civic Centre, Hartlepool

Present:

The Mayor, Stuart Drummond - In the Chair

Councillors: Jonathan Brash (Housing and Transition Portfolio Holder)
Pam Hargreaves (Transport and Neighbourhoods Portfolio Holder)
Gerard Hall (Adult and Public Health Services Portfolio Holder)
Cath Hill (Culture, Leisure and Tourism Portfolio Holder)
Peter Jackson (Regeneration and Economic Development and Skills Portfolio Holder)
Chris Simmons (Children's Services Portfolio Holder)
Hilary Thompson (Performance Portfolio Holder)

Also Present: Councillors Marjorie James (Chair of Scrutiny Co-ordinating Committee),
Christopher Akers-Belcher, Alison Lilley, Geoff Lilley and Ray Wells
Edwin Jeffries, UNISON

Officers: Nicola Bailey, Acting Chief Executive
Andrew Atkin, Assistant Chief Executive
Peter Devlin, Chief Solicitor
Dave Stubbs, Director of Regeneration and Neighbourhoods
Chris Little, Chief Finance Officer
Damien Wilson, Assistant Director, Regeneration and Planning
Jill Harrison, Assistant Director, Child and Adult Services
Graham Frankland, Assistant Director, Resources
Alastair Rae, Public Relations Manager
Denise Ogden, Assistant Director, Neighbourhood Services
Joan Stevens, Scrutiny Manager
Denise Wimpenny, Principal Democratic Services Officer

222. Apologies for Absence

None.

223. Declarations of interest by Members

Councillors Brash, Hargreaves, Hall and Jackson declared personal interests in minute 229

224. Minutes of the meeting held on 23 January 2012

Received.

225. Formal Response to the Executive's Medium Term Financial Strategy (MTFS) 2012/2013 to 2014/2015 – Consultation Proposals (*Scrutiny Coordinating Committee*)

Type of decision

None

Purpose of report

To provide the formal response of the Scrutiny Coordinating Committee in relation to the Executive's Medium Term Financial Strategy (MTFS) 2012/2013 to 2014/2015 consultation proposals.

Issue(s) for consideration by Cabinet

The Chair of the Scrutiny Coordinating Committee reported on the background to Scrutiny's consideration of the Executive's proposals for the Medium Term Financial Strategy (MTFS) 2012/2013 to 2014/2015.

The Chair referred Members to the comments/views of Scrutiny Co-ordinating Committee and the four standing Scrutiny Forums in relation to the Executive's finalised budget proposals as set out in the report. These included comments in relation to proposed pressures (corporate items), proposed savings, feedback on the review of reserves, revised outturn position, proposed capital funding for 2012/13 as well as a response to a number of other issues/questions raised by Cabinet. Following receipt of Cabinet's response to the issues raised by Scrutiny Co-ordinating Committee, as part of the initial consultation process, scrutiny expressed a number of views in relation to Members Allowances, Council Tax Benefit, new homes bonus, private sector housing services, filling of posts by temporary staff and capital receipts as detailed in the report. Details of specific comments made by each of the scrutiny forums were set out in the report.

The Mayor thanked the Chair of Scrutiny Co-ordinating Committee for the input of scrutiny in the budget setting process and noted the report with its recommendations and views to be taken into consideration by Cabinet during the formulation of its finalised budget proposals for consideration by Council on 9 February 2012.

Decision

That the formal response of Scrutiny Co-ordinating Committee in relation to the Executive's Medium Financial Strategy (MTFS) 2013/13 to 2014/15 proposals, as set out in the report, be noted.

226. Medium Term Financial Strategy (MTFS) 2012/13 to 2014/15 *(Corporate Management Team)*

Type of decision

Budget and Policy Framework

Purpose of report

The purposes of the report are:

- i) to provide details of the Council's financial position, and
- ii) to enable Cabinet to approve the budget proposals to be referred to Council on 9 February 2012.

Issue(s) for consideration by Cabinet

The Finance and Procurement Portfolio Holder presented a report which brought together issues reported to Cabinet and referred to Scrutiny Co-ordinating Committee between October 2011 and January 2012. The report enabled Cabinet to finalise the budget proposals it wished to refer to Council on 9 February 2012.

Previous budget reports had advised Members that the Government had provided a 4 year Spending Review for the Public Sector. For Local Government this only provided detailed Grant allocations for individual councils for two years (2011/12 and 2012/13) and headline Grant cuts in total Local Government funding for a further two years (2013/14 and 2014/15). These grant cuts were front loaded, with the greatest cuts in 2011/12 and then 2012/13.

The Government measured grant reductions in terms of reductions in 'spending power'. On this basis the cut in Hartlepool's Formula Grant per person in the first two years of the Spending Review was more than twice the national average. In cash terms the reductions in the Council's Grants in 2011/12 and 2012/13 were significant, as summarised overleaf.

	2010/11 Grant	2011/12 Grant cut		Cumulative Grant Cut by 2012/13 from 2010/11 base	
		£'m	%	£'m	%
Core Formula Grant	51.5	6.1	12%	10.2	20%
Specific and ABG Grants transferred to Core Formula Grant	7.8	1.2	15%	1.6	21%
Specific and ABG Grants transferred to Early Intervention Grant	8.9	1.9	21%	1.9	21%
Sub total	68.2	9.2	13%	13.7	20%
Working Neighbourhood Fund	4.9	4.9	100%	4.9	100%
	73.1	14.1	19%	18.6	25%

As a result of these grant cuts the current MTFs anticipated that the Council would need to make aggregate cuts of between **£13.8m** and **£14.6m** by the start of 2014/15. The lower forecast was based on indicative Council Tax increases of 3.49% (i.e. just below the current Council Tax referendum threshold) for 2013/14 and 2014/15. The higher forecast was based on indicative Council Tax increases of 2.5%, to reflect the impact of the Government reducing the Council Tax referendum thresholds for 2013/14 and 2014/15. These cuts needed to be made on an annual basis as deferring cuts was not an option as the position would become unmanageable.

Detailed proposals for balancing the 2012/13 budget had been identified which included making cuts in departmental budgets of £5.387m, savings from ICT / Revenues and Benefits procurement and the revision of planning forecasts. The latter included a range of issues which reduced the budget deficit and did not impact on services.

The report outlined the financial impact of a Council Tax freeze for 2012/13 and different levels of Council Tax increase for 2012/13. For 2012/13 a Council Tax freeze would be financially neutral when compared to the planning assumption of a 2.5% Council Tax increase as the Council would receive a one-year Council Tax freeze grant of £1m to offset the loss of additional income from not increasing Council Tax. In 2013/14 the permanent reduction in Council Tax income would need to be addressed by making additional savings as the Council Tax referendum regime would effectively prevent the Council from replacing this income from a higher Council Tax increase in 2013/14. This position was reflected in the forecast deficits detailed in paragraph 2.3.

The Council also needed to fund one-off strategic costs, including redundancy/early retirement costs and Housing Market Renewal (HMR) commitments, which it was estimated would total **£14m**. Funding of **£9.424m** had been identified for these one-off costs from reviewing reserves, the initial 2011/12 forecast outturn and capital receipts already achieved, leaving a funding shortfall of **£4.576m**.

It was anticipated that a package of additional land sales over the next few years should address this shortfall. As these one-off strategic costs would be phased over the next three years it was anticipated that a capital receipts strategy could be developed which matched the annual need for resources with the achievement of capital receipts. This would include the purchase of land for resale within the next three years where there was a robust business case and this did not increase financial risk.

Assuming these land sales could be achieved within the required timescale this would avoid a revenue budget pressure from having to use Prudential Borrowing to fund the shortfall.

The report indicated that positive action taken during 2011/12 to achieve planned savings earlier made the 2012/13 budget more robust and also provided a one off financial benefit in 2011/12. Similarly, action taken during 2011/12 to robustly manage expenditure, including holding posts vacant provided a one-off financial benefit and had also helped reduce the number of compulsory redundancies required for 2012/13 by providing vacant posts which could be deleted or increasing redeployment opportunities. Robust management of budgets would need to continue in future years to help address the significant and sustained financial challenges facing the Council.

In summary the report advised Members that the Council faced a very difficult financial position over the next three years, both in addressing an ongoing budget deficit of between **£13.8m** and **£14.6m** and the need to fund unavoidable one-off strategic costs of **£14m**.

The proposals detailed in the report and the recommendations to be referred to Council provided a robust financial base for managing the significant and ongoing financial challenges facing the Council over the next three years. Whilst the Council had already made significant budget cuts over the last 3 years, further significant cuts still needed to be made and these would become increasingly difficult to achieve. It was therefore essential that the Council balanced the 2012/13 budget on a sustainable basis, earmarked the benefits of the favourable 2011/12 outturn to address future financial risks and begin work early in the new financial year on proposals for addressing the 2013/14 and 2014/15 budget deficits.

The Chief Finance Officer indicated that since the preparation of the report, confirmation had been received that there were no changes to the figures outlined in the report in relation to the 2012/13 grant allocation.

The level of Council Tax for 2012/13 including the impact of freezing Council Tax for 2012/13 was discussed at length as well as the financial implications of accepting the Government grant to freeze Council Tax. It was noted that a number of local authorities were not implementing a council tax freeze to assist with current budgetary pressures. Whilst Members expressed their reluctance to support a freeze in Council Tax, it

was considered there was little choice but to freeze the level again this year given that Members were keen to alleviate the increasing financial pressures faced by residents of the town. However, it was acknowledged that this would continue to be a difficult issue to deal with in future years.

Following further discussion in relation to the impact of proposed changes to Council Tax benefit, the loss of additional income as a result of not increasing Council Tax and the impact of a further Council Tax freeze, it was suggested that the Mayor write to the Government on behalf of Cabinet to request that any funding surplus arising from savings incurred as a result of local authorities not taking-up the Council Tax freeze grant be utilised to fund the base budget in future years.

In relation to the proposal to fund one-off costs of 70,000 to hold a Mayoral referendum, there were different recollections of what had been suggested by Scrutiny in relation to this proposal. The Chair of Scrutiny Co-ordinating Committee clarified that there had been discussions at the meeting on 27 January 2012 in relation to the removal of the £70,000 from the budget proposals in its entirety. However, following detailed discussion, the final recommendation from Scrutiny was that £35,000 be utilised from the current budget to fund a potential Mayoral referendum on the basis that this could be combined with the Police Commissioners election. In addition to this, it was recommended that should the £35,000 not be required, the £35,000 would be utilised to contribute to the costs of the Mayoral election in 2013.

A lengthy debate ensued in relation to Scrutiny Co-ordinating Committee's proposal to establish a total Ward fund of £231,000 which would provide £7,000 per Member to address specific ward issues not covered by existing budgets. In terms of the proposal to partially fund this initiative from savings identified from recent industrial action, a Member raised concerns regarding this suggestion emphasising that any savings as a result of industrial action should be utilised to support front line services and staff at risk of redundancy in terms of training and support to facilitate redeployment opportunities. Following further debate in relation to the current financial challenges faced by the Council, Cabinet Members did not support this proposal on the basis that funding could be better utilised protecting front line services and jobs.

A Member sought clarification as to whether £60,000 of the capital receipt from the sale of the Foggy Furze site for the provision of replacement/enhanced bowling facilities was required by Sports England. Members were advised that confirmation was still awaited in this regard. However, it was envisaged that there would be a requirement to upgrade these facilities. A Member highlighted the importance of engaging with existing users of such facilities in relation to future provision.

Cabinet noted Scrutiny's recommendation that the budget allocated for Members' allowances should remain the same for this year pending consideration of the issue by the Independent Remuneration Panel. Following detailed discussion, Cabinet Members were of the firm view that

the saving in the total cost of allowances as a result of a reduction in the number of Councillors from 47 to 33 should be utilised as a saving.

Cabinet's views were sought regarding the Scrutiny Co-ordinating Committee proposal to allocate £50,000 to kick start the Furniture Project. Whilst the value of this initiative was acknowledged, given the current level of cuts, Cabinet were of the view that new projects of this type could not be supported without consideration of a detailed business case which was to be presented to Cabinet in March. On this basis, Cabinet agreed that the £50,000 to kick start the Furniture Project should not be included and that the monies should be earmarked to manage the budget pressures arising in 2013/14 from the withdrawal of the 2012/13 Council Tax freeze grant and localisation of Council Tax benefits.

Decision

That Council at its meeting on 9 February 2012 be requested to: -

2011/12 Outturn Strategy

- (i) **General Fund Budget 2011/12 Outturn** – approve the proposal to allocate the net underspend (arising from the robust management of budgets, the early achievement of planned 2012/13 savings and net interest savings) of £4.066m to meet specific commitments and support the 2012/13 and 2013/14 budgets as detailed in **Appendix B**, including the funding to cover the potential cost of a Mayoral referendum, which Council are requested to note.
- (ii) To note that a final decision on the use of resources allocated within **Appendix B** for Transitional Support to offset Council Tax Benefit Changes of £1.197m and to partly support the loss of the 2012/13 Council Tax freeze grant of £0.727m will be referred to Council in February 2013, as part of the 2013/14 budget process.

General Fund Budget 2011/12 Outturn – specific issues –

- (iii) Cabinet did not support the Scrutiny Co-ordinating Committee proposal to establish a total 'Ward Fund' of £231,000, which would provide £7,000 per Member to address specific Ward issues arising after the election not covered by existing budgets. Cabinet proposed allocating this funding to support the General Fund budget in 2013/14. The total funding of £231,000 would be funded by allocating the underspends from the Acting Chief Executive arrangements (£76,848), the joint Head of HR role (£21,402) and the one-off saving arising from the Industrial Action (estimated value of £50,000), plus the amount identified in **Appendix B** (£83,000) from the 2011/12 General Fund Outturn.

Capital Outturn 2011/12

- (iv) Approve the proposal for funding the additional Primary Capital Programme costs of £0.670m as detailed in paragraph 4.18.

Early Intervention Grant 2011/12 Outturn

- (v) Approve the proposal to allocate the £0.276m underspend to create risk reserves as detailed in paragraph 4.21, to support the delivery of the Early Intervention Strategy, which Council are requested to note.

Housing Scheme 2011/12 Outturn

- (vi) Approve the principle of allocating the in-year underspend of £0.2m, plus the ongoing saving of £60,000 to support Prudential Borrowing of £1m, plus Section 106 monies secured on the Wynyard development of £1.2m to establish a Housing Capital Investment Fund of £2.2m; and
- (vii) To note that a detailed business case will be reported to a future Cabinet and Council for using this funding.

2012/13 to 2014/15 Capital Programme

- (viii) Approve the 2012/13 capital programme proposals as detailed in **Appendix J**, which includes:
 1. Details of Capital Grants for the Local Transport Plan, Schools Capital Programme and Adult Social Services and to note that the relevant Portfolio Holders will approve individual schemes which meet Government Grant conditions;
 2. Proposal for using the Council Capital Investment Fund, detailed in **Appendix J**, table 4, including the retention of unallocated funding of between £368,000 and £418,000 to cover emergency capital expenditure, for allocation by Cabinet;
 3. The proposals to allocate £125,000 of the capital receipt from the sale of land for the Steetley Access Road for the provision of facilities to support leisure activities in the central area;
 4. The proposal to allocate £60,000 of the capital receipt from the sale of the Foggy Furze site for the provision of replacement/enhanced bowling facilities if this is required by Sports England;
 5. Retention of a Major Regeneration Capital budget of £0.39m to support detailed business cases to be approved by Cabinet and Council which either attract external fund and / or are strategically important for the town.

- (ix) Approve the purchase of the Ambulance Station site to facilitate the sale of a larger site and increased capital receipt from the resulting 'marriage value', as detailed in **Appendix P**. **This item contains 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 3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information).**

Strategy for Funding one-off Strategic Costs

- (x) Approve the proposed strategy for funding One-off Strategic costs of £14m from a combination of:
 1. £1.980m contribution from 2011/12 General Fund outturn;
 2. £5.944m contribution from existing reserves following a re-assessment of these reserves and the risks they were originally earmarked to address, as detailed in **Appendix G** (replacement document, as detailed in paragraph 2.2 above) including the release of the £60,000 Budget Consultation reserve;
 3. £1.500m from Capital Receipts already achieved; and
 4. £4.576m from Capital Receipts to be achieved over the next 2 to 3 years.

2012/13 General Fund budget

- (xi) Approve the proposed funding allocations for implementing the Early Intervention Strategy, totalling £7.1m, as detailed in **Appendix C**. Note this expenditure is funded from the Early Intervention Grant
- (xii) Approve the proposed pressures detailed in **Appendix D** of £1.730m.
- (xiii) Approve the strategy for bridging the 2012/13 budget deficit, which reflects the cut in Government grant and the above pressures, from a combination of:
 1. Implementing budget reductions of £1.584m arising from revised planning assumptions detailed in **Appendix E**, including the saving in Members Allowances from a reduction in the number of Councillors from May 2012;
 2. Implementing a Council Tax freeze which will mean the Council will receive a one-year Council Tax freeze grant of £996,514 for 2012/13;
 3. Implementing budget cuts of £5.376m detailed in **Appendix F** and the proposed saving from the ICT / Revenues and

Benefits Procurement;

4. A contribution from the 2011/12 General Fund Outturn of £215,000, consisting of £186,000 to cover the reduction in the Collection Fund Surplus and £29,000 to cover the residual 2012/13 budget deficit.

- (xi v) Approve that the one-off costs of achieving the ICT / Revenues and Benefits contract savings are funded from the reallocation of one-off funding which is no longer needed to fund back-dated Job Evaluation costs (i.e. Option 1 detailed in paragraph 5.21) and that the residual balance of this reserve will transfer to the General Fund Reserve. This funding proposal will maximise the value of the ICT / Revenues and Benefits savings which can be used to reduce the budget deficits. These savings will commence in 2012/13 and will continue to increase in each year of the 7 year contract. **Appendix Q provides an analysis of the one off costs and cumulative ICT savings. This item contains 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 3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information).**
- (xiv) Approve that in the current climate the available Furniture Project reserve of £50,000 is not allocated to kick start this project.
- (xv) Note the budget risk, mitigation strategy and robustness of the budget forecasts advice (sections 9 and 12).

2013/14 to 2014/15 Indicative Council Tax increases

- (xvi) Approve indicative Council Tax increases for 2013/14 and 2014/15 of 3.49% per year. Note these proposals will be subject to annual review to reflect changes in the Council's financial position and the Government's announcement of annual trigger points for a Council Tax Referendum.

227. Referral Response – Delivery of Support to Members and to the Council, Executive, Non-Executive and Scrutiny Functions (*Scrutiny Coordinating Committee*)

Type of decision

Non-key.

Purpose of report

To report the Scrutiny Co-ordinating Committee's views in relation to the referral from Cabinet on 7 November 2011 to Overview and Scrutiny.

Issue(s) for consideration by Cabinet

Cabinet, at its meeting on 7 November 2011 received a report in relation to the delivery of support to Members and to the Council, Executive, Non-Executive and Scrutiny functions. Cabinet had at the same meeting referred a number of issues in relation to this decision to Scrutiny.

The Chair of the Scrutiny Coordinating Committee presented the report which set out the background to the referral, issues for consideration as well as the recommendations in response to the referral. The Chair of Scrutiny Coordinating Co-ordinating Committee referred Members to the recommendations of Scrutiny as set out in the report in response the following issues:-

1 (i) – That the constitution be reviewed annually through the Monitoring Officer and that the Constitution Committee be abolished, following the 2012 elections.

1 (ii) – That the functions of the Standards Committee be extended to include monitoring of attendance of Members at induction and training sessions.

1 (iii) – That the General Purposes (Appeals and Staffing) Committee become a stand alone committee with a fixed membership.

1 (iv) – That the remaining General Purposes Committee functions be combined with the functions of Audit Committee to form one expanded "Operations Committee" with exclusively backbench membership.

1 (v) – That the Contract Scrutiny Committee be abolished and the functions relating to contracts/tenders be undertaken by the executive

1 (vi) – That the number of Scrutiny Forums be reduced from six to four through the merging of neighbourhood services and regeneration and planning forums and health to be combined with Adult Services to reflect the Council's new public health role

2 (i) – That Members' Seminars be deleted from the council diary and replaced with ad hoc briefing/training sessions, to be organised following identification of issues by Members/Officers and be held immediately in advance of meetings of full Council.

2 (ii) – That the introduction of Task and Finish/Working Groups be

monitored to ensure they are resourceable

2 (iii) – That Task and Finish Groups be conducted in public, except where the information being discussed is exempt under the Local Government (Access to Information) (Variation) Order 2006.

3 (i) – That the size of all committees/forums established/reappointed after May 2012 reflect the reduction in the overall size of Council.

3 (ii) – The Mayor to consider the potential options for the size of the Cabinet and any associated savings in line with the parameters set out in legislation and the Constitution.

It was highlighted that some Members had not received the report in advance of today's meeting. In light of this, the Mayor advised that the report would be deferred to the next meeting to allow Members the opportunity to read the report prior to consideration.

Decision

The report be deferred to the next meeting of Cabinet.

228. Families with Multiple Problems *(Director of Regeneration and Neighbourhoods and Director of Child and Adult Services)*

Type of decision

Key – tests i and ii apply

Purpose of report

To seek approval from Cabinet for the Council to deliver the Department of Work and Pensions (DWP) European Social Fund (ESF) – Families with Multiple Problems programme as a subcontractor of the Wise Group.

Issue(s) for consideration by Cabinet

The Regeneration and Economic Development and Skills Portfolio presented the report which outlined the details of the new DWP ESF - Families with Multiple Problems programme, including the aim of the ESF Programme, eligible customer groups, duration of the programme, the opportunity for the Council to become a subcontractor of the Wise Group and the contractual, financial, human resource and risk implications involved in delivering the programme. Confidential information relating to contractual

and financial implications was highlighted in a confidential appendix attached to the report.

In the discussion that followed Members commented on the benefits and risks of the programme, acknowledging that the benefits far outweighed the risks. The Council's significant track record of successfully delivering large scale worklessness programmes was acknowledged and Cabinet were pleased to note the proposal provided an opportunity for the Council to deliver an employability programme for 328 family members over the next three years, remove barriers to employment and provide significant support for some of the most vulnerable families within Hartlepool.

In response to a Member query as to how progress measures would be assessed, the Assistant Director advised that progress would be assessed on a number of factors which may include parenting skills, training related issues as well as wellbeing factors.

Decision

- i) That approval be granted for the Council to deliver the ESF programme as a subcontractor of the Wise Group.
- ii) That delegated powers be granted to the Chief Solicitor to sign and submit the contract to the Wise Group by no later than Monday 6th February 2012.
- iii) That six-monthly update reports be submitted to Cabinet on the progress of this programme, with the first submission in October 2012 and thereafter within the financial reporting periods.

229. Voluntary & Community Sector Strategy and Community Grants Pool (*Director of Regeneration and Neighbourhoods*)

Type of decision

Non-key

Purpose of report

The purpose of this report is to update Cabinet on the progress being made in the development of the new Hartlepool Voluntary and Community Sector (VCS) Strategy and the Community Grants Pool. The report also sought Cabinet approval to change the process of awarding category 4 of the Community Grants Pool for Town-wide Specialist Support from a

commissioning approach to a grants process.

Issue(s) for consideration by Cabinet

The Housing and Transition Portfolio presented a report which provided a summary of the steps taken so far in the development of the Voluntary and Community Sector Strategy and also sets out when the Strategy would be presented to Cabinet for approval as a draft for consultation.

In relation to the future of the Community Grants Pool, Cabinet at its meeting on 21 November 2011, agreed the 5 categories that would form the basis of allocating the funding as:

- 1) Universal Welfare & Benefits Advice Support
- 2) Universal Credit Union Support
- 3) Capacity/Resource Building
- 4) Universal Town-wide Specialist and/or Support Organisations
- 5) Development/Investment Support Grants – “Challenge Funding”

At the time, it was agreed that categories 1, 2, 3 and 4 would be taken forward through a commissioning process and that further work would be undertaken on category 5 to determine the types of activity that would be supported and how applications in this category would be considered by Grants Committee.

The report outlined progress made with the Community Grants Pool procurement exercise and sought Cabinet approval to change the process for awarding category 4 of the Community Grants Pool for Town-wide Specialist Support from a commissioning approach to a grants process, further details of which would be presented to Cabinet for consideration on 19 March 2012.

A Member highlighted that the purpose of category 5 was to assist the smaller voluntary sector organisations who may not be in a position to commission for services

Clarification was provided in response to a number of queries raised by Members in relation to the reasons for the proposed change in process for category 4 allocations. Following a lengthy debate, Members were happy to approve the proposed change in process of awarding category 4 allocations for Town-wide Specialist Support from a commissioning approach to a grants process on the basis that this would be for a one year period and subject to review.

Decision

- (i) That the update report on the preparation of the new Voluntary and Community Sector Strategy be noted.
- (ii) That progress made on the Community Grants Pool particularly the procurement of Categories 1, 2 and 3 be noted.
- (iii) Cabinet approved the change in allocation of Category 4 of the Community Grants Pool from a commissioning process to a grants application process for 2012/13 as set out in paragraphs 4.3 to 4.5 of the report.

230. Review of Community Involvement and Engagement (including LSP Review) – View from Constitution/General Purposes Working Group
(Director of Regeneration and Neighbourhoods)

Type of decision

Non-key.

Purpose of report

The purpose of this report was to inform Cabinet of the view of Constitution / General Purposes Working Group on the decisions taken by Cabinet on 18th July 2011 on the Review of Community Involvement and Engagement (including LSP Review). The report outlined a number of alternative proposals that have been put forward by the Constitution / General Purposes Working Group. Cabinet were asked to consider the alternative proposals and decide if they wished to make any amendments to their original decisions.

Issue(s) for consideration by Cabinet

The Mayor referred Members to the background to the decision taken by Cabinet on 18th July requiring changes to the constitution. Whilst some decisions were not planned to come into effect until the next municipal year there were a number of changes that needed to be made this municipal year in relation to Neighbourhood Consultative Forums, Parish Liaison meetings, Police and Community Safety meetings and the Hartlepool Partnership Board. In presenting these changes to Constitution Committee in October for noting and referral to Council for adoption, Constitution Committee did not agree the recommendations outlined in the report as

they felt the representations made by the Council Working Group had not been taken into account by Cabinet when they made their decision on 18 July 2011. A report from Constitution Committee to that effect went to Council on 27 October and was subsequently referred back to Constitution Committee. Following consideration by Constitution Committee it was agreed that views be sought of the Constitution/General Purposes Working Group for consideration by Cabinet

Details of the alternative proposals suggested by the Working Group were provided, as set out in the report for Cabinet's consideration.

In response to the Mayor's request for clarification on the legal position, the Chief Solicitor advised on the Council's duty under the Local Government Act 2000 to maintain and publish and keep up to date the constitution.

Members went on to discuss the comments of the Working Group, the implications of not updating the constitution to reflect Cabinet's decision, the Executive decision making process as well as the Monitoring Officer's duty to update the Constitution to reflect decisions of this type. Following further debate and advice from the Chief Solicitor that this was a matter for Cabinet Members to agree a way forward, Members agreed that Cabinet's original decision taken in July 2011 should be implemented with immediate effect and officers be instructed accordingly.

Decision

- (i) That the alternative proposals identified by the Constitution/General Purposes Working Group, be noted.
- (ii) That Cabinet's decision of 18 July 2011 be reaffirmed and officers be requested to implement the decision with immediate effect.

231. Constitution Review – Proposed Policy Framework (Assistant Chief Executive/Chief Solicitor)

Type of decision

Non-key.

Purpose of report

The report sets out proposals for a revised Policy Framework to form part of a revised Constitution, Article 4.

Issue(s) for consideration by Cabinet

The report sets out the role the Policy Framework had played in the Council's decision making, the national regulation which have become outdated, and the criteria used to assess what might be included in a revised Policy Framework.

The proposed Policy Framework comprised 14 documents. The changes from the national regulations and the current Policy Framework were summarised in Appendices A and B.

In summary the proposed Policy Framework included

- 6 (out of 12) policies, strategies and plans retained from the current framework
- 4 plans and strategies in the current framework where names had been changed to reflect current processes
- 4 new policies, plans and strategies that had been added to reflect current priorities as detailed in the report.

Decision

The proposed Policy Framework be referred for consideration by Constitution Committee on 22 March prior to referral to Council on 12 April.

232. Localism Act 2011 (*Chief Solicitor*)

Type of decision

For information only

Purpose of report

To provide an overview of the provisions contained within the Localism Act, 2011, which would have particular relevance to the Council. This legislation was intended to provide for new freedoms and flexibilities for local government, new rights and powers for communities and individuals as well as the reform of the planning system and a revision to social housing tenure.

Issue(s) for consideration by Cabinet

This report summarised the main aspects of this legislation, which received Royal Assent on 15th November, 2011. Some of the provisions under the

Act had been brought into force through various Commencement Orders which also provided for transitional and saving measures, although parts of the Act were still dependent upon secondary legislation and/or statutory guidance being made available. The report included details of future arrangements in relation to general power of competence, governance, standards, rules on pre-determination, referendums relating to Council Tax increases, community right to challenge, assets of community value, pay accountability as well as planning and social housing issues.

In response to a request for clarification, the Chief Solicitor stated that “respect for others” was included in the draft code of conduct to which would be considered by Standards Committee the following day.

Decision

That the contents of the report be noted.

233. The Education Act 2011 (*Director of Child and Adult Services*)

Type of decision

For information only

Purpose of report

To provide an overview of the changes facing the local authority, schools and colleges in implementing the Education Act 2011 which was given royal assent in November 2011

Issue(s) for consideration by Cabinet

The report detailed the new Education Act 2011 and highlighted implications for the Council in carrying out its statutory functions. The Act consisted of a number of parts which included details of changes to early years provision, discipline, school workforce, qualifications and the curriculum, educational institutions/other provisions, academies, post 16 education and training, direct payments and student finance.

A Member expressed strong concerns regarding the Government’s decision to increase tuition fees and the impact on children from deprived communities as a result.

Decision

- (i) That the report be received.
- (ii) That the content of the report and statutory duties placed upon the local authority to implement the Education Act 2011 be noted.

The meeting concluded at 11.55 am

P J DEVLIN

CHIEF SOLICITOR

PUBLICATION DATE: 13 FEBRUARY 2012