

CABINET

MINUTES AND DECISION RECORD

20th November 2006

Present:

The Mayor (Stuart Drummond) - In the Chair

Councillors: Cath Hill (Deputy Mayor),

Pam Hargreaves (Children's Services Portfolio Holder),

Robbie Payne (Finance Portfolio Holder),

Peter Jackson (Performance Management Portfolio Holder),

Victor Tumilty (Culture, Leisure and Transportation Portfolio Holder),

Ray Waller (Adult and Public Health Services Portfolio Holder).

Officers: Paul Walker, Chief Executive
Adrienne Simcock, Director of Children's Services
Peter Scott, Director of Regeneration and Planning Services
Nicola Bailey, Director of Adult and Community Services
Dave Stubbs, Director of Neighbourhood Services
Mike Ward, Chief Financial Officer
Tony Brown, Chief Solicitor
Paul Briggs, Assistant Director, Children's Services
Wally Stagg, Organisational Development Manager
Ewen Weir, Assistant Director (Commissioning)
Ian Merritt, Senior Children's Services Officer
Anne Smith, Head of Information, Planning and Support Services
Peter Turner, Principal Strategy Development Officer
Alastair Rae, Public Relations Officer
Angela Hunter, Principal Democratic Services Officer

Also Present

Edwin Jeffries, UNISON
Sarah Diggle, CPA Inspector

111. Apologies for Absence

None.

112. Declarations of interest by Members

Councillor Robbie Payne and Ray Waller declared a prejudicial interest in minute 123.

113. Confirmation of the minutes of the meeting held on 6th November 2006.

Confirmed.

114. Chief Personnel Officer

Members wished that a letter be sent to Joanne Machers, Chief Personnel Officer conveying their thoughts and best wishes to her and her family at this difficult time.

115. Integrated Children's System *(Director of Children's Services and Chief Financial Officer)*

Type of decision

Key Decision – Test (i) Applies.

Purpose of report

The purpose of the report is to secure approval for the acquisition of an Integrated Children's System (ICS). The ICS is a national framework that is designed to help social care managers and practitioners working with colleagues from other agencies to improve outcomes for children in need and their families. The volume and complexity of information required for the practice and management of children in need cases require that ICS is underpinned by Information and Communications Technology (ICT). ICT will be the tool that facilitates practice and management operations including the gathering of complex data for the completion of statutory returns to the Department for Education and Skills.

This report seeks approval for the acquisition of an Integrated Children's System together with the two additional modules, which will support the foreseeable business requirements of the Children's Services Department and the delivery of better outcomes for children and young people.

Issue(s) for consideration by Cabinet

The report provided details of the procurement and tendering process formally undertaken by Northgate Information Solutions, on behalf of the

Council. This process had identified a preferred supplier from whom Northgate, on behalf of the local authority can acquire the necessary ICT to meet the statutory requirements of legislative change and other Government guidance. The preferred supplier also offered additional modules which would provide an effective and efficient mechanism to ensure the integrity of the data held within the IT system. The report demonstrated how the proposed procurement of this ICT package would assist in the delivery of the frontline service transformation and workforce reform.

The risks associated with this project had been analysed and were outlined within the report along with a brief description of what action had been or was proposed to be taken to manage these risks. A summary of the costs and funding both capital and revenue were detailed in the report and it was highlighted that a 10% contingency fund was proposed as a financial safeguard which would be regulated by the Chief Financial Officer and the Finance Portfolio Holder. Within the summary of costs and funding, it was noted that there would be a capital shortfall of £175,000. The Chief Financial Officer had indicated that it was possible to fund this shortfall from prudential borrowing plus interest on the basis that the department pay back the amount advanced over a period of time by making demonstrable and recurring budget savings as a result of project implementation.

Concern was expressed by Members that the Council's ICT provider Northgate Information Solutions were unable to deliver this service direct and that it had to be purchased from an external supplier. Although Members supported the recommendations, it was requested that figures be provided to the Finance Portfolio Holder on the amount of prudential borrowing currently undertaken by the Authority along with the financial implications of this borrowing.

Members noted that the revenue costs of £50,000 were an added pressure on the budget for 2007/08. The Director of Children's Services informed Members that this pressure had been included within the department's pressures for 2007/08 as part of the on-going budget consultation process.

Decision

- (i) The acquisition of the Integrated Children's System in line with the formal findings of the procurement and tendering process recently undertaken by Northgate Information Solutions (NIS) in conjunction with officers from the Children's Services Department was approved.
- (ii) The acquisition of the additional modules available from the preferred provider was approved.
- (iii) That a report be submitted to the Finance Portfolio Holder detailing the amount of prudential borrowing currently being undertaken by the Council along with the financial implications of this borrowing.

116. Building Schools for the Future: Stage One Consultation (*Director of Children's Services*)

Type of decision

Non-key.

Purpose of report

To inform members of the outcomes of the first stage of consultation in preparation for the Building Schools for the Future (BSF) programme and to seek approval to prepare the second stage of consultation.

Issue(s) for consideration by Cabinet

At its meeting on 25th September 2006, Cabinet authorised a first stage of consultation in preparation for Building Schools for the Future. Approximately 13,000 consultation documents were distributed throughout the town, to families with children of pre-school, primary and secondary school ages. The consultation process began on 26th September and ended on 3rd November with 48 consultation meetings being held with over 500 persons attending. Responses were received from 52 individuals as well as at least one collective response from each of the six mainstream secondary schools, the results of which were attached by way of appendix. The consultation was deemed successful due to the range of responses been received and it was suggested that a range of options for the second stage of consultation be identified and presented to Cabinet for approval early in 2007.

Members congratulated staff for all their hard work and commitment to ensuring this consultation was as inclusive and effective as possible. A number of the consultation events had been attended by Members and they were of the view that a common theme ran through the consultation which was that Hartlepool had a way of doing things successfully and the provision of education across the town was one of them. It had been publicly acknowledged that all schools wished to continue to work in collaboration to ensure young people were at the heart of decision-making.

The Director of Children's Services confirmed that, although the timescales were tight, the first phase of the consultation was on target for completion with a project plan currently being drafted for stage 2. It was proposed to submit this project plan to Cabinet for approval at its meeting on 22nd January 2006. It was emphasised that Members would fully support officers being bold in the preparation of the options for the implementation of Buildings Schools for the Future as this was an excellent opportunity for the young people of Hartlepool.

Decision

- (i) The outcome of the first stage of consultation in preparation for Building Schools for the Future was noted.
- (ii) The preparation of the second stage of consultation in preparation for Building Schools for the Future was approved.

117. Consultation Response – The Policy and Framework for Nuclear Build (*Director of Regeneration and Planning Services*)

Type of decision

Non-key.

Purpose of report

To consider and respond to the consultation document issued by the Department of Trade and Industry (DTI) on the Policy Framework for New Nuclear Build.

Issue(s) for consideration by Cabinet

At its meeting on 26th October 2006, Council considered the above consultation document. Due to the deadline for responses being 31st October, insufficient time was available to submit a considered response from the Council, however, the following action was discussed and has since been taken:

- A holding response has been sent by the Chief Executive to the DTI
- The consultation document has been distributed to all Members for their information and individual comment

Attached by way of appendix were comments which had been submitted to the DTI via the Tees Valley Joint Strategy Unit on behalf of the Tees Valley Authorities and also the views of the North East Assembly and the Nuclear Legacy Advisory Forum Steering Group. Comments had also been received from Councillor Geoff Lilley and were also attached by way of appendix.

It was suggested that subject to any further views of Cabinet, the main issues highlighted within the report form the basis for a formal response to the DTI consultation document. It was further suggested that a strong degree of emphasis be placed upon the need for re-assurance that the consultation process and procedures involved in the proposed policy framework were inclusive, transparent and comprehensive and would have

genuine regard to the views of potential local host communities.

Members were especially concerned at the apparent lack of public consultation and the fact that the local authority had not been directly consulted.

Decision

- (i) The contents of the report and Councillor Lilley's comments in relation to the consultation aspects were agreed as the basis of a Hartlepool response to the Department of Trade and Industry consultation document on the Policy Framework for New Nuclear Build.
- (ii) Delegated authority was approved for the Director of Regeneration and Planning Services, in consultation with the Portfolio Holder for Regeneration, Liveability and Housing for the detailed wording of such a response.

118. Efficiency Strategy – Half Year Review (*Chief Financial Officer*)

Type of decision

Non-key.

Purpose of report

The purpose of this report is to advise Cabinet of the status of the various projects that were included in the Efficiency Strategy approved by Cabinet at its meeting of 22nd March 2006 and to make preliminary comment on those potential projects which will form the basis of the strategy for the achievement of the Council Gershon targets for 2007/08 and future years.

Issue(s) for consideration by Cabinet

Included in the strategy were projects intended to help the Council achieve its Gershon Target for efficiencies. A detailed monitoring statement on the strategy was attached by way of appendix. Although it was indicated that the Council were on target to achieve its total target for 2006/07, there were a number of issues brought to Cabinet's attention which were not advancing as quickly or not delivering as much as was expected. These included:

- Procurement
- Contract Partnering
- Learning Disabilities
- Productive Time

- ICT

It was reported that within the budget proposals for 2007/8 it was assumed that £1.1m cashable efficiencies would be required and the areas suggested for consideration as preliminary targets were included within the report.

Members were happy with the way departments were improving and making efficiencies although they acknowledged that this would get more difficult in future years as it was expected that the Government's spending review would increase the current efficiency targets. It was noted that the Telecare system to be introduced in the Adult and Community Services Department was a fantastic opportunity to help achieve these targets. A Member asked what the efficiency targets for subsequent years were likely to be. The Chief Financial Officer indicated that it was currently 2.5%, of half which must be cashable, however the future target was likely to be in the order of 5% with 2.5% cashable and 2.5% non-cashable. Concern was expressed by Members that although the savings were classed as efficiency savings, they did not consider it efficient if services had to be cut in order to meet the targets set.

Members noted that the authority had responded positively in the past to efficiency targets, for example externalising the care home services provided by the authority had already been undertaken. This was an area that some authorities still had yet to progress, leaving this area as a contribution to their current efficiency targets. It was acknowledged that a further pressure being faced by the Council was the equal pay and grading structure that was on-going and the fact that this would require more funding than was originally anticipated.

Members were concerned that the current ICT contract with Northgate Information Systems (NIS) was not meeting the needs of the authority. It was suggested by Members that a report be submitted to Cabinet giving an outline of the current contract with NIS and whether this met the needs of the authority.

Decision

- (i) The report was noted.
- (ii) The following preliminary targets for 2007/08 were approved:

Insurance	£0.2m
General Procurement	£0.2m
ICT – Contact Centre/FMS	£0.2m
Transport/Adult Care	£0.5m
- (iii) The continuation of work in the following existing projects for 2008/09 and later were approved:
 - Adult Social Care Procurement
 - Telecare
 - Elderly Care

Shared Back Office Services

- (iv) A report be submitted to Cabinet outlining the current contract with Northgate Information Systems and whether this contract met the needs of the Authority.

119. Quarter 2 – Corporate Plan and Revenue Financial Management Report 2006/07 *(Corporate Management Team)*

Type of decision

Non-key.

Purpose of report

The report set out the progress made towards achieving the Corporate Plan objectives through identified actions and of progress against the Council's own 2006/07 Revenue Budget, for the period to 30th September 2006.

Issue(s) for consideration by Cabinet

The Performance Management and Finance Portfolio Holders updated Cabinet on the second quarter's progress of the corporate plan and revenue budget. The report described progress towards achieving the service improvement priorities using the traffic light system of Green, Amber and Red. The report provided an overview of Council performance, with appendices A to H providing more detailed information for each Portfolio Holder's area of responsibility.

The Revenue Budget Monitoring report covered the following areas:

- Progress against departmental and corporate budgets and High Risk Budget Areas;
- Progress against saving/increased income targets identified in the 2006/2007 Budget Strategy;
- Progress against departmental salary turnover targets.

The Chief Financial Officer informed Members that the report would be submitted to the Scrutiny Co-ordinating Committee for Members comments on 24th November 2006.

Although Members noted the budgetary pressures faced by the Neighbourhood Services Department, it was their view that the following services were high priorities and key services for the people of Hartlepool including ensuring litter bins were emptied and that the streets were swept. The Director of Neighbourhood Services reassured Members that every effort was being made to reduce the departmental budget. However, the services provided by the department had been a budget pressure for

several years and were currently being examined under the budget consultation process.

Decision

That the report be noted.

**120. Quarter 2 – NRF, Capital and Accountable Body
Programme Monitoring Report 2006/07** (*Chief Financial Officer*)

Type of decision

Non-key.

Purpose of report

To provide details of progress against the Council's own 2006/07 Capital budget, the Neighbourhood Renewal Fund (NRF) and the spending programmes where the Council acts as the Accountable Body for the period to 30th September 2006.

Issue(s) for consideration by Cabinet

The Chief Financial Officer indicated that the report provided detailed monitoring reports for Capital for each Portfolio up to 30th September 2006. The report also included Accountable Body Programme spend for the same period. The report followed the format adopted for the previous report and budgets were reported by Portfolio Holder and analysed by department, to enable each Portfolio Holder to readily review their area of responsibility.

Members were informed that the Local Strategic Partnership (LSP) had retained green status from the Government Office and that the Neighbourhood Renewal Fund (NRF) and Local Area Agreement (LAA) had been received well. Concern was expressed by a Member about the fact that NRF would cease to exist and the Council may be expected to provide the funding gap. It was suggested that consideration needed to be given to identifying appropriate exit strategies to deal with this. It was noted that the LSP was aware of this and the fact that some schemes were time-limited. It was acknowledged that only the best schemes or those affecting key areas, for example protecting the most vulnerable people, would be mainstreamed within the Council's budget.

Decision

That the report be noted.

121. Local Government Access to Information

Under Section 100(A)(4) of the Local Government Act 1972, the press and public were 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 detailed below in Part 1 of Schedule 12A of the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) Order 2006.

Minute 123 – Salary Deductions for Industrial Action (Para. 4, namely information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matters arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority and Para 5, namely information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.)

Councillors Robbie Payne and Ray Waller declared a personal and prejudicial interest in the following item and left the meeting.

- 122.** At this point, 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.

123. Salary Deductions for Industrial Action (*Chief Solicitor/Chief Personnel Officer*)

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, information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matters arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority and information in respect of which a claim to legal professional privilege could be maintained in legal proceedings

Type of decision

Non-key.

Purpose of report

To provide Cabinet with additional information regarding salary deductions from employees who took part in industrial action in March 2006 to assist in reviewing a previous Cabinet decision made on 25th September 2006 regarding this matter.

Issue(s) for consideration by Cabinet

At its meeting on 25th September 2006, Cabinet agreed to salary deductions at a rate of 1/5th for all employees who participated in the industrial action on 28th March 2006 and any other days of action linked to the LGPS dispute. As a result of a request from the Trade Unions in which it was suggested that monthly paid employees' deductions should be at a lower rate of 1/7th, Cabinet agreed to review its decision regarding the salary deduction.

Members were informed that the Trade Unions had requested a review on the basis that, in their view, the decision made on 29th July 2002, had the status of a policy insofar as any future industrial action would be subject to a 1/7th deduction. The Chief Solicitor stated that the decision record for that meeting did not state any reference to such a policy being established. It was added that a policy to deduct 1/7th for all future industrial actions would be unlawful as a 'fetter on the discretion of the authority'. Members were reminded that it was a well established principle of local government law that a local authority cannot bind itself as to how it will exercise its discretion at some indefinite point in the future, whatever circumstances then prevail. Accordingly, even if the effect of the decision of 29th July 2002 were to establish such a policy, the Chief Solicitor considered that it would be unlawful and thus not binding on the Council.

The Chief Solicitor stated that the High Court had approved deduction of the earnings referable to the hours not worked, as a proportion of the hours contracted to be worked during the payment period i.e. excluding non working days.

Members were of the view that it would be unfair to deduct different amounts from weekly and monthly paid staff. Members felt that the decision record from the meeting on 29th July 2002 did not clearly identify whether the decision related solely to the dispute at that time or to future disputes, however, it was noted that this had not been queried when the decision record was agreed.

The Chief Executive suggested that each case needed to be considered on its own merits at that time and that deducting 1/5th from weekly and 1/7th from monthly employees went against the equal pay and grading structure currently being examined.

Decision

Cabinet reaffirmed its previous decision to deduct 1/5th for each day of industrial action for all employees during the current LGPS dispute.

J A BROWN

CHIEF SOLICITOR

PUBLICATION DATE: 24th November 2006