

Cabinet

A meeting of Cabinet was held on Thursday, 1st February, 2007.

Present: Cllr R Gibson(Chairman), Cllr D Coleman(Vice-Chairman), Cllr Mrs P A Cains, Cllr B Cook, Cllr A Cunningham, Cllr E Johnson, Cllr P Kirton, Cllr K Leonard, Cllr S Nelson, Cllr Mrs J O'Donnell.

Officers: G. Garlick (CE); J. Danks (R) A. Baxter, P. Walkley (CESC); M. Batty, M. Robinson, J. Allport, D. Kitching (DNS), J. Grant, N. Hart (LD, H. Dean (PP).

Also in attendance: Cllr Mrs Beaumont,Cllr Mrs Fletcher, Cllr Fletcher, Cllr Frankland, Cllr Lupton, J. McDade (Unison).

Apologies: None.

998 Declarations of Interest

Cllrs Gibson, Coleman, O'Donnell, Mrs Cains, Leonard, Johnson, Fletcher, Lupton and Frankland declared a personal non prejudicial interest in the item entitled Free Concessionary Travel Scheme as they received, or were entitled to receive, or had relatives or friends who received or were entitled to receive free bus travel under the Travel Scheme.

Councillor Coleman declared a personal prejudicial interest in the item entitled Voluntary Sector Support Fund Allocations 2007/08 as he was a Member of the Stockton International Family Centre Management Board . Cllr Coleman left the meeting for the discussion and voting on this item.

Councillor Gibson declared a personal prejudicial interest in the item entitled Voluntary Sector Support Fund Allocations 2007/08 as he was a Member of the Newtown Resource Centre Management Board. Cllr Gibson left the meeting for the discussion and voting on this item.

Councillor Nelson declared a personal prejudicial interest in the item entitled Voluntary Sector Support Fund Allocations 2007/08 as he was a Member of the Stockton District Advice and Information Board. Cllr Nelson left the meeting for the discussion and voting on this item.

Councillor Kirton declared a personal prejudicial interest in the item entitled Voluntary Sector Support Fund Allocations 2007/08 as he was a Member of the Corner House Management Board . Cllr Kirton left the meeting for the discussion and voting on this item.

Councillor Mrs Cains declared a personal, non prejudicial interest in the item entitled Voluntary Sector Support Fund Allocations 2007/08 item as her husband served on the Stockton District Advice and Information Board.

Councillor Johnson declared a personal, non prejudicial interest in the item entitled Voluntary Sector Support Fund Allocations 2007/08 as her husband served on the Stockton International Family Centre Management Board.

Councillor Coleman and Johnson declared personal prejudicial interests in respect of the item entitled Redundancy/Efficiency Scheme and Discretionary Policy Statement Update on New Look Local Government Pension Scheme as

they were in receipt of Local Government Pensions. Councillor Coleman and Johnson both left the meeting for the duration of discussion and voting on this item.

Councillor Nelson, Mrs Cains, O'Donnell, Lupton, Beaumont and Fletcher declared a personal non prejudicial interest in the item entitled Redundancy/Efficiency Scheme and Discretionary Policy Statement Update on New Look Local Government Pension Scheme.

None

999 Minutes of the meetings held on 30th November 2006 and 4th January 2007

The minutes of the meetings held on 30th November 2006 and 4th January 2007 were confirmed as a correct record.

1000 Local Authority Nominations to School Governing Bodies

Cabinet Members were requested to consider the nominations to school Governing Bodies in accordance with the procedure for the appointment of school governors, approved as Minute 84 of the Cabinet (11th May 2000).

RESOLVED that the appointments to the following School Governing Bodies be approved in line with agreed procedures subject to successful List 99 check and Personal Disclosure:-

Temporary Governing Body of the New Roseberry Primary School - Mr. R. Sandbach Mrs D. Sidney Mr K. Davies

Yarm Primary School - Mr.P. Addison

1001 Proposed Amalgamation of Roseberry Infant School and Roseberry Junior School - Establishment of Temporary Governing Body

Cabinet was reminded that on 18 May and 10 August Members had considered reports on the proposals to cease to maintain Roseberry Infant and Junior schools and to form a new Community primary school on the same site.

At its meeting on 7 December 2006 the School Organisation Committee considered the proposal and agreed to the establishment of a new 420 place community primary school in Billingham, Stockton-on-Tees.

It was explained that as a result of this there was now the need to establish a temporary governing body to oversee the opening of the new school. The temporary governing body would have a total membership of 16, comprising of 6 Parent, 3 Staff, 3 LA and 4 Community Governorships.

It was agreed that the Council appoint the Local Authority, Community and Staff Governors.

The LA appointments would be dealt with in accordance with the procedure for the appointment of school governors approved as Minute 84 of the Cabinet (11

May 2000).

It was proposed that the community governorships be filled by Mr W Walton, Mrs L Smith, Mrs M Miles and Mr J McHale who were all serving as Governors on either the Infant or Junior School Governing Bodies.

It was also proposed that the staff governorships be filled by Mrs L Bardgetts and Ms J Jeffries who were employed at and serving on the governing bodies of the Infant and Junior schools respectively. The remaining staff governorship would be reserved for the Headteacher designate.

Members noted that where a temporary governing body was established, due to the closure of two existing schools, the local authority had the power to allow some or all of the temporary Parent Governors to be appointed by the outgoing governing bodies of the schools that were to close. It was, therefore, proposed that each Governing Body appoint three parent governors to the temporary governing body.

Finally, if for whatever reason any of the appointments were subsequently declined, there would be a need to ensure that the resulting vacancies were filled as soon as possible. It was, therefore, proposed that delegated authority be given to the Corporate Director of Children, Education and Social Care, in consultation with the Cabinet Member for Children and Young People to appoint to any vacancies arising from declined appointments.

RESOLVED that:-

1. a temporary governing body, for a new Community primary school in Billingham, with a total membership of 16 governorships, be established.
2. the two outgoing Governing Bodies of Roseberry Infant and Junior schools be empowered to each appoint three parent governors to the temporary Governing Body.
3. Mrs L Bardgett and Ms J Jefferies be appointed to the Temporary Governing Body as Staff Governors.
4. Mr W Walton, Mrs L Smith, Mrs M Miles and Mr J McHale be appointed to the temporary Governing Body as Community Governors.
5. delegated authority be given to the Corporate Director of Children, Education and Social Care and Cabinet Member for Children and Young People to appoint to any vacancies arising from declined appointments.

1002 Disaggregation of Connexions

Cabinet was reminded that on 3rd November 2005 it had approved the recommendation of the Connexions Tees Valley Board to work towards the disaggregation of the Tees Valley Connexions Company to the five LAs by 31 March 2007, and authorised the Director of Children, Education and Social Care, in consultation with the Lead Cabinet Member, to work with the Tees Valley Local Authorities (LAs) to effect this.

Cabinet was provided with details of the extensive arrangements that had been put in place to ensure the disaggregation across the Tees Valley would take place on 31st March and the Connexions-branded information, advice, and guidance service would begin operating on 1st April 2007. Every effort had been made to ensure that the disaggregation was achieved with consensus on key issues. Arrangements included ;-

- Establishment of a Planning Group (PLaG) and .
- Establishment of Operational Groups including Legal, Finance, Personnel and Information Management

In order for the disaggregation to take place the Connexions Board needed to agree a winding-up resolution which had been prepared by the Company's legal advisors, Dickinson Dees, and consulted on with the Legal Operational Group. In addition the Cabinet of each LA would need to approve recommendations on disaggregation, transfer of part of the service, and delegation of authority to complete the arrangements.

Cabinet was informed of a number of issues relating to the disaggregation viz:-

Financial

The Government Office for the North East (GONE) had notified the authority of its revenue allocation (£1.9m) for 2007/08 which was a slightly reduced share of a standstill budget for the Tees Valley. In addition a further £170k was being made available through the Local Area Agreement to continue the work of staff who had TUPE-transferred to Stockton and who were engaged in the Positive Activities for Young People programme. This would enable the Authority to refine its published interim Structure for delivering its integrated youth support offer.

Following extensive negotiations GONE had announced a level of financial support for disaggregation through its Transition Support Fund (TSF) (£2.3m across the Tees Valley) which had allayed anxieties over authorities needing to cover a significant deficit on disaggregation.

The Connexions Company had reserves in the order of £1.2m which could be used to offset the pension fund deficit.

The TSF would fund the setting up costs in Stockton of a Tees Valley-wide Management Information Unit to service the data and information needs of all five authorities. It had emerged that this Tees Valley-wide provision was a DfES requirement. The service would be provided under a Service Level Agreement, the terms and costs of which had been agreed between the local authorities.

Legal

The Legal Operational Group had been an important source of advice to the Planning Group, and the Finance and Personnel groups in their work with Connexions, whose Board had its own independent legal advice.

The legal arrangements for transferring part of the Connexions business to the 5 LAs (including employees, assets and any liabilities, contracts etc) would be

completed by executing a Transfer Agreement, a draft of which had been agreed by the Legal Officers of the 5 local authorities, PLaG, Connexion's Legal Advisors and Acting Chief Executive. Members noted that a copy of the draft could be accessed through the office of the Director of Law and Democracy.

The Transfer Agreement contained mutual indemnities whereby:-
Connexions would indemnify the LAs for any liability incurred by them in respect of any acts or failure to act pre transfer up to the available assets.
The LAs would indemnify Connexions for any liability incurred by them due to the LAs

RESOLVED that:-

1. the disaggregation of the Connexions Tees Valley Company from 31st March 2007, by transferring a part of the Connexions Service to each of the five Tees Valley local authorities be approved.

2. delegated authority be given to the Corporate Director of Children, Education and Social Care, Resources and Director of Law and Democracy, in consultation with the Leader of the Council, to complete the transfer arrangements including:- entering into the Transfer Agreement, assignment of the Bishopton Lane one-stop shop, and processing all ancillary and related documentation.

3. the Tees Valley Connexions Company and the other four Tees Valley local authorities be informed of the decision of Stockton Borough Council.

Cabinet was reminded that on 3rd November 2005 it had approved the recommendation of the Connexions Tees Valley Board to work towards the disaggregation of the Tees Valley Connexions Company to the five LAs by 31 March 2007, and authorised the Director of Children, Education and Social Care, in consultation with the Lead Cabinet Member, to work with the Tees Valley Local Authorities (LAs) to effect this.

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1003 Head of Service - Adult Operational Services

Cabinet noted that prior to April 2005 both adult and children's operational services were managed by the Assistant Director – Operations, Health and Social Care. As part of the Planning for the Future process, which created the three main service groupings of Children, Education and Social Care (CESC), Development and Neighbourhood Services (DNS) and Resources, it was agreed that the operational and strategic responsibility for adults and children's

services should be managed separately. A post to manage children's services was established and temporary arrangements put in place to manage adult services.

At that stage the joint partnership working with North Tees Primary Care Trust was still evolving particularly in relation to Adult Operational Services. In this regard the Principal Manager was given additional management responsibilities, on an interim basis, for the operational delivery of adults services for the Council.

The partnership working between the Council and the PCT had subsequently developed. The Principal Manager leading the adult operational service on an interim basis would retire on 31st March 2007 and the PCT had appointed its Director of Operations to a Teeswide Director's post. It was considered that the timing was now right for both organisations to move the integration agenda forward by the appointment of a jointly funded post for Head of Adult Operational Services which would have overall operational and strategic responsibility for the delivery of all health and social care services for adults and older people living in the Borough of Stockton.

It was proposed that the new Head of Adult Operational Services be employed by the Council on JNC Head of Service terms and conditions and salary range. An assessment had been made and it was suggested that the post be graded on the Head of Service range 2, £64,122. Members were provided with a job description for the post.

RESOLVED that the establishment of a jointly funded Head of Adult Operational Services/Associate Director, grade within the head of service range grade 2 £64,122 in partnership with North Tees Primary Care Trust be approved

1004 Review of Concierge Security Service

Cabinet was reminded that, at its meeting on 2 November 2006, it had endorsed, in principle, a proposed change to the Concierge Security Service, i.e. 'single crewing' at selected sites between 1 am and 7 am, and agreed to receive a further report on the outcome of consultation with residents and with workforce and trade unions.

The results of the consultation process for residents were provided to Members. The five main headings ('Strongly Support' to 'Strongly Oppose') showed responses to the key question about how residents felt about the 'Single Crewing' proposal and the three sub-headings 'Yes', 'No', and 'N/A' showed responses (or lack of response) to the supplementary question about willingness to pay an increase in the service charge of approximately £4 per week as an alternative to single crewing. Responses were received from 269 households of the 754 consulted, a response rate of 36%. Members noted that a clear majority of respondents supported the 'single crewing' proposal, with:

153 respondents (56%) expressing support
50 respondents (19%) expressing a neutral position
66 respondents (25%) expressing opposition

When analysed by type of residents, there was a majority in favour of the proposal among each of the three groups, i.e. tenants in receipt of full Housing Benefit, rent-paying tenants, and leaseholders. When analysed by block, a majority of respondents in seven of the eight blocks included in the consultation process (Anson House, Hudson House, Hume House, Nolan House, Kennedy Gardens 1, Kennedy Gardens 3 and Dawson House) were in favour of the proposal. Respondents in the remaining block (Kennedy Gardens 2) were equally divided between supporters and opponents of the proposal (14 of each).

In relation to the consultation with the workforce, all employees within the Service (including the four supervisors) were individually surveyed about their preferences. In addition, letters were sent to UNISON (representing 22 of the 43 individuals concerned) and GMB (representing five individuals), and two briefing sessions were held, which all employees were invited to attend.

No formal responses were received from the two trade unions. A meeting had been held with the Unison Branch Secretary, who indicated that he was likely to leave the issue in the hands of the UNISON Steward within the Service. At the time of writing, responses had been received from all but four of the individuals concerned, and, of those, seven had indicated a provisional interest in voluntary redundancy (on a 'no commitment' basis, subject to detailed figures) and a further two had expressed an interest in reducing their working hours.

The position in respect of voluntary redundancy was complicated, given that the Council's redundancy policy was under review. Until a new policy was approved, no further action could be taken in relation to discussing figures and options with individual employees.

If all seven expressions of interest in voluntary redundancy were to develop and be approved, the direct workforce would then reduce to 36 (including four supervisors). It was proposed to process any such applications under the current scheme of delegation, once a new redundancy policy had been approved.

In order to improve the resilience of security systems covering the blocks of flats concerned, it was also proposed to draw up and implement a programme of linking the CCTV, door entry and intercom systems for each block to the Council's Security Centre. Detailed proposals would be included in a full report covering the housing element of the Capital Programme.

RESOLVED that

1. the proposal to move to 'single crewing' at selected sites (Thornaby, Queen's Park and Kennedy Gardens/Dawson House) between 1 am and 7 am be approved.

2. the applications for voluntary redundancy be processed in accordance with the Council's redundancy policy, and subject to the usual checks and balances, including approval by the Cabinet Member responsible for Resources.

1005 Stockton Town Centre Car Parking Strategy

Members were reminded that, at its meeting held on 20 April 2006, approval was given to the principle of revocation/relaxation of Town Centre waiting restrictions and to the introduction of on-street charging where it would assist short stay customer parking and support small businesses.

The report also endorsed a review of Market Trader parking, Taxi Rank provision, Blue Badge enforcement as well as the introduction of Bus Lane Camera monitoring.

Members were mindful of the Stockton Riverside Sites Master Plan exercise and its potential impact on off-street parking provision in the town and agreed that a further report be brought on a Parking Strategy for Stockton Town Centre.

Members were provided with details of how the Riverside Sites Master Plan would impact on Stockton Town Centre off street parking.

Members noted that detailed proposals to introduce on street pay and display parking, extend town centre residents parking zones and provide additional taxi ranks had been developed. Work was progressing on a residents parking zone in the Parkfield area and consultation would commence later in the year on the introduction of a residents parking zone in the Wellington Street area.

A study of parking had been carried out on by Faber Maunsell Consulting Engineers. From the study the Council would develop a car parking strategy to ensure the appropriate level, location, quality and pricing of on and off street car parking in the town centre in order to assure the continued vitality of Stockton town centre in the short, medium and long term. Members were provided with a copy of the Executive Summary and Action Plan coming from the study, together with a plan identifying the location of key sites. A copy of the full report had been made available in the Members' Library.

Cabinet noted the key findings and recommendations of the study. Details of the consultation undertaken during the study was provided.

Taking into account the consultants findings and recommended action plan and the need to make some positive steps to both manage single occupancy Council employee car trips and encourage modal shift, Cabinet were asked to consider short, medium and long term strategies. Details of the strategies were provided to Members in the report. It was noted that the short term strategy suggested the implementation of Camera Enforcement of the High Street Bus Lane.

RESOLVED that

1. the short to medium term off-street Car Parking Strategy detailed in the report be approved in order to deal with impending redevelopment of existing sites.
2. the longer term car parking strategy be approved to inform future Capital bids subject to detailed feasibility and a further report to Cabinet at the appropriate time.
3. the progress with on-street pay and display car parking proposals to assist

businesses with additional short stay customer parking opportunities be noted.

4. the Council Travel Plan contribution to the overall strategy be agreed.

5. the implementation of camera enforcement of the High Street Bus Lane be approved.

6. Delegated authority be given to the Corporate Director of Development and Neighbourhood Services in consultation with the Cabinet Member for Regeneration and Transport to take detailed actions to deliver the Stockton Town Centre car parking Action Plan using Local Transport Plan Capital allocations.

7. the introduction of a Residents Permit Zone in the Parliament Street area, with consultation on further expansion to the Wellington Street area planned for later in the year, be noted.

8. it be noted that there are no significant changes to the service area's Medium Term Financial Plan at this stage.

1006 Free Concessionary Travel Scheme

Members were reminded that Cabinet agreed to the Council's participation in the Tees Valley Enhanced Concessionary Travel scheme at its meeting held on 9 March 2006. The enhanced concessionary travel scheme enabled those who qualified for free concessionary travel under the Transport Act 2000 to travel anywhere within the area covered by Hartlepool, Middlesbrough, Redcar & Cleveland and Stockton-on-Tees Borough Councils at any time of day and at no charge to the pass holder.

Agreement was subsequently reached with bus operators on operation of the scheme for one year on the basis of fixed payments to operators. The cost of the agreement for the year from 1st April 2006 to 31 March 2007 inclusive was £2.4 million. To continue after 1st April 2007 agreement had to be reached with operators to extend the Tees Valley Enhanced Concessionary Travel Scheme.

On 22 March 2006 the Chancellor of the Exchequer announced that from 1st April 2008, the government intended to introduce a new national scheme to apply throughout England. This would bring concessionary travel in England into line with the national schemes operating in Scotland and Wales. There was still no firm indication as to the scheme to be implemented from 1st April 2008 or how it was to be managed and financed.

It was, therefore, necessary to agree a scheme to operate from 1st April 2007 to March 31st 2008 inclusive. Operators had indicated that they would wish to agree an extension of the present Tees Valley Enhanced Concessionary Travel Scheme for a further year. It was recommended that a one-year extension of the present agreement be sought based on fixed payments reflecting the number of concessionary journeys made with each participating operator, the average fare of each operator and a reimbursement factor based on Department for Transport guidance. It was further recommended that negotiations be carried out on a Tees Valley wide basis in order to secure consistency between authorities.

An extension of the Tees Valley Enhanced Concessionary Travel Scheme for a further year would also need to reflect changes in operating costs. Fares charged by the bus industry were increasing at 3-4 times the general inflation rate. Both major operators in the Tees Valley had introduced fare increases in both May and October 2006, each well above the overall annual inflation rate. Some operators were seeking further substantial increases in payments to reflect fares increases.

The financial implications for the Council of continuing the Tees Valley Enhanced Concessionary Travel scheme were that it may place an additional financial burden on the Council in 2007/08, which may be partially offset by an additional allocation by the government to provide for free concessionary travel within the boundaries of Stockton-on-Tees after 9.30am on weekdays and all day on weekends and Bank Holidays. The total cost of providing the Tees Valley Enhanced Concessionary Travel scheme to Stockton was £2.347 million including administration and distribution costs for permits. Approximately £80,000 revenue previously obtained through the issue of passes was also lost to the Council in 2006/07. It was still possible during the 2006/07 year that additional costs may be incurred through new operators joining the scheme or through an operator increasing its concessionary patronage by in excess of 50%, but neither circumstance had arisen over the first six months operation of the scheme.

In light of this the Tees Valley Authorities of Stockton, Hartlepool, Redcar and Cleveland and Middlesbrough issued an initial joint Tees Valley offer to operators during week commencing 8 January. Following that offer there would be joint negotiations with the major operators and a key element would be to persuade operators to continue to negotiate at a Tees Valley level.

The total Tees Valley Payment to all bus operators in 2006/07 was marginally in excess of £8M. The Government had stated that it would increase the amount made available to councils to fund the scheme from £350M to £367.5M, an increase of 5%. The offer made to operators by the Tees Valley Authorities for 2007/08 was consistent with this. The financial issues had been identified as a priority pressure for member consideration in the forthcoming budget setting process.

The Council provided notification of its proposed reimbursement arrangements on 1st December 2006 under Section 95 of the Transport Act 1985 and Section 150 of the Transport Act 2000. The notice was issued jointly with the other participating Tees Valley authorities and was provided to Members. The purpose of the notice was to enable the councils to vary payments and if necessary the operation of the Tees Valley Enhanced Concessionary Travel Scheme.

RESOLVED that

1. approval be given, in principle, to the continuing participation of Stockton-on-Tees Borough Council in the Tees Valley Enhanced Concessionary Travel scheme offering free travel at any time within and between the areas covered by Stockton-on-Tees, Hartlepool, Middlesbrough and Redcar & Cleveland Borough Councils.

2. the enhanced scheme operates for a further one-year period from 1st April 2007 to March 31st 2008 inclusive, with negotiations carried out on a Tees Valley wide basis.

3. approval to determine the Stockton contribution to a joint Tees Valley offer for the year 2007/08 be delegated to the Corporate Director of Development and Neighbourhood Services in consultation with the Corporate Director for Resources and Cabinet Member for Regeneration and Transport.

4. a further report be provided to Cabinet reporting on the implications for Stockton

on-Tees of the proposed new national scheme to be introduced from 1st April 2008, once Government Guidance had been issued and evaluated.

1007 Safety Camera Partnership

Cabinet considered a report concerning the establishment of a new Road Safety Partnership with effect from April 2007 replacing the current Cleveland Safety Camera Partnership. The four former Cleveland authorities had agreed to continue the Safety Camera Partnerships within the new framework but were looking to significantly reduce the operating costs in order to use the efficiency savings to invest in education and training initiatives including maintaining those that were under financial pressure.

A new Business Case for the Safety Camera Partnership had been produced for endorsement by the partner organisations and was provided to Cabinet.

RESOLVED that

1. the revised Business Case for the Cleveland Safety Camera Partnership from April 2007 as detailed in the report be approved.

2. the use of the Council's remaining Road Safety Grant allocations for Road Safety Education, Publicity and Training initiatives as set out in the report be approved.

3. Members note that £50,000 pa savings from the partnership had already been incorporated into the Medium term financial Plan.

1008 Voluntary Sector Support Fund Allocations 2007/2008

Councillor Cunningham in the Chair

Members noted that, at its meeting held on 11th November 2004, Cabinet had agreed indicative allocations for the main voluntary sector organisations through to March 2008. An interim report was submitted to Cabinet on 9th March 2006 outlining changes to the sector, including new governance arrangements and agreeing allocations for 2006/7 subject to compliance by recipients in meeting the Council's 'Code of Practice-Governance'. At that meeting Cabinet also agreed a comprehensive review of the fund later in the year to reflect changes to the sector including an independent review of the Stockton Voluntary Development Agency (SVDA) and Stockton Residents and Community Groups

Association (SRCGA) which was nearing completion.

Members were updated about a process to carry out a comprehensive review to culminate in a report to Cabinet in Autumn 2007 that would recommend the process for distributing the funding allocations within the framework of a medium term financial plan.

It was explained that recipient organisations of the core funding included both umbrella organisations and deliverers of services, who signed a core funding agreement with the Council. The review offered an opportunity to develop more of a commissioning approach to the delivery of services with a stronger alignment of outcomes to support key objectives in the Community Strategy. It was anticipated that allocations would need to be of sufficient duration to allow organisations to forward plan in the medium term in line with the Council's own financial planning and this would allow the setting of longer term service delivery outcomes.

A great deal of progress had been made on governance and performance management over the last year with the introduction of the Council's Code of Practice-Governance and the development of a database of voluntary sector organisations who were in compliance with the code. It was a condition of any grants or contracts to the voluntary/community sector that organisations were in compliance with the code.

Allocations to umbrella organisations were already linked to performance against a series of milestones, which would indicate support to the wider voluntary/community sector. Differentiating between umbrella organisations and those delivering services would allow the Council to strengthen this approach by including consultation with the umbrella organisations 'client organisations', particularly the smaller organisations on what support they needed from the umbrella organisations as part of the review of the VSSCF. It was likely that this would identify, amongst other things, a need for support around constitutions, registering as a charity, human resources and financial advice or signposting to such advice. Consulting the 'client' organisations at this point could allow the Council to engage them in the annual evaluation of the performance of their umbrella organisation, which formed part of recipient organisations Core Funding Agreement. This approach could promote greater and more consistent engagement of the sector with their umbrella organisations and vice versa.

It was explained that the Democratic Services Unit had conducted a review of Member representation on outside bodies and the insurance arrangements that organisations had in place to cover Members who served on them. The initial proposals, from the review of the VDA/SRCGA, indicated that any new umbrella organisation arising from the review would not be seeking councillor representation on the Board of Directors. The review of the voluntary sector core funding afforded the opportunity to consult Members on whether they wanted formal representation on those outside bodies and to explore other models of engagement for Members.

It was anticipated that the independent review of the Stockton Voluntary Development Agency (SVDA) and Stockton Residents and Community Groups Association (SRCGA) umbrella organisations would be finalised and organisational changes implemented. Therefore it was proposed to hold a

seminar in July to inform Council Members of the final arrangements and to kick start the review of the Voluntary Sector Support Core Funding. This seminar would also include representation from services across the Council to help identify desired outcomes from the voluntary sector which would support key strategies. It would be important to build into the review consultation with the voluntary and community sector so the following timetable and stages were proposed to culminate in a report to Cabinet in November 2007.

Timetable for review

Beginning of July

Member and Officer consultation seminar to discuss -

Umbrella organisations/ delivery organisations
Core funding/commissioning
Governance/Performance management
Member representation on boards

July –Sept

Consultation with the recipient voluntary sector organisations, the other VCS organisations registered on the Council's 'Code of Practice-Governance' database and other voluntary sector organisations in the Borough

November 2007

Report to Cabinet.

Formal notification to existing recipients of any changes to the allocations.

It would be necessary to allow organisations a lead in time if it was proposed that any new arrangements for the core funding be implemented following the review. There would however be a significant pressure on resources if further NRF allocations were not part of the forthcoming Government Spending Review.

RESOLVED that

1. funding from the Voluntary Sector Support Fund be approved for allocation to the Voluntary Sector for the financial year 2007/8 as detailed in Appendix 1 of the report and Core Funding Agreements (CFA) be extended for that period.
2. the allocations for 2007/8 as detailed in Appendix 1 be approved subject to compliance by recipients in meeting the 'Code of Practice – Governance'
3. approval for any changes within recommended allocations, plus or minus 10% of that detailed in Appendix 1, be delegated to the Corporate Director for Development and Neighbourhood Services in consultation with the Cabinet Member for Regeneration and Transport.
4. a comprehensive review of the Voluntary Sector Support Fund arrangements be undertaken and a report be brought back to Cabinet in November in light of

the independent review of the Stockton Voluntary Development Agency (SVDA) and Stockton Residents and Community Groups Association (SRCGA) merger which was underway, governance issues and other changes within the sector.

5. as part of the Voluntary Sector Support Fund review Members be consulted on the options for formal representation on the Boards of recipient organisations

6. a protocol be agreed for Officer support to the Management Boards of Voluntary Sector Support Fund recipients.

1009 Minutes of Various Bodies

Councillor Gibson in the Chair

Consideration was given to minutes of meetings of Area Partnership Boards and the Regeneration Sub Group.

RESOLVED that the minutes of the following Area Partnership Boards and the Regeneration Sub Group, as detailed at the Appendices attached, be received/approved, as appropriate:-

Regeneration Sub Group 1st August 2006
Regeneration Sub Group 5th September 2006
Western Area Partnership 25th September 2006
Regeneration Sub Group 7th November 2006
Regeneration Sub Group 5th December 2006
Western Area Partnership 27th November 2006

1010 Redundancy/Efficiency Scheme and Discretionary Policy Statement Update on New-Look Local Government Pension Scheme

Cabinet noted that a number of proposed changes to the Local Government Pension Scheme (LGPS) were under discussion, which would result in a New Look LGPS coming into force on 1 April 2008. Amendments had also been made to the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations 2000. These regulations governed the compensation that Authorities could award to an employee whose contract ended on the grounds of redundancy or efficiency. The new regulations set out to ensure that the discretionary powers to award compensation to local authority staff whose employment was terminated early would meet the requirements of the European Employment Directive.

The current and proposed provisions available to local authorities to compensate employees under the Discretionary Compensation Regulations were provided as follows:

Current Provisions

The discretionary power to remove the weekly pay ceiling placed on statutory redundancy payments under the Employment Rights Act and to calculate, instead, on pay up to the actual week's pay.

The discretionary power to award a one-off lump sum payment of up to 66 weeks' pay, based on a service and age-related formula.

The discretionary power to award added years on top of the benefits payable under the Local Government Pension Scheme (LGPS) for eligible employees aged 50 or over and under 65.

New Provisions

Retain the discretionary power to waive the weekly pay ceiling placed on statutory redundancy payments and to calculate, instead, on pay up to the actual week's pay

Provide a discretionary power to award a one-off lump sum payment of up to, but not exceeding, two years' pay (104 weeks), inclusive of any redundancy payment made. Information received to date indicates that any payment of over £30,000 including any pay in lieu of notice will be subject to tax at the individual's current rate.

Remove the power to award added years (although additional membership can still be awarded through the augmentation provisions in the LGPS).

The new regulations also contained transitional provisions to the end of the current 2006/7 financial year which meant that an employer could choose to use either the 2000 regulations or the 2006 regulations for a person whose employment with them commenced before 1 October 2006 and whose termination date was on or after 1 October 2006 and before 1 April 2007.

There was no change to the earliest age that benefits may be paid on the grounds of redundancy or efficiency, or at which an employer could agree to the early release of pension benefits, this remained at age 50 (but would have to increase to 55 by 2010).

Each Employer who participated in the LGPS was also required to formulate, publish and keep under review a Policy statement on certain discretions contained within the Regulations. The proposed Discretionary Policy Statement was provided for consideration.

Cabinet was provided with a copy of the Council's current early Retirement/Redundancy and Efficiency Scheme together with a copy of the proposed Redundancy/Efficiency Scheme. Members noted some of the key elements of the proposed scheme viz:-

- In case of redundancy a 2.2 multiplier would be used as this provided for the same maximum award as the current scheme.
- In the case of Efficiency of the Service a payment of up to 52 weeks salary would be made. The amount payable would be based on efficiency criteria (a copy of the criteria was provided to Members)

Cabinet was provided with a table comparing payments an individual would receive in a redundancy situation under the existing Scheme and under the proposed Scheme.

Members noted that formal consultation had taken place with the Trade Unions on the proposed Redundancy/Efficiency Scheme and Discretionary Policy

statement. Unison made some initial comments (details were provided to Members) and a meeting was arranged to discuss their concerns. Further details were subsequently provided in respect of the efficiency gain criteria. No further comments had been received.

Standard documentation would be applied across all Services, which would be completed and signed by the Head of Service and also by the Head of Finance/Head of Operational Finance. The application would then be subject to approval by the Corporate Director of the Service in consultation with the Head of Human Resources and appointed Cabinet Member. Approval was also required for any anticipated pay in lieu of notice together with its justification.

With regard to the proposed New Look Government Scheme Cabinet was provided with the key elements:

- Normal Pension Age (NPA) of 65 in order to obtain a release of unreduced benefit;
- Earliest age for release of pension is to be 55 by 2010 for current members except on grounds of ill-health;
- Earliest age for release of pension was 55 for new joiners after 1 April 2008, except on grounds of ill health;
- Augmentation of membership/benefits on an objectively justified basis;
- Final Salary Pension based on 1/60th of salary for each year of pensionable service, with the flexible option to commute pension at the rate of £1 of annual pension for £12 of lump sum up to a maximum tax free lump sum of 25 per cent of capital value of accrued benefit rights at date of retirement;
- The better of the last year's whole-time equivalent salary or the 're-valued' (in line with the Retail Price Index (RPI)) average of the best three consecutive years salary in the last ten years of service;
- Survivor benefits for life payable to spouses, civil partners and "nominated" dependent partners (opposite and same sex) at a 1/160th accrual rate;
- Survivor benefits payable to children at a maximum accrual of 1/160th;
- Revised ill-health retirement package with no review system - banded approach with a higher level of benefits for total incapacity and a different level of benefits for partial incapacity;
- A death-in-service tax free lump sum of 3 times salary;
- Scope to have post-retirement lump sum death benefit up to a maximum of 10 years;
- Phased retirement arrangements that would enable LGPS members under specified circumstances to draw down some or all of their accrued pension rights from the scheme while still continuing to work;
- Actuarial enhancement for those who continue in work beyond NPA of 65 without accessing their pension benefits;
- A facility to purchase up to £5,000 of added annual pension.

Members queried the proposal to have post retirement lump sum death benefit up to a maximum of 10 years and requested that this be clarified by officers.

Any further comments on these proposals had been requested by 28 February 2007. The last consultation exercise with employers on the New Look Scheme took place in September 2006 and Stockton's response was circulated to all Members. It was proposed to provide a further response to the current consultation exercise and this would be circulated to all Members for any

comment prior to it being submitted.

The New-Look Scheme was programmed to be fully operational from 1 April 2008. To achieve this, the Government's timetable and programme of reform required the new regulations to be in place for 1 April 2007.

RESOLVED that

1. the Redundancy/Efficiency Scheme and Discretionary Policy Statement as detailed in the report be approved with immediate effect.
2. the elements of the proposed New-Look Local Government Pension Scheme be noted for information and also a response be provided to the current consultation exercise which would be circulated to all Members for any comment prior to it being submitted.

1011 Stockton Darlington Partnership

Cabinet was reminded that, at its meeting held on 1st December 2005, it had given approval for detailed work to be undertaken looking into the possibility of joint working with Darlington Council.

Members noted that at that stage a piece of work had already been undertaken which considered the potential for joint working across most of the Resources Service Grouping areas, Benefits and Legal. This work concluded that there were benefits to be had and suggested that efficiencies between £0.9m and £1.5m may be achieved. The efficiencies took no cost of establishing joint working into account and were nothing more than high level estimates at that stage. The work identified four strands which it was felt would provide the most benefit and least challenge in terms of implementation, as follows:

1. Transactional HR
2. Transactional Finance
3. Design and Print
4. Information and Communication Technology

The detailed design stage of the project had been quite a considerable task and Members were informed of what had been involved.

Details of the outcomes so far were provided

Transactional HR & Finance

Much of the work in transactional finance and HR has centred around changes to systems. Stockton has already carried out considerable re-engineering of these services following the implementation of new systems. More development was scheduled and more re-engineering would follow. Darlington expect to do the same. As a consequence both Councils had efficiencies built into medium term financial plans. The detailed design work firstly took account of the scheduled changes and then sought to consider whether other efficiencies could be made as a result of joining the two services together. Initial estimates are as follows:

- HR £210,000 per annum (full year/full implementation)
- Finance £180,000 per annum (full year/full implementation)

As with other strands, these were gross efficiencies, transitional costs such as accommodation and staff costs had not yet been established.

Design & Print

A number of options had been considered for Design & Print. The analysis of the current situation established that in both Councils works goes outside to external design and print shops. One option was to join the two services and invest in additional equipment which would accommodate the work currently going outside. This would require considerable investment however, and print rooms had seen a reduction in usage over recent months, probably as a result of the expansion of electronic facilities. It was felt that this option was too risky at this stage. The option which was considered to be most relevant was a co-located service with one black and white copier at both Darlington Town Hall and Stockton Municipal Buildings. This option required all print and design work to be routed through the Service, although external suppliers would still be used where necessary. This was to ensure that maximum procurement terms were achieved. Initial estimates of gross efficiencies were:

- Design & Print £120,000 per annum (full year/full implementation)

Information and Communication Technology

Consultants working with ICT Managers and staff from both organisations had analysed staffing structures, systems, hardware, etc, and determined a number of options. The most favourable option was a co-located (hosted) ICT service with shared operations. The proposals put forward suggested a fundamental change to the way in which the service was provided. In the past the ICT service had been seen as a utility service, ie delivering the engine room of the organisation and, as such, had evolved rather than been planned. Changes to technology and the increased reliance and use of it meant it was time for this approach to change. It was suggested that changes to technology were planned for and funded (which was not always the case now) and a replacement programme was developed. In addition, a change to the way in which staff perform their tasks had been suggested. The new approach maximised the use of technology in the provision of the service, seeking to automate functions as much as possible. Initial estimates of gross efficiencies once fully operational were:

- ICT £730,000 per annum (full year/full implementation)

The new approach to ICT did however require substantial up front investment of approximately £1.6m. This mainly related to capital expenditure of infrastructure and architecture, around half of this cost would be incurred again after 5 years. Over a 10-year period the potential gross* efficiencies would be £2.4m.

*gross efficiencies are once again referred to as accommodation, transitional staffing costs have not been taken into account.

A summary of the gross efficiencies over a 10-year period were given below:

Transactional HR - £2,000,000
Transactional Finance - £1,620,00
Design & Print - £1,140,000
ICT £2,400,000
Total £7,160,000

This would be shared between the two Councils at a percentage to be determined.

Members noted that a number of areas of work had not reached a final conclusion. These centred around the completion of a detailed business case and the development of appropriate governance arrangements. The following list, although not exhaustive, outlined the remaining areas of work:

- Identification of the project team to take the phase forward. There may have been an issue around capacity and skills which needed to be resolved.
- Identification of the transitional and indirect costs.
- Reconsideration of assumptions to challenge the robustness of the efficiency estimates.
- Assessment of risks and associated actions to mitigate against them.
- Assessment of timescales and interdependencies.
- Consider accommodation options and prepare a final proposal.
- Conclude deliberations around the decision-making structure, ie whether the Partnership should be operated as an "Employing"/"Administering" Authority.
- Develop proposals for decision-making and Member involvement.
- Preparation of outline Terms of Reference or Management Agreement.
- Identification and resolution of employment and staffing issues.

It was expected that the above would be finalised during the spring/summer 2007. As the report considered by Cabinet identified that efficiencies could be derived from the Partnership, approval in principle to proceed was sought. A final report would be presented to Cabinet at around September 2007.

RESOLVED that

1 progress be noted.

2 approval to proceed be given in principle pending a final report to Cabinet later in 2007.

1012 Local Government Ombudsman's Report

Cabinet was informed that the Ombudsman had completed an investigation into the way the Council changed its procedure in relation to the licensing of hackney carriage vehicles.

It was explained that when applications were made to licence a vehicle as a taxi the Council required the owner of the vehicle to produce the V5 registration document or log book. This provided evidence of:-

- Who the registered keeper was;

- Previous accident damage resulting in an insurance 'write off';
- Chassis and engine numbers that may have helped indicate whether the vehicle had been stolen or stolen parts had been fitted

Until 1st April 2005 the Council had issued taxi licences for used vehicles pending later production of the V5 document by the owner. Experience showed that many drivers would not produce their V5 documents and licensing staff were then required to send reminder letters requesting that the document be produced.

The Council therefore decided to tighten up the practice by accepting applications for the licensing of vehicles but not issuing the licence plate until the owner of the vehicle produced the V5 document showing him as the registered keeper.

The Ombudsman concluded that the previous practice did cause the Council problems and it was entitled to change it. However, the Ombudsman criticised the Council for failing to adequately consult with trade associations about the proposed change and to give proprietors and drivers reasonable advance notice of the change. The Ombudsman concluded that this constituted maladministration. The Ombudsman also concluded that maladministration had occurred as the Council should have drafted an article in the Trade Times more carefully as it gave the misleading impression that the taxi associations were aware of the change in advance and had agreed to it.

The Ombudsman found that the Complainant had suffered injustice as a result of maladministration. The maladministration related to:-

- failing to consult the associations contrary to its policy and publicity;
- failing to give taxi drivers adequate notice;
- publishing a misleading article implying that the associations had agreed to the change

In compiling her report, the Ombudsman had looked into the issues surrounding the production of V5 document by the Complainant during 2004. The Complainant had provided to the Ombudsman an amended V5 which appeared to be date stamped by the Council as having been received by the Council on 29 June 2004. The V5 in question was not date stamped on the front page, as was standard practice for Council staff, but on the third page. The Complainant in question had convictions for making a false statement to obtain insurance and for using a document with intent to deceive. It was not clear why, if the Complainant had a date stamped V5 document in his possession from 29 June 2004, he did not produce this at an earlier stage in order to resolve the argument in his favour. The Ombudsman appeared not to have addressed these issues. The Ombudsman also stated in her response that "In the course of this investigation both the Council and [the Complainant] had provided me with information which subsequently was shown to be incorrect". From the Council's point of view, the accuracy of this statement was disputed, and the Ombudsman had been asked to clarify to what information she was referring in this passage, but had not responded to this request.

The Ombudsman recommended the payment of the sum of £250 as compensation for the time and trouble in the Complainant bringing the

complaint. It should be noted that the Complainant was not entitled to any sum for alleged loss of earnings.

The Ombudsman also urged the Council to meet with the trade associations to discuss their compromise proposal. The trade associations had a membership of 150 whilst the Council licences 700 persons. As the trade associations did not represent all taxi drivers within the Borough it was proposed that as part of a wholesale review of licensing policy the compromise proposal be included in a written consultation exercise to allow all members of the trade, including the trade associations, to be consulted. Following the consultation and the review of licensing policy a report would be included in the Trade Times which was circulated to all members of the licensed taxi trade including the trade associations.

The Head of Community Protection had endorsed the suggested remedy and would take the recommended action.

RECOMMENDED to Council that

1. the Council offer £250 compensation to the complainant to cover his time and trouble in bringing the complaint;
2. a representative of the Licensing Section:-
 - consult in writing with the whole of the taxi trade within the Borough on the suggested compromise solution put forward by the trade associations, namely that Vehicle Licences be issued prior to providing a V5 document in the applicants name and if the V5 document is not presented to the Council within a period of 28 days from issue of the Licence then the licence be automatically suspended until the V5 is produced.
 - an accurate report of the consultation and the Council's response to the proposal be published in the Trade Times;
3. the Ombudsman be notified of the action taken in response to the report.