

CABINET

MINUTES AND DECISION RECORD

5 February 2007

The meeting commenced at 9.00 a.m. in the Avondale Centre, Hartlepool

Present:

The Mayor, Stuart Drummond - In the Chair.

Councillors: Cath Hill (Deputy Mayor),
Victor Tumilty (Culture, Leisure and Transportation Portfolio Holder),
Ray Waller (Adult and Public Health Services Portfolio Holder).

Officers: Paul Walker, Chief Executive
Andrew Atkin, Assistant Chief Executive
Tony Brown, Chief Solicitor
Mike Ward, Chief Financial Officer
Chris Little, Assistant Chief Financial Officer
Peter Scott, Director of Regeneration and Planning Services
Mark Dutton, Housing and Regeneration Coordinator
Dave Stubbs, Director of Neighbourhood Services
Adrienne Simcock, Director of Children's Services
Nicola Bailey, Director of Adult and Community Services
Ewan Weir, Assistant Director (Commissioning)
Alistair Rea, Public Relations Officer
Charlotte Burnham, Scrutiny Manager
David Cosgrove, Principal Democratic Services Officer
Denise Wimpenny, Principal Democratic Services Officer

158. Inquorate Meeting

It was noted that the meeting was not quorate. The Mayor indicated that (as permitted under the Local Government Act 2000 and the Constitution) he would exercise his powers of decision and that he would do so in accordance with the wishes of the Members present, indicated in the usual way. Each of the decisions set out in the decision record were confirmed by the Mayor accordingly.

159. Apologies for Absence

Councillors Pam Hargreaves (Children's Services Portfolio Holder), Peter Jackson (Performance Management Portfolio Holder) and Robbie Payne (Finance Portfolio Holder).

160. Declarations of interest by members

None.

161. Confirmation of the minutes of the meeting held on 22 January 2006.

Confirmed.

162. Formal Response to the Executive's Budget and Policy Framework Proposals for 2007/08 *(Scrutiny Coordinating Committee)*

Type of decision

None – report of overview and scrutiny.

Purpose of report

To provide the formal response of the Scrutiny Co-ordinating Committee in relation to the Executive's Budget and Policy Framework Proposals for 2007/08.

Issue(s) for consideration by Cabinet

The Vice-Chair of the Scrutiny Coordinating Committee, Councillor Jane Shaw, presented the formal response of the Scrutiny Coordinating Committee in relation to the Executive's finalised proposals, prior to the consideration of the finalised proposals at the meeting of full Council on 15 February 2007. Councillor Shaw highlighted that the Members of the Scrutiny Coordinating Committee were largely supportive of the identified budgetary pressures and priorities, grant terminations and proposed savings, however, a number of concerns/comments were made and these were highlighted in section 3 of the report.

Councillor Shaw also drew Cabinet's attention to an additional report that set out the concerns of the Adults and Community Services and Health Scrutiny Forum in relation to the closure of the Eldon Grove Sports Centre. The Scrutiny Forum had made a number of recommendations to the Executive and these were:-

"That Cabinet defer the proposed closure of Eldon Grove Community Sports Centre for a minimum of six months from 1 April 2007 to allow for:

- (a) a full public consultation process;
- (b) a complete review of the case for closure;
- (c) an examination of options for its retention (including changes to the structure of revenue support); and
- (d) consideration of its review by this Scrutiny Forum before any decision be made on the Centre's future.

In the meantime, the Centre should continue to operate as previously and its fabric and contents should continue to be properly maintained.”

Cabinet welcomed the comments of the Scrutiny Coordinating Committee in relation to the budget proposals for 2007/08. In relation to the closure of the Eldon Grange Sports Centre, the Mayor commented that he had been approached by a number of people/groups with a view to them taking over the management of the building. The Mayor accepted that the formalisation of any bid to take over the building would require more time than was available before the current planned closure date at the end of this financial year. The Mayor suggested that a further three months should be sufficient time for such a bid to come forward and asked Members to reconsider this proposal during their consideration of the Budget and Policy Framework. The Mayor was clear that he did not see any ‘stay of execution’ being extended beyond this three month period as the decision had already been made by the Council that the facility would be closed.

Decision

That the comments of the Scrutiny Coordinating Committee and the additional comments submitted by the Adults and Community Services and Health Scrutiny Forum, be received.

163. Budget and Policy Framework 2007/08 to 2009/10 (Corporate Management Team)

Type of decision

Budget and Policy Framework.

Purpose of report

To enable Members to finalise details on the proposed 2007/2008 to 2009/2010 Budget and Policy Framework to be referred to Council on 15th February, 2007.

Issue(s) for consideration by Cabinet

The Mayor stated that the report brought together the various reports considered by Cabinet over the last few months in relation to the development of the budget strategy for the period 2007/2008 to 2009/2010. The Mayor indicated that the report covered: -

- Outturn Strategy 2006/2007
- Capital Budget 2007/2008 and Prudential Code
- General Fund Budget Requirement and Council Tax 2007/2008.

The Mayor went on to briefly highlight sections of the report.

Outturn Strategy 2006/2007

The initial budget report submitted to Cabinet on 23rd October, 2006, indicated that on the basis of the first six months trends continuing for the

whole year there will be an underspend against a number of corporate budgets. On the downside Members were advised when the 2005/2006 outturn strategy was approved that there is a shortfall in the resources set aside for the Phase 2 Equal Pay settlements of £0.5m. This amount will be payable in the earlier part of 2007/2008. At your meeting on 23rd October, 2006, Members determined to set aside resources from the 2006/2007 corporate underspend to meet this known liability. Members also determined to earmark the remaining £1m to support the 2009/2010 revenue budget strategy.

Since the initial report was submitted further information has become available during the preparation of the quarter three monitoring report. This work is ongoing and therefore final figures are not yet available and details will be reported to your next meeting. However, this work has identified a number of strategic issues which need to be addressed by Members, as follows:

	Forecast Outturn Favourable/ (Adverse) £'000
Employers Pension Contributions Holding Account	280
Designated Authority Costs	<u>0</u>
	<u>280</u>

It is suggested that the above resources be earmarked to meet the following one-off 2007/2008 expenditure commitments as provision has not previously been made for these items:

	£'000
Reduction in 2006/2007 Collection Fund Surplus	96
CRB Checks	70
Single Status Implementation Costs	<u>150</u>
	<u>316</u>

The above commitments exceeds the forecast corporate underspend identified by £36,000 and a proposal for funding this shortfall was detailed later in the report.

The Council will also receive a one-off benefit from a partial restructuring of the Authority's debt, which has recently been undertaken in accordance with the approved Treasury Management Strategy. This action has generated a discount of £800,000. Officers are currently investigating the accounting treatment applying to this discount as the position is complex following recent accounting changes. Hopefully, the whole of this discount can be taken to the revenue account in 2006/2007. Members have previously been advised of the need to provide funding for the Tall Ships whilst this has not been quantified it is suggested that this amount be earmarked for costs associated with the Tall Ships.

Capital, Prudential Indicators and Treasury Management

In previous years, the Council has determined to ring fence Single Capital Pot allocations to individual services in line with the allocations included in the Single Capital Pot. This strategy ensures the Council is able to achieve the outputs specified in the service plans submitted to secure funding. It is suggested that Members need to reaffirm their commitment to this strategy. Detailed allocations have now been issued by the Government as shown below.

	2007/2008 Allocations	
	Grant	Supported Borrowing
	<u>£'000</u>	<u>£'000</u>
Housing Investment Programme	3,680	
Local Transport Plan	483	1,532
Children's Services	3,322	1047
Adult Social Services		206

Members were also requested to reaffirm their commitment to use Unsupported Prudential Borrowing to continue the following initiatives:

	Proposed Budget Allocation 2007/2008 £'000
Community Safety Programme	150
Disabled Access Adaptation	50
Neighbourhood Forum Minor Works	156

Cabinet considered revised proposals for the utilisation of £1.2m unsupported prudential borrowing and £0.5m capital receipts as set out in Appendix A to the report.

The report also considered detailed technical issues in relation to prudential indicators and the treasury management strategy.

Revenue Budget Issues 2007/2008

The report to Cabinet on 18th December, 2006, provided a detailed assessment of the new budget issues facing the Council for 2007/2008. These issues fall into three broad categories. Details of the terminating grants, pressures and priorities, which it is suggested need to be funded, are summarised below and further details were provided in the appendices to the report as indicated.

	£'000	
Terminated Grants	211	Appendix D
Pressures	1,674	Appendix E
Priorities	746	Appendix F

Revised Budget Requirement and Budget Gap 2007/2008

After reflecting the review of the local budget pressures and priorities the gross budget gap, before increasing Council Tax and/or reducing services is £9.927m as set out below.

	£'000
Initial Budget Gap	7,096
Add:	
Terminating Grant Issues	211
Budget Pressures	1,674
Budget Priorities	746
Provision for Cabinet Priorities	<u>50</u>
Gross Budget Gap	9,777

Cabinet has previously considered the options for bridging this gap and determined to bridge it through a combination of:

- permanent corporate saving;
- temporary corporate savings;
- corporate efficiencies;
- increased Council Tax.
- efficiency savings and/or service cuts

Details of the proposed and temporary corporate savings were included in the initial budget report. These items were detailed in Appendix G to the report and are summarised as:

	£'000
Permanent Corporate Saving	1,359
Temporary Corporate Saving	1,156

Details of the corporate efficiencies, which amount to £1.1m, were also detailed in paragraph 7.4 of the report.

On the basis of Members approving the issues identified, the 2007/2008 net budget gap is £1.904m, as summarised below :

	£'000
Gross Budget Gap	9,777

Less

Permanent Corporate Savings	(1,359)
Temporary Corporate Savings	(1,156)
Efficiency Savings	(1,100)
Use of Reserves	(2,000)
Use of 2006/2007 Budget Support Fund	(500)
Council Tax Increase (net of reduction in Single Person Discount)	(1,758)
Net Budget Gap	1,904

Proposed savings to bridge the above identified budget gap were set out in Appendix H to the report.

The report also went on to deal with the robustness of budget forecasts, risk assessment and reserves, budget scrutiny and consultation feedback and the budget and council tax forecast for 2008/09 and 2009/10.

The Chief Financial Officer also raised the issue of an additional £300,000 Department of Health capital grant relating to resettlement of people with learning disabilities from long stay hospitals or NHS campuses which would have no direct impact on the Council as long as it was directed into the registered Social Landlords operating in the town to provide accommodation for these people. Cabinet's approval to the appropriate virement was sought.

Cabinet commented that had the government grant matched the increase in council spending, the council tax increase could have been reduced by a full one percent to 3.9%. The 'floor dampening' effect also meant that Hartlepool was penalised further by a grant reduction of some £1.5m.

The Mayor proposed that in relation to Eldon Grove Sports Centre, a recommendation be put to Council that the centre remain open for a further three months, as discussed previously in the meeting, and that the costs be met from a virement from the Contingency fund. Cabinet also proposed that the Hartlepool Art Gallery remain open on bank holidays during the year as part of the town's tourism promotion and that the costs, again be met from the Contingency fund.

Decision

That Council at its meeting on 15 February 2007 be requested to: -

Outturn Strategy

1. Approve the proposed outturn strategy detailed in paragraphs 3.1 to 3.5.
2. Approve the proposal to earmark the one-off benefit from restructuring

of the Authority's debt portfolio for costs associated with the Tall Ships, (paragraph 3.7).

Capital and Treasury Management

3. Approve the capital allocations identified at Appendix B, which incorporates the detailed proposals in paragraphs 4.1 to 4.10.
4. Authorise the relevant Portfolio Holder to approve the detailed Capital Programmes for using the Government's Supported Allocations detailed in paragraph 4.1.
5. Approve the allocation of a £0.369m from the 2008/2009 Corporate Prudential Borrowing allocation for the Multi-Storey Car Park to enable the appropriate contractual arrangements to be made and to note this amount will not be spent until 2008/2009.
6. Approve the Prudential Indicators detailed at Appendix C.
7. Approve the proposed Treasury Management Strategy, as detailed in paragraphs 4.21 to 4.28, including the establishment of an "Interest Risk Reserve" of up to 0.5% of long-term debt.

2007/2008 Revenue Budget and Council Tax

8. Confirm their agreement to increase all resource allocations by 3%, with specific top-up for specific pressures and/or priorities.
9. Confirm that they wish to mainstream the terminating grant regimes identified in Appendix D.
10. Confirm that they wish to fund the budget pressures identified in Appendix E.
11. Confirm that they wish to fund the budget pressures identified in Appendix F.
12. Approve the corporate efficiency initiatives of £1.1m detailed in paragraph 7.4.
13. Approve the use of permanent corporate savings of £1.359m to reduce the budget gap, detailed in Appendix G, Table 1.
14. Approve the use of additional temporary corporate savings of £1.156m to reduce the 2007/2008 budget gap, detailed in Appendix G, Table 2.
15. Confirm the use of £2.5m of reserves (inclusive of £0.5m from the 2006/2007 Budget Support Fund) to support the 2007/2008 budget.
16. Confirm a Council Tax increase of 4.9% for 2007/2008.

17. Confirm the implementation of detailed service efficiencies and savings of £1.904m as detailed in Appendix H, excluding the proposals relating to the recommendations set out at 20 and 21 below.

2008/2009 Revenue Budget and Council Tax

18. Indicative annual Council Tax increase for 2008/2009 and 2009/2010 of 4.9%.
19. Prepares options for bridging the 2008/2009 budget gap and submits these to Scrutiny Co-ordinating Committee by the end of September 2007.
20. That the Eldon Grove Sports Centre remain open until the end of June 2007 to allow the development of an approach from the community to take over the running of the centre, with the running cost associated with keeping the centre open for a further three months being met from the contingency fund.
21. That Hartlepool Art Gallery remain open on bank holidays during the year as part of the town's tourism promotion and that the costs be met from the Contingency fund.

(All paragraph and appendix references refer to the report submitted to Cabinet).

164. Central Hartlepool Housing Market Renewal Programme 2006/08 *(Director of Regeneration and Planning Services / Director of Neighbourhood Services)*

Type of decision

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

Purpose of report

To update Members on the progress and current position of the housing market renewal programme in central Hartlepool, and to secure Cabinet endorsement of spending and budgetary priorities to 2008.

Issue(s) for consideration by Cabinet

The Mayor reported on the development and progress of housing market renewal initiatives in north and west central Hartlepool to date, including the detail around housing clearance and redevelopment proposals currently being taken forward. The report described additional and ongoing work in adjacent areas, highlighting key issues relating to the development of the programme overall, in particular those relating to the management of resources and risk, ahead of allocations of further capital resources post-2008. The report set out the developments in the New Deal for Communities Community Housing Plan and the North Central Hartlepool

Housing Regeneration Plan. Details of the future phases of the housing market renewal programme for North Central Hartlepool, Belle Vue, the North NDC sites and Thornton/Dalton Streets was included. The report went on to detail the funding and resources issues and sought Cabinet's approval to the future resource allocation.

Cabinet welcomed the proposals in the report. A member commented that in the wider housing strategy attention also needed to be focussed on ensuring sufficient development of properties for older people and sheltered accommodation for the elderly and disabled. It was noted that at over 3600, the housing waiting list was higher than it had been for forty years. The Housing and Regeneration Coordinator reported that a new housing needs survey for Hartlepool is imminent and this would help the commissioning of future development to meet housing needs.

Decision

1. That the contents of this report in respect of the overall progress of the housing market renewal programme in central Hartlepool are approved
2. That the contents of the Masterplan update for North Central Hartlepool be noted, and officers authorised to progress the recommended necessary additional technical and other work in partnership with Housing Hartlepool,
3. That the position in respect of the preferred redevelopment option for Belle Vue be noted, and that officers be authorised to progress the necessary additional technical and other work in partnership with Housing Hartlepool, Hartlepool Revival, NDC, Endeavour HA and Guinness Trust,
4. That the position in respect of the North NDC Housing sites as detailed in the report be noted,
5. That the position in respect of developing a potential redevelopment proposal for Dalton Street be noted,
6. That the final redevelopment proposals for the linear park and environmental improvements in Thornton Street be endorsed and the future maintenance agreed, and
7. That the suggested approach to the allocation and expenditure of future resources toward housing market renewal activity be agreed as set out in the report, i.e. to support strategic property acquisitions across west and north central Hartlepool ahead of any future allocation of resources that would enable a commitment to be given to the implementation of new schemes post-2008, and
8. That further detailed monitoring reports are made to the Portfolio Holder for Regeneration, Liveability and Housing as appropriate.

165. Fair Access to Care Services (FACS) *(Director of Adult and Community Services)*

Type of decision

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

Purpose of report

To report to Cabinet the results of the consultation on the possibility of raising the FACS eligibility threshold and to invite Members to decide on the options available.

Issue(s) for consideration by Cabinet

The Adult and Public Health Services Portfolio Holder reported that access to statutory care services (such as home care and day care) is given to an individual following an assessment of need. The assessment identifies their level of need in terms of a FACS banding and the local authority decides to which of the four nationally specified bands it will provide services. Local Authorities are expected to review this threshold annually as part of their budget considerations. In Hartlepool the top three bands (moderate, substantial, critical) are entitled to statutory care services. In January 2006 Cabinet agreed (24 January 2006) to a consultation on raising the threshold to exclude the third (“moderate”) band. This consultation was carried out through the period October to December 2006 and the Portfolio Holder reported that there had been a very good response to the consultation with over 400 people attending consultation meetings.

Decision

1. That Cabinet agrees, in principle, to the raising of the FACS eligibility threshold.
2. That plans for implementation be agreed by the Adult and Public Health Portfolio Holder, including early investment in an appropriate signposting service within the voluntary and community sector.
3. That the effects of the change be monitored and reported back to Cabinet and Scrutiny by December 2007.

166. Development of a Children’s Trust in Hartlepool *(Director of Children’s Services)*

Type of decision

Key Decision – test (ii) applies.

Purpose of report

To set in place the arrangements for a Children’s Trust in Hartlepool from 1 April 2007.

Issue(s) for consideration by Cabinet

The Director of Children's Services reported on the proposed arrangements for a Children's Trust in Hartlepool, including:

The remit for the Children's Trust;
The membership of the Children's Trust;
The establishment and membership of a performance management group;
The associated task groups;
The consultation framework;
The name given to the Children's Trust.

Decision

1. That the establishment of a Children's Trust in Hartlepool by 1 April 2007 be approved, including:
 - (i) The remit for the Children's Trust as set out in the report.
 - (ii) The membership of the Children's Trust as set out in Appendix A to the report
 - (iii) The establishment and membership of a Performance Management Group as set out in Appendix B to the report
 - (iv) The network of task groups as set out in Appendix C to the report
 - (v) The consultation framework as set out in Appendix D to the report
2. It is also recommended that the Hartlepool Children's Trust be called the Children and Young People's Strategic Partnership.

167. Strategic Direction of Travel *(Director of Adult and Community Services)*

Type of decision

Non-key.

Purpose of report

To inform Cabinet of the Strategic Direction of Travel of Adult Social Care in Hartlepool.

Issue(s) for consideration by Cabinet

The Adults and Community Services Portfolio Holder reported that Social Care Services include care and support provided to people in their own homes, day services in their local neighbourhood, temporary breaks or respite care and long-term residential care. People say they want real choice about the care they use, flexible services which respect and fit with their lives, fair and non-discriminatory services and the chance to have the same opportunities and to take the same risks as anyone else.

Government policy as outlined in the White Paper 'Our Health, Our Care, Our Say' envisages personalised care and support, ensuring people have the opportunity to make choices and take control. Commissioning also needs to ensure that those with the most challenging behaviour and the most complex needs receive the right mix of general and specialist services

to respond to their needs.

Decision

1. That the Future Strategic Direction of Travel for Adult Social Care in Hartlepool be approved.
2. That any future budget re-profiling takes place as appropriate.

168. Local Strategic Partnership Governance *(Director of Regeneration and Planning Services)*

Type of decision

Non-key.

Purpose of report

To outline proposals for the development of governance within the Hartlepool Partnership, the Local Strategic Partnership (LSP) for Hartlepool and the structural framework of theme partnerships considered by the LSP Board.

Issue(s) for consideration by Cabinet

The Director of Regeneration and Planning Services indicated that the report included as appendices a report that had been considered by the Hartlepool Partnership Board on 8th December 2006 and the decision of the Board. It examines a number of influences on the future evolution of the LSP including an Audit Commission report on Partnerships, Hartlepool's Local Area Agreement submission, the Regeneration and Liveability Scrutiny Forum's scrutiny of partnership working, the sub-regional context and particularly the Local Government White Paper "Strong and Prosperous Communities". A number of broad proposals are put forward mainly focussed on adjustment to some of the theme partnerships. A related report considers proposed arrangements for the development of a Children's Trust in Hartlepool. Further reports would be necessary on the implication of the White Paper and in particular the possible role and remit of an LSP Executive.

The main proposals included the following (as set out in sections 9 and 10 of the LSP Board Report, Appendix 1):

- (a) The theme partnerships structure needs to be less hierarchical, with arrangements that recognise cross cutting relationships and interests and with clear and explicit responsibilities and expectations between these partnerships.
- (b) The theme partnership structure needs to recognise new integrated client based approaches such as the Children's Trust and emerging priorities such as the skills agenda.
- (c) Consideration should be given to the appropriateness of establishing

Performance Management Groups for all theme partnerships.

(d) Where practicable consideration needs to be given to more delegation of responsibility for decision making from statutory bodies to joint bodies made up of representatives of the statutory bodies within the LSP framework

(e) The theme partnerships would be adjusted to include the Children's Partnership/Trust, a new Hartlepool Skills Partnership, the development of the Health and Care Partnership to become the new statutory Health and Wellbeing Partnership and the addition of non-vocational 'learning' to the remit of the Culture, Leisure and Learning Partnership.

Following extensive discussion (Appendix 2) the LSP Board endorsed the report including the restructuring of a number of theme partnerships. It was further agreed that a paper setting out a possible role and remit of an LSP Executive be brought to a future meeting.

Decision

That Cabinet endorse the report including the restructuring of a number of the theme partnerships.

169. 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 involved 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 170 – (para. 3) Information relating to the financial or business affairs of any particular person (including the authority holding that information).

170. Financial Contribution to the BBC Tees Valley Proms Concert *(Chief Executive)*

Type of decision

Non-key.

Purpose of report

Details are set out in the 'Exempt' section of the minutes.

Issue(s) for consideration by Cabinet

Details are set out in the 'Exempt' section of the minutes.

Decision

Details are set out in the 'Exempt' section of the minutes.

J A BROWN

CHIEF SOLICITOR

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