

CABINET

MINUTES AND DECISION RECORD

11 June 2012

The meeting commenced at 9.30 am in the Civic Centre, Hartlepool

Present:

The Mayor, Stuart Drummond - In the Chair

Councillors: Cath Hill, Children's and Communities Portfolio Holder
John Lauderdale, Adult and Public Health Services Portfolio Holder
Paul Thompson, Finance and Corporate Services Portfolio Holder

Also Present: Councillor Marjorie James, Chair of Scrutiny Co-ordinating Committee
Councillors Richardson and Wells

Officers: Nicola Bailey, Acting Chief Executive
Andrew Atkin, Assistant Chief Executive
Peter Devlin, Chief Solicitor
Chris Little, Chief Finance Officer
Dave Stubbs, Director of Regeneration and Neighbourhoods
John Morton, Assistant Chief Finance Officer
Sally Robinson, Assistant Director, Prevention, Safeguarding and Specialist Services
John Mennear, Assistant Director, Community Services
Louise Wallace, Director of Public Health
Alastair Rae, Public Relations Manager
Clare Clark, Neighbourhood Manager, Central
James Walsh, Scrutiny Support Officer
Denise Wimpenny, Principal Democratic Services Officer

1. Apologies for Absence

None

2. Declarations of interest by Members

None

3. Minutes of the meeting held on 30 April 2012

Received

4. Final Report into the Borough of Hartlepool Museum and Art Gallery Collection *(Scrutiny Co-ordinating Committee Art Gallery Collection Working Group)*

Type of decision

Non-key

Purpose of report

To present the Final Report of the Museum and Art Gallery Collection Working Group following its investigation into the "Borough Council Museum and Art Gallery Collection."

Issue(s) for consideration by Cabinet

The Chair of the Scrutiny Co-ordinating Committee presented the report which outlined the overall aim of the scrutiny investigation, terms of reference, methods of investigation, findings, conclusions and subsequent recommendations.

Decision

That the recommendations of the Museum and Art Gallery Working Group following their investigation into the Borough of Hartlepool Museum and Art Gallery Collection be approved:-

- (a) That Members of the Museum and Art Gallery Working Group are involved in the review and development of the Collections, Acquisitions and Disposals Policy in the 2012/13 Municipal Year, and that this includes a progress update:-
 - (i) on the expansion and development of the Museum exhibitions; and
 - (ii) on seeking 'designation' for the Council's Maritime Collections.
- (b) That the Council promotes the opportunity for the public to donate items to the Collection through a regular article in the Council's magazine, Hartbeat, specifying examples of the types of artefacts required and sample photographs
- (c) That the Council explores how the collection can:-
 - (i) be promoted to further enhance its usage; and
 - (ii) be utilised to increase income generation opportunities
- (d) That the potential of displaying more of the Council's regalia

be explored and that in doing this, work undertaken a number of years ago be re-visited, with a view of erecting a display in the Long Gallery of the Civic Suite.

5. Scrutiny Investigation into the Borough Council Museum and Art Gallery Collection – Action Plan
(Director of Child and Adult Services)

Type of decision

Non-key

Purpose of report

To agree an Action Plan in response to the findings and subsequent recommendations of the Museum and Art Gallery Collection Working Group's investigation into the Borough Council Museum and Art Gallery Collection.

Issue(s) for consideration by Cabinet

The report provided brief background information into the Museum and Art Gallery Collection Working Group's investigation into "The Borough Council Museum and Art Gallery Collection." and provided a proposed Action Plan, attached at Appendix A, in response to the Scrutiny Forum's recommendations.

Decision

The Action Plan, attached at Appendix A in response to the recommendations of the Museum and Art Gallery Collection Working Group's investigation into "The Borough Council Museum and Art Gallery Collection.", be approved.

6. Troubled Families – Community Budget Plan *(Director of Regeneration and Neighbourhoods and Director of Child and Adult Services)*

Type of decision

Key tests (i) and (ii) apply – Forward Plan Reference Number RN9/12

Purpose of report

To inform Cabinet on the progress made in developing the Community Budget Plan which to date has focused on the Safer Hartlepool Partnership's Team around the Household programme. To outline how this approach links to the Government's Troubled Families programme, and to seek Cabinet endorsement on the proposed joint Community Budget and Troubled Families Framework, *Think Family, Think Communities*.

Issue(s) for consideration by Cabinet

The Director of Regeneration and Neighbourhoods presented the report

which provided background information and progress made in developing the Troubled Families/Community Budget Plan. The report included details of the overall aim of the budget plan as well as the troubled families framework . It was reported that the Community budget areas were announced in the autumn of 2011 and Hartlepool was one of the 74 Local Authorities agreed in this round. The Council applied for Community Budget funding in 2011 to support the implementation of the Team around the Household Programme. A multi-agency officer group had been established to develop a plan for the Council and partner agencies to identify resources and redesign services to enable staff to work with families/households with complex needs. A grant of £20,000 had been provided by DCLG to support the development and implementation of the Community Budget Plan. Hartlepool's Community Budget Programme to date had concentrated on the Team around the Household Programme.

The Prime Minister announced in December 2011 that £448m would be allocated over the next three years to turn around the lives of 120,000 of England's most troubled families. DCLG had allocated 75,000 per year over three years to fund a Troubled Families Co-ordinator and the deployment of internal resources, details of which were set out in the report. The funding announced offered up to 40% of the costs of intervention to help turn around the lives of these families, payable on achievement of successful outcomes.

The report outlined the various stages of the programme which included the compilation of a list of families who would be part of the programme as well as the definitions used and processes for drawing up the list. Funding was available for 5 out of every 6 families which based on Hartlepool's indicative number of 290 meant there were 242 families to be worked with through the troubled families programme over 3 years. The expectation was that the other 48 families would be worked with through existing provision.

A draft joint Troubled Families/Community budget framework for 2012-2015 had been developed and was available for inspection in the Members' Library. Members were referred to the governance structure as well as the prioritisation arrangements as detailed in the report.

A Member sought assurances that robust monitoring arrangements were in place to ensure outcomes were achieved and all staff involved in service delivery possessed the appropriate skills and expertise to deliver the programme as well as provide high quality services to families. In response to a query regarding the proposed governance arrangements, Members were advised that the Families and Communities Board would link into the Health and Wellbeing Board and the Safer Hartlepool Partnership.

In the discussion that followed Members discussed the definition of family and highlighted the importance of ensuring an integrated and joined up approach to the various other strategies to create a context which would improve outcomes for all.

With regard to future reporting arrangements, in addition to the proposed updates to the Health and Wellbeing Board, the Mayor requested that updates be submitted to Cabinet.

Decision

- (i) That the Think Family, Think Communities, Community Budget and Troubled Families Framework , available at Appendix 1, be endorsed.
- (ii) Update reports be provided to Cabinet as necessary.

7. Medium Term Financial Strategy – ICT Services
(Assistant Chief Executive/Chief Finance Officer/Assistant *Director of Resources*)

Type of decision

Key tests (i) and (ii) apply – Forward Plan Reference No CE50/11

Purpose of report

The purpose of this report is to consider the options available to the Council and the associated timescales, costs and implications of implementing the decision of Council on 23rd February in respect of the Medium Term Financial Strategy (MTFS) and more specifically the provision of Information and Communications Technology (ICT) services for the authority.

Issue(s) for consideration by Cabinet

The Assistant Chief Executive presented the report which outlined the options available to the Council and associated timescales, costs and implications of implementing the decision of Council on 23 February in relation to the provision of Information and Communications Technology (ICT) services for the authority.

The ICT service for the Council had been outsourced since 2001 when a 10 year agreement was established firstly with Sx3 and then subsequently with Northgate. Further background information in relation to the options available in terms of future ICT provision was detailed in the report.

It was highlighted that the approach the Council adopted in relation to examining the options for ICT would need to be managed carefully to ensure there was appropriate private sector interest which would be critical to ensuring value for money was achieved from the final procurement solution be this either an in-house bid, award to a private company or public/public provision.

The Council would also need to manage the impact of not achieving savings from ICT until 2013/14 (which would only be a part year saving), either by making alternative permanent savings in other services, or by using the

uncommitted Job Evaluation Appeal Reserve on a temporary basis until the full year savings flowed through in 2014/15. This issue would need to be assessed as part of the 2013/14 budget process.

Members were referred to the basis for previous procurement which was based on the key objectives identified by Cabinet ie:-

- A base in Hartlepool
- Retain and grow jobs
- Local Economic benefits
- Enhanced TUPE protection for staff
- Maintain and improve services
- Achieve savings
- Scalability in terms of services and expansion to other Local Authorities

With regard to the options available, the decision by Council called for the investigation of all available options in respect of ICT but made specific reference to the development of an in house option and continuing some form of outsourced provision. In considering the potential to feasibly and practically undertake to deliver on the decision by Council in relation to ICT it was necessary to consider a number of factors and issues which included the current contractual arrangement for the provision of ICT services which concluded at the end of September 2013 as well as the legal, logistical and transparency issues, referred to in the report.

The report outlined the role of the current Corporate ICT team and how that linked to the managed service. The authority did not have, as spare capacity and in house, the skills required to develop an in house bid. To manage an outsourced ICT provision effectively required a set of skills quite different from those to develop a bid for the provision of services. Any in house bid would need to be developed by an external professional bid-management team working with selected staff from the CICT team.

An assessment of the ability of the potential options to deliver against the key objectives had been assessed, details of which were set out in the report.

There were a number of areas of risks in undertaking such an approach which must be considered and assessed as part of any such development which included the actual or perceived favouritism in availability and provision of information leading to legal complaints from tenderers and withdrawal of offers, achieving and demonstrating value for money, risk of legal challenge from rejected bidder on the grounds of an incorrectly executed procurement process and any decision made on subjective grounds, claims of unethical and unfair behaviour, complaints from tenderers.

With regard to the approach, timescales and delivery, as set out in the

report, it was highlighted that given the decision of Council not to continue with the ICT/Revenues and Benefits procurement exercise, the authority would not be in a position to nominate a preferred new supplier by 1 October 2012. Further negotiations with Northgate were required to agree amendments to this timescale and the earlier a decision could be implemented the less likely it was to incur additional costs in this regard.

Research and advice from external sources in relation to the feasibility of all options in relation to ICT had been undertaken. There were a number of options for delivering ICT support to the authority ranging from complete outsourcing to complete in-house provision and a range of variants on these. Regardless of which option was taken there would be a requirement for some external advice in relation to technical, legal and financial support. This was similar to the external advice procured for the Building Schools for the Future exercise.

In terms of the Council decision that consideration be given to the option of transferring the ICT service back in house, the risks associated with this option were provided together with the procurement considerations, cost implications and resource requirements as set out in the report.

Members were referred to the procurement route, key steps and timescales and resource requirements for the private sector provision option and public-public partnership/collaboration option, details of which were set out in the report.

Given that the previous procurement exercise had identified significant savings over the life of the contract to the benefit of the Medium Term Financial Strategy, the financial implications of not pursuing this option were set out in the report. In summary the costs of the various procurement options were identified below:-

Option 1 – Private Sector Competition plus In house bid	£265,000
Option 2 – Private Sector Competition Only	£130,000

It was not recommended that Option 3, public-public collaboration be progressed as a result of the cost benchmarking exercise which had been undertaken.

It was important that an exercise of this scale, complexity and importance to the authority that the advice of officers was considered in taking any decision. The report provided details of officer advice in relation to the options.

As indicated in the previous sections of the report and summarised above there were significant complexities and risks around exploring multiple options for ICT at the same time. These issues could impact on the ability to deliver an effective ICT service when the existing contract ended and the opportunity to achieve savings at least equal to those which would have been delivered from the previously proposed ICT / Revenues and Benefits

procurement. There were also significant one-off costs of exploring multiple options for ICT.

Based on an assessment of these risks, work undertaken to date and costs, it was officers best professional advice that the Council should only pursue the option of a new private sector contract for the provision of ICT, as this option provided the safest and most robust route for the continued delivery of ICT, maximised the opportunity for future technology benefits and secure contractually enforceable savings. This report included the initial exploration of the available options and the professional advice of officers in pursuing these.

If Members accepted this advice they then needed to determine the scope of the contract as this would impact on the level of savings achievable. This issue was a policy decision, although officers would advise Members excluding certain aspects from the scope of the contract would increase the savings which could be achieved.

The timescales attached to this exercise were complex and would be difficult to achieve. On this basis a decision was required by Cabinet no later than the end of July and then Council (in respect of the funding required) if the procurement exercise was to be effectively delivered, the position of the authority not compromised and any potential transition arrangements effectively managed.

The Mayor was of the view that the report should be referred to Scrutiny and sought clarification that the timescale of 9 July for feedback to Cabinet was achievable. The Chair of Scrutiny Coordinating Committee indicated that the proposed timescales could be achieved and suggested an alternative informal option for consideration of this issue. The Mayor expressed a preference that the issue be considered formally in accordance with the decision making process and confirmed that Cabinet Members would be available to attend scrutiny meetings as required.

Decision

- (i) That the report be referred to scrutiny for consideration and that a response be provided to the Cabinet meeting of 9 July 2012 to ensure the procurement exercise could be undertaken.
- (ii) Cabinet noted the investigations and information which had been undertaken in respect of the decision of Council on 23rd February 2012.
- (iii) Cabinet noted the results of the informal assessment of the potential for a Public / Public arrangement and the implications of this identified in the report.

8. Medium Term Financial Strategy (MTFS) 2013/14 to 2016/17 *(Corporate Management Team)*

Type of decision

Non-key

Purpose of report

The purposes of the report are:

- i) to provide details of the budget deficits facing the Council over the next two years and indicative forecasts for 2015/16 and 2016/17;
- ii) to enable Cabinet to begin to develop and consult on a proposed strategy which will begin to address these significant financial challenges.

Issue(s) for consideration by Cabinet

The Chief Finance Officer provided background information on the economic position and outlook and the impact on the amount of money available for public services. For local authorities the funding cuts detailed in the 2010 spending review were amongst the highest in the public sector at 28% over 4 years up to 2014/15. The Chancellor had indicated that spending cuts would continue into 2015/16 and 2016/17. The Chancellor's budget report also stated that average annual real term reductions would increase from 2.3% to 3.8% in 2015/16 and 2016/17. At this stage it was difficult to assess the level of these additional cuts, although based on an analysis of the available national information further cuts in the order of 10% and 15% could not be ruled out over the two years (2015/16 and 2016/17)

Members were referred to the table included in the report which outlined the scale of the gross spending power reductions for 2011/12 and 2012/13 which had a disproportionate impact on councils with greater dependency on Government grants.

With regard to the 2013/14 to 2014/15 budget position, the Council faced a budget deficit over the next two years of around £9m. There was a significant risk that the Government would reduce the trigger points for Council Tax Referendums in 2013/14 as a result of expected falls in inflation, including the specific impact of the Government's public sector pay cap reducing pressure on local authority budgets and the need to manage the withdrawal of the one-off 2012/13 Council Tax freeze grant in 2013/14. The trigger point was set at 3.5% for the current year and a reduction to 2.5% for 2013/14 and 2014/15 would be a prudent planning assumption. This change would reduce forecast Council Tax income by £0.8m over two years and could therefore increase the budget deficit for the next two years to nearly £9.7m,

The report set out the implications of local grant cuts and business rate re-localisation. There was a risk that changes to the system could result in local grant cuts exceeding the national average. Although it was too early to make an assessment of the potential impact of these changes Members were advised that each additional 1% reduction in the Formula Grant equated to a funding cut for Hartlepool of £0.46m.

There was also ongoing uncertainty about the criteria the Government would use to compensate authorities which experience a significant reduction in in-year business rates.

With regard to Council Tax Benefit changes, there was a detailed report on the impact of these changes as a separate agenda item. There was also an increasing risk that once the new Council Tax Benefit system was in place that the initial cash grant would be cash limited. This issue was anticipated to impact in 2013/14 as it was expected that the new Council Tax Benefit grant allocations would be based on the 2011/12 audited Council Tax Benefit grant claims. Therefore, planned increases in Council Tax for 2013/14 would not be funded within the new Council Tax Benefit grant allocations. At this stage it was not anticipated that the Council would wish to pass on further cuts in Council Tax Benefit, over and above those arising from the Government 10% funding cut. Therefore, for planning purposes this commitment needed to be built into the budget forecasts for 2013/14 and 2014/15 and was estimated at £0.4m per year.

The Chief Finance Officer highlighted a number of other risks which would impact on the Council's budget which included the impact of public sector pay cap, school funding reform and the implications of the Police Reform and Social Responsibility Act .

In summary for the period 2013/14 to 2016/17 the Council faced an overall budget gap in the order of £17.4 m to £20.2 m. The report outlined the strategy for managing the budget deficit. Given the scale of the deficit there was not a single solution to the financial challenges facing the Council and a range of measures would need to be pursued. These measures alongside proposed collaboration savings were summarised in Appendix A. A summary of the impact of the budget issues referred to based on an annual council tax increase of 3.49% and 2.5% respectively was included in the report.

In conclusion, the Council had already faced a 20% (£10.2 million) cut in the main revenue grant over the last two years and many of the measures implemented over the last two years to balance the budget could not be repeated. The balancing of the budget for 2013/14 and future years would become significantly more challenging and required more difficult decisions. Making cuts in the order of £17m to £20m from a budget of £91m would be extremely challenging, fundamentally change the Council and need careful management.

Cabinet's views were sought on the following to enable these issues to be reflected in the MTFS and enable initial consultation views to be sought from Scrutiny Co-ordinating Committee and other interested parties:-

- Do Cabinet wish to propose allocating the resources of £0.727m set aside within the 2011/12 outturn strategy to offset the loss of the 2012/13 Council Freeze grant in 2013/14?;
- In relation to changes to the Council Tax Benefit regime for 2013/14 and the 10% grant cut do Cabinet wish to propose (note further detailed work will be needed on the preferred option to assess the financial impact)
 1. allocating the whole of the resources of £1.197m set aside within the 2011/12 outturn strategy to provide a one-off protection scheme for Council Tax Benefit claimants potentially facing cuts in support of between 15% and 20%, as a result of the Government reducing funding for this benefit by 10%?; OR
 2. use this money to provide a phased protection scheme which provides some support in 2013/14 and 2014/15 to provide a longer lead time for people to manage this change? OR
 3. implement a local Council Tax Benefit scheme within the reduced funding allocation provided by the Government, without any temporary local protection; OR
 4. maintain existing Council Tax Benefit support on a permanent basis and in 2013/14 fund the additional cost from the available one-off resources, pending the identification of additional permanent General Fund budget cuts in 2014/15 of £1.2m to fund the continuation of this scheme; OR
 5. A combination of the above options.

With regard to future changes to the Council Tax Benefit regime, Members views in relation to this issue were set out in Minute No 9.

Decision

- (i) That the report be noted.
- (ii) With regard to the proposals in relation to the changes to Council Tax Benefit regime, Cabinet were minded, in view of the financial challenges facing the Council, to implement a local Council Tax Benefit Scheme within the reduced funding allocation provided by the Government without any temporary local protection subject to consideration of further information and a final decision later in the year.
- (iii) That the report be referred to Scrutiny Co-ordinating Committee

to commence the 2013/14 budget process and seek views on the issues detailed in the report.

9. Localisation of Council Tax Benefit 2013/14 *(Chief Finance Officer)*

Type of decision

Non-key

Purpose of report

To inform Cabinet of the legislative changes affecting Council Tax Benefit, the forecast impacts on the council and the proposed response plans in determining a local council tax support scheme.

Issue(s) for consideration by Cabinet

The report provided background information to the legislative changes affecting Council Tax Benefit with effect from April 2013 where the Council would be allocated a cash grant to fund its own local scheme and the level of grant would be 10% lower than the value of awards under the current scheme. The financial pressure of managing a 10% grant cut would be shared with the police and fire authorities. Hartlepool's share of this cut was estimated to be £1.1m.

The Government had stated that in introducing a localised system of support for council tax, it would seek to ensure that the most vulnerable in society, particularly pensioners were protected. Initial analysis indicated that protecting pensioners could see a reduction of 15% in current levels of council tax support for others in the absence of any other Hartlepool council funding resources, increasing to 18% when the Police and Fire Authority Council Taxes were taken into account. It was unclear at this stage how north eastern councils as well as councils nationally would respond to the issue of defining and potentially protecting other vulnerable groups.

To inform the development of a local scheme, a high level analysis of those receiving support under the current arrangements had been undertaken and was set out in the report by value and number.

Potential Council Tax support cost reductions were provided. Assuming a local council tax support scheme was adopted based on protecting pensioners and restricting support to all other households to a maximum of 80% of their Council Tax Bill the impact across a range of illustrative live claims has been calculated and was set out in Appendix A for information. This analysis only considered council tax support changes. Households would be impacted by a range of other Welfare Reform changes including changes to housing benefit entitlement and benefit caps limiting the maximum income of households from national welfare benefits.

The Government had indicated that they would require local authorities to

submit their proposed local scheme to some form of scrutiny or challenge. Whilst the potential level of central government grant cut for Council Tax had been forecast at £1.1m, the Council would also be responsible for the financial risk associated with any increases in the number of claimants accessing financial help with council tax bills. There was a risk that some pensioners may currently not be accessing council tax benefit because of a stigma associated with benefits but whom may decide to access financial help in future if the new scheme were termed a rebate/reduction/discount scheme.

The report outlined the impact on the general fund assuming pensioners only were protected from the cut as well as the project timeplan.

In the discussion that followed Members highlighted the importance of ensuring the scheme was fair and equitable and that consultation took place with other local authorities to establish the type of local schemes to be adopted to assist with determining the most appropriate scheme for Hartlepool. The Chief Finance Officer indicated that work was currently ongoing within the North East to collate information which would be presented to Members when available.

In response to concerns regarding the impact of the proposals on vulnerable families, Members were advised that the purpose of today's report was to highlight the potential impact of the pending legislation on households and that a series of reports would be provided over the coming months in terms of what decisions needed to be made following receipt of further details of welfare reform regulations from the government. Members were encouraged to attend a Members briefing which was scheduled for 22 June in relation to welfare reform. The Mayor requested that future reports should include details on the potential impact on welfare reform changes on households/families.

In relation to the changes to the Council Tax Benefit regime, Cabinet were minded, in view of the financial challenges facing the Council, to implement a local Council Tax Benefit Scheme within the reduced funding allocation provided by the Government without any temporary local protection subject to consideration of further information and a final decision later in the year.

Decision

- (i) That the report be noted and further information be awaited.
- (ii) That the project plan be endorsed.
- (iii) That the report be referred to Scrutiny for consideration.

10. Future Options for the Provision of a Strategic HR Function *(Chief Executive)*

Type of decision

Non-key

Purpose of report

To set out options for the future provision of a strategic HR function. This report will present three options for cabinet to consider.

- Reappointment of a Chief Customer & Workforce Services Officer,
- Undertake an internal restructure which removes the strategic HR post
- Continue to share a Head of HR with Darlington Borough Council.

Issue(s) for consideration by Cabinet

The Chief Executive provided background information to the current HR strategic provision and the options available in terms of future provision following the resignation of the Chief Customer and Workforce Services Officer.

Members were referred to the benefits and implications of the three options, as set out in the report.

With regard to option 1, to recruit into an HBC only Chief Customer and Workforce Services Manager post would mean taking on employment liability at a time when the Council were looking to limit such liabilities.

In relation to option 2, to undertake an internal restructure that removed the Strategic HR Post, this would allow the Council to make some savings as a result of this change. However, these would be limited by the need to provide additional HR capacity at a lower level. This more operational post would be expected to lead strategically on a number of areas as detailed in the report. This approach to removing the strategic HR post was one that had been used in two neighbouring councils, the outcome of which was detailed in the report. The significant risks of this option were outlined.

In terms of Option 3, to continue in a shared arrangement with Darlington Borough Council, Darlington had considered their options regarding a future HR service and decided they did wish to retain a strategic HR lead. As a result they would progress and appoint into a strategic HR post irrespective

of the HBC decision on the future option they wished to take. In light of the successful shared arrangement for the last 6 months Darlington had offered to take the role as lead authority so that the shared arrangements could continue and would welcome HBC Members and Officers' involvement in the recruitment process.

Members were referred to the financial implications of the three options as detailed in the report.

A number of scrutiny chairs had made representations to CMT in relation to the future delivery of a strategic HR function. Whilst they were fully cognisant of the challenges ahead and supportive of the need to continue to provide a dedicated and clear strategic HR service they did not feel that this should be done by Option 1 i.e. reappointing to a permanent full time Chief Customer and Workforce Services Officer post. They felt the costs of this option were prohibitive and did not feel it met the authority's needs going forward. Option 3 i.e. a shared service with Darlington was also not one that they wished to see continue as they felt the costs of continuing with this arrangement were also prohibitive.

They had indicated that in their view some form of internal restructure would be of more value to the council but would wish to see the costs associated with this limited significantly. This would mean that the increase in HR capacity that was required for Option 2 would potentially not be able to be fulfilled by the appointment of an additional HR advisor, but via the re-grading of staff currently providing an HR service. This would have the impact of altering the nature and type of duties undertaken by staff but would not offer the additional capacity CMT felt was required.

Cabinet considered the various options and discussed which options best met the needs of the authority going forward. Following discussion, Cabinet were of the view that Option 3 should be pursued given the ongoing financial challenges facing the authority and the success of the current arrangement with Darlington.

Decision

- (i) Cabinet agreed to enter into a new agreement with Darlington Borough Council to share a joint Head of HR and that the Acting Chief Executive and/or Chief Solicitor be delegated to finalise the legal agreement with the General Purposes Committee.
- (ii) That the arrangement be reviewed in 12 months time.

11. Quarter 4 Council Overview of Performance and Risk 2011/12 (Corporate Management Team)

Type of decision

Non-key

Purpose of report

To inform Cabinet of the progress made against the Council's 2011/12 Corporate and Departmental Plans, for the period ending 31 March 2012.

Issue(s) for consideration by Cabinet

The Assistant Chief Executive presented a report which provided progress made towards achieving the actions within the Corporate and Departmental Plans. The report provided an overview of Council performance and risk with separate sections providing more detailed information by department.

A number of areas of success were highlighted within the report and it was noted that as at 31 March 2012 the position was positive with 4 actions (7%) and 9 PIs (24%) requiring intervention. Further information relating to these actions and indicators were included in the report.

Decision

That the current position with regard to performance be noted.

**12. Hartlepool Partnership Plan Quarter 4 (2011/12)
Summary of Performance** *(Assistant Chief Executive)*

Type of decision

For information only.

Purpose of report

To update Cabinet on performance against the Hartlepool Partnership Plan for 2011/12 at the end of quarter 4, March 2012.

Issue(s) for consideration by Cabinet

The Assistant Chief Executive presented a report which highlighted that in 2011/12 the Hartlepool Partnership Plan included 24 outcomes, structured around the eight Community Strategy Themes. The report summarised the performance against targets and outlined the progress made in each theme. Further details on progress against all PIs and actions under each outcome was provided in the quarter 4 update report, available as an appendix to the report.

Decision

That performance against the Hartlepool Partnership Plan at the end of Quarter 4, March 2011/12 be noted.

13. Statutory Guidance on the Roles and Responsibilities of the Director of Children's Services and the Lead Member for Children's Services *(Director of Child and Adult Services)*

Type of decision

Non-key

Purpose of report

The report is intended to inform Cabinet of the publication of revised statutory guidance on the roles and responsibilities of the Director for Children's Services (DCS) and the Lead Member for Children's Services (LMCS) and to highlight the key requirements of the Guidance

Issue(s) for consideration by Cabinet

The Assistant Director reported that the Children Act 2004 required local authorities to appoint a Director of Children's Services and Lead Member for Children's Services for the purpose of discharging the education and children's social services functions of the local authority, the background of which was set out in the report.

The Department of Education published the revised guidance in April 2012, attached as an appendix to the report. The key elements of the guidance were included in the report which included details of key roles and responsibilities of the two positions, the responsibility of local authorities to determine their own organisational structure in light of local circumstances, improve outcomes for children and young people, ensure that their arrangements enabled them to discharge their education and children's social care function effectively and that due consideration should be given to protecting the discreet roles and responsibilities of the DCS and LMCS.

Decision

That the publication of the revised Statutory Guidance on the Roles and Responsibilities of the Director of Children's Services and the Lead Member for Children's Services and implications for local arrangements be noted.

The meeting concluded at 11.25 am.

P J DEVLIN

CHIEF SOLICITOR

PUBLICATION DATE: 18 JUNE 2012

