



MEETING OF THE CABINET
5 SEPTEMBER 2005 - 10.30 AM - 11.11 AM

PRESENT:

**Councillor Peter Martin-Mayhew
Councillor Terl Bryant
Councillor Ray Auger
Councillor Paul Carpenter
Councillor Mrs Frances Cartwright
Councillor John Smith**

Councillor Mrs. Linda Neal – Leader / Chairman

**Chief Executive
Director of Community Services
Head of Environmental Health & Licensing
Head of Leisure & Cultural Services
Member Services Manager
Public Relations Manager
Trainee democratic Support Officer**

Non Cabinet Members : Councillors Kerr ; G. Taylor ; G. Wheat ; Wilks

CO56. MINUTES

The minutes of the meeting held on 8th August 2005 were confirmed as a correct record.

CO57. DECLARATIONS OF INTEREST

No declarations of interest were made.

CO58. ESTABLISHMENT OF A LEISURE TRUST

DECISION

- (1) The Cabinet notes the advice contained in the consultants' report and requires further work on a single versus multiple trust option for the delivery of cultural services;
- (2) To embark on a consultation exercise as identified in report LAC146 to investigate some of the additional considerations identified by the consultants' and to provide appropriate community information;
- (3) The Cabinet is minded to support the movement towards the development of a leisure trust, the resources for which to be included within the formal budget setting process. However, the lease/ownership issues in relation to the Deepings and Bourne leisure centres including the apportionment of any proceeds arising from the creation of the trust are to be resolved with the Lincolnshire County Council prior to the setting up of the trust(s);
- (4) That a timetable and definitive list of services to be transferred to the trust be compiled by 31st November 2005.

Considerations/Reasons for Decision:

- (1) Report number LAC146 by the Head of Leisure & Cultural Services setting out the recommendations contained in a consultants' report on the viability of establishing a leisure trust to manage some or all of the services currently provided by the Council's leisure and cultural services section;
- (2) The consultants, PMP, looked at various models of not for profit organisations, the services provided by the Council and their operational costs, business rates and VAT. Future capital costs were also considered;
- (3) Consultation undertaken with officers of the Council, some town and parish councils, facility users and neighbouring authorities;
- (4) An exploration of the advantages and disadvantages of the trust options, together with the roles and responsibilities of board trustees;
- (5) Consideration of the legal and property issues, including the leasehold transfer of assets to a trust. Staffing implications have also been considered;
- (6) A proposed course of action which will be required if the Council wants to accept the consultants' advice and proceed with the development of a trust. A period of consultation will be needed in order to establish the framework around which the new organisation can be built;
- (7) The consultants have identified one off costs of £150,000 that will be incurred in establishing a new leisure trust;
- (8) The Cabinet approve the establishment of a trust or trusts in principle but are mindful that there are outstanding issues to be resolved first,

most notably the lease/ownership issues in relation to the Bourne and Market Deeping leisure centres with the Lincolnshire County Council. The Cabinet indicated its desire to see these matters satisfactorily resolved before any trust(s) is established;

(9) In view of the timescale for consultation, the Cabinet requested that this issue be fed through the current round of Local Area Assemblies.

Alternative options considered and rejected:

Options for management of leisure facilities, including the development of a partnership trust arrangement have previously been considered, assessed and dismissed.

[The Director of Community Services, and the Head of Leisure & Cultural Services here left the meeting before discussion and consideration of the following item.]

CO59. REVIEW OF SENIOR MANAGEMENT STRUCTURE

DECISION:

That the Council be recommended

(1) to make the following adjustments to the budget and policy framework:

- (a) £300,000 towards the salary costs relating to the implementation of the review of the Council's Senior Management Structure from 1st April 2006;**
- (b) £150,000 to be a provisional estimate for the period 2006/07 to 2006/07 to cover the costs of the external recruitment, any redundancy payments and additional salaries payable if appointments are taken up before 1st April 2006.**

(2) to approve that member consultation on the appointment of the Strategic Directors is undertaken by the involvement of the members of the Chief Executive's Appraisal Panel and the remit for this panel be extended to include the authority to implement and make assessments against a performance-related pay scheme for the Chief Executive.

Considerations/Reasons for Decision:

- (1) Revised report CEX296 by the Chief Executive which had been amended to take account of on-going consultation with the Corporate Management Team and other consultees. The principal changes referred to the omission of personal details relating to individual officers, a revised timetable for implementation, indicative allocation of responsibilities between the six operational managers as revised, and**

the resolution of the allocation of Section 151 responsibilities within the new structure;

- (2) The proposed grades for the three posts of Strategic directors have been set at up to £75,000. The grades for the six posts of General managers are established by job evaluations within the range of £50,805 to £61,000 with those posts not being filled by assimilation being appointed on a scale up to £55,000;
- (3) The creation of six new General Managers will have implications for the number or level of responsibilities of the team-leaders who they will manage. Given the increased capacity being provided by General Managers, it is assumed that a target of £100,000 for offsetting efficiencies can be realised as a result of subsequent re-structuring at this level. No account has been made in this calculation for one-off costs such as redundancy and early release of pensions that will arise in the introduction of the new structure if suitably alternative employment cannot be offered to persons adversely affected by these proposals. The costings also assume that the housing functions will either be transferred or, if retained, be managed through a dedicated tenancy service section. Employment costs of senior management posts in the latter case would be funded entirely from the Housing Revenue Account;
- (4) Comments from the Director of Finance and Strategic Resources and the Corporate Manager, Human Resources & Organisational Development excepting that part of the report in which they have a personal interest.

CO60. PEST CONTROL SERVICE

DECISION: That the Council be asked to approve:

- (1) the Head of Environmental Health & Licensing, in conjunction with the Council's Solicitor, being authorised to negotiate a variation of the contract to effect a one off payment to the Pest Control contractor, Pest Express Limited, in order to revise the remaining period of the contract at a sum not exceeding £50,000 plus legal costs, effective as soon as possible;**
- (2) a revised budget for this amount.**

Considerations/Reasons for Decision:

- (1) Report number ENV251 by the Head of Environmental Health & Licensing explaining that for the first quarter of the financial year, the service had made a loss and that discussions had taken place with the contractor in order to try and reduce these costs. The objective was for the service to break even on a full cost recovery basis;
- (2) There has been a marked reduction for the pest control service since charges were introduced in April. The price is considerably lower than the open market price but other factors have contributed to the lower

take up such as adverse publicity about the new charge and the cold weather that affected the wasp population. The significant reduction in the number of requests to deal with wasps has had a considerable impact on income;

- (3) A solution is needed to address the future viability of the service in order to prevent any further loss to the Council. Through negotiation, the contractor had indicated that £50,000 (plus legal costs) would be required to effect a variation to the contract. The contractor would take over the provision of the whole service, including administration and collection of charges, the contractor would keep income raised and therefore would become the appointed pest control contractor for the remainder of the contract period;
- (4) The maximum loss to the Council for the remainder of the contract period would be fixed based on this solution and the contractor has indicated he would reduce the charges to the public;
- (5) Noting this contract variation will necessitate adjustments to the work which had been done to prepare this service for inclusion within the contact centre;
- (6) The Cabinet notes that the proposed fees to be levied by the contractor are very reasonable and therefore represent excellent value for money for the public using the service.

Other options considered and assessed:

- (1) The Council could increase charges for the service. The current charges have had a dramatic effect on take up of the service so the take up would potentially drop further.
- (2) The Council could continue to advertise and monitor the situation. With the evidence currently available, the income is not likely to rise significantly in the near future. Any income received will contribute towards the cost of the service, but it is unlikely that this will achieve the objective, which is to break even.
- (3) The Council could terminate the contract and not offer any service. We will still have to pay the contractor the full contract price.

CO61. PROPOSED NEW PROTOCOL FOR MEMBER AND OFFICER RELATIONS

DECISION:

The new Protocol for Member and Officer Relations as appended to report number DLS44 by the Corporate Manager, Democratic & Legal Services was approved subject to delegated authority being

given to the Chief Executive in conjunction with the Leader and the Monitoring Officer to amend the wording of Paragraph 62.

Considerations/Reasons for Decision:

- (1) Report number DLS44 by the Corporate Manager, Democratic & Legal Services referring to a new model protocol developed by the Association of Council Secretaries and Solicitors;
- (2) The Council's existing protocol does not address the changed role of members resulting from the Local Government Act 2000, particularly in relation to the scrutiny and executive functions. The new protocol is considered more relevant to the current constitutional arrangements of the Council;
- (3) The suggested new protocol has been subject to consideration by the Council's Corporate Management Team, Portfolio Holders, the Standards Committee, Unison, and the Scrutiny Co-ordinating Group. All members had been given an opportunity to comment. Comments and suggestions made during this process have been taken account of in the amended version which represents the combined views of all consultees;
- (4) The amendment at paragraph 62 is for clarification on this important point of principle: members acting in decision making capacities can suggest amendments to an officer's recommendation but must not do so in order to serve a political stance.

CO62. ITEMS RAISED BY CABINET MEMBERS INCLUDING REPORTS ON KEY AND NON KEY DECISIONS TAKEN UNDER DELEGATED POWERS.

NON KEY DECISIONS:

(1) Councillor Mrs Frances Cartwright: Portfolio - Organisational Development (including Large Scale Voluntary Transfer and Housing Landlord function)

Decision: To accept the tender submitted by Devlin Decorators Ltd of Mablethorpe in the sum of £15,800 for the Internal Decoration of Community Centres in Grantham, Stamford and the Deepings.

[Decision date: 05.09.05]

(2) Councillor Terl Bryant: Portfolio - Assets & Resources/Councillor Paul Carpenter: Portfolio – Access & Engagement.

(Joint Non Key Decision)

Decision: That approval be given to undertake further discussions and demonstrations with Cedar Software Ltd with a view to awarding that company as the preferred supplier for the Council's new financial system.

[Decision made 22.08.05]

(3) Councillor Terl Bryant: Code of Conduct

Councillor Bryant referred to an issue that had arisen in relation to the interpretation of Standards Board guidance in instances where members wore "two hats" and could potentially face a conflict of interest. He referred to his position as Portfolio Holder for Assets and Resources whereby he adjudicated on a list of over 200 organisations applying for discretionary rate relief and other grants. The Monitoring Officer was presently in consultation with the Standards Board about how he, and other members, could avoid being placed in positions where they had a conflict of interest.

DATE DECISIONS EFFECTIVE:

Key Decision at minute number CO58 and other non key decisions made on 5th September 2005 can be implemented on 14th September unless subject to call-in by the relevant Development & Scrutiny panel Chairman or five members of the Council. Decisions at minute numbers CO59, CO60, and CO61 are matters of policy and therefore stand referred to the full Council.

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