

PLEASE NOTE VENUE

FINANCE AND EFFICIENCY PORTFOLIO

DECISION SCHEDULE



Thursday 18 October 2007

at 10.00am

in the Red Room, Avondale Centre,
Dyke House School
(Raby Road entrance)

Councillor Payne, Cabinet Member responsible for Finance and Efficiency will consider the following items.

1. **KEY DECISIONS**

No items

2. **OTHER ITEMS REQUIRING DECISION**

2.1 Irrecoverable Debts – Business Rates – *Chief Financial Officer*

2.2 Irrecoverable Debts – Council Tax – *Chief Financial Officer*

2.3 The Energy Performance of Buildings (Certificates and Inspections)
Regulations 2007 – *Director of Neighbourhood Services*

2.4 Land at 23 Ashwood Close – *Head of Procurement and Property Services*

3. **REPORTS FROM OVERVIEW OF SCRUTINY FORUMS**

No items

FINANCE & EFFICIENCY PORTFOLIO

Report to Portfolio Holder

18th October 2007



Report of: Chief Financial Officer

Subject: IRRECOVERABLE DEBTS – BUSINESS RATES

SUMMARY

1.0 PURPOSE OF REPORT

1.1 To seek the Portfolio Holder's approval to write-out a number of Business Rates debts, which are now considered to be irrecoverable.

2.0 SUMMARY OF CONTENTS

2.1 The report highlights Business Rates accounts with outstanding debts of £1000 or more and details the reasons for each debt remaining unrecovered.

3.0 RELEVANCE TO PORTFOLIO MEMBER

3.1 Under the Council's current financial procedures, debts of £1000 or more can only be authorised for write-out by the relevant Portfolio Holder.

4.0 TYPE OF DECISION

4.1 The decision is considered to be a non-key decision.

5.0 DECISION MAKING ROUTE

5.1 The Finance and Efficiency Portfolio Holder only.

6.0 DECISION(S) REQUIRED

6.1 That the Portfolio Holder approves the write-out of the attached Business Rates Accounts for the reasons detailed.

Report of: Chief Financial Officer

Subject: IRRECOVERABLE DEBTS – BUSINESS RATES

1. PURPOSE OF REPORT

1.1 To seek the Portfolio Holder's approval to write-out a number of Business Rates debts, which are now considered to be irrecoverable.

2. BACKGROUND

2.1 The Council's financial procedure rules provide that any debt due to the Council of £1000 or more can only be written-out with the express permission of the Portfolio Holder.

2.2 Whilst every effort is made to collect debts due to the Council, certain debts become irrecoverable, and this report seeks the Portfolio Holder's agreement for their write-out.

3. FINANCIAL IMPLICATIONS

3.1 The appendices attached to this report detail the individual Business Rates debts over £1000, and the reasons why each debt remains unrecovered:

Appendix A - Business Rates: Sole Traders / Partnership*

Appendix B - Business Rates: Limited Companies

* This item contains exempt information under Schedule 12A Local Government Act 1972, namely information relating to the financial or business affairs of a particular person (other than the Council) (para 7).

3.2 All debts submitted for write-out from the accounting records have been comprehensively scrutinised by my officers. However further recovery work will continue where possible and individual debts will be reinstated if payment is eventually received or further developments indicate a debt to later become recoverable.

4. RECOMMENDATIONS

4.1 That the Portfolio Holder agrees to write-out debts to the value of £30,435.73 in respect of irrecoverable Business Rates.

FINANCE & EFFICIENCY PORTFOLIO

Report to Portfolio Holder

18th October 2007



Report of: Chief Financial Officer

Subject: IRRECOVERABLE DEBTS – COUNCIL TAX

SUMMARY

1.0 PURPOSE OF REPORT

1.1 To seek the Portfolio Holder's approval to write-out a number of Council Tax debts, which are now considered to be irrecoverable.

2.0 SUMMARY OF CONTENTS

2.1 The report highlights Council Tax accounts with outstanding debts of £1000 or more and details the reasons for each debt remaining unrecovered.

3.0 RELEVANCE TO PORTFOLIO MEMBER

3.1 Under the Council's current financial procedures, debts of £1000 or more can only be authorised for write-out by the relevant Portfolio Holder.

4.0 TYPE OF DECISION

4.1 The decision is considered to be a non-key decision.

5.0 DECISION MAKING ROUTE

5.1 The Finance and Efficiency Portfolio Holder only.

6.0 DECISION(S) REQUIRED

6.1 That the Portfolio Holder approves the write-out of the attached Council Tax Accounts for the reasons detailed.

Report of: Chief Financial Officer

Subject: IRRECOVERABLE DEBTS – COUNCIL TAX

1. PURPOSE OF REPORT

1.1 To seek the Portfolio Holder's approval to write-out a number of Council Tax debts, which are now considered to be irrecoverable.

2. BACKGROUND

2.1 The Council's financial procedure rules provide that any debt due to the Council of £1000 or more can only be written-out with the express permission of the Portfolio Holder.

2.2 Whilst every effort is made to collect debts due to the Council, certain debts become irrecoverable, and this report seeks the Portfolio Holder's agreement for their write-out.

3. FINANCIAL IMPLICATIONS

3.1 The appendices attached to this report detail the individual Council Tax debts over £1000, and the reasons why each debt remains unrecovered:

- Appendix A - Council Tax: Absconded Debtors*
- Appendix B - Council Tax: Bankruptcies*
- Appendix C – Council Tax: Miscellaneous*
- Appendix D – Council Tax: Deceased*

* These items contains exempt information under Schedule 12A Local Government Act 1972, namely information relating to the financial or business affairs of a particular person (other than the Council)(para 7).

3.2 All debts submitted for write-out from the accounting records have been comprehensively scrutinised by my officers. However further recovery work will continue where possible and individual debts will be reinstated if payment is eventually received or further developments indicate a debt to later become recoverable.

4. RECOMMENDATIONS

4.1 That the Portfolio Holder agrees to write-out debts to the value of £56,615.04 in respect of irrecoverable Council Tax.

FINANCE AND EFFICIENCY PORTFOLIO

Report to Portfolio Holder

18 October 2007



Report of: Director of Neighbourhood Services

Subject: THE ENERGY PERFORMANCE OF BUILDINGS
(CERTIFICATES AND INSPECTIONS)
REGULATIONS 2007

SUMMARY

1. PURPOSE OF REPORT

To advise on the implications of the EU Directive on the Energy Performance of Buildings as the Government enacts the Energy Performance of Buildings (Certificates and Inspections) England and Wales) Regulations 2007 which introduces new energy management obligations.

2. SUMMARY OF CONTENTS

In respect of the Regulations sets out the following in as much as it relates to the management of the Council's Property: -

- Duties to produce Energy Performance Certificates
- Duties relating to the Display of Energy Certificates
- Production of Advisory Reports
- Regular inspection of air conditioning systems and on going control
- Energy assessors and accreditation schemes
- Enforcement and penalties
- Publications
- Commencement Dates
- Financial Implications

3. RELEVANCE TO PORTFOLIO MEMBER

Legislative and Resource impact upon Property Management

4. TYPE OF DECISION

Non - Key

5. DECISION MAKING ROUTE

Finance and Efficiency Portfolio Holder

6. DECISION(S) REQUIRED

That the recommendations be approved.

Report of: Director of Neighbourhood Services

Subject: THE ENERGY PERFORMANCE OF BUILDINGS
(CERTIFICATES AND INSPECTIONS)
REGULATIONS 2007

SUMMARY

1. PURPOSE OF REPORT

- 1.1 To advise on the implications of the EU Directive on the Energy Performance of Buildings as the Government enacts the Energy Performance of Buildings (Certificates and Inspections) (England and Wales) Regulations 2007 which introduces new energy management obligations.

2. BACKGROUND

- 2.1 The Energy Performance of Buildings Regulations were laid before Parliament on the 29 March 2007 and come into force in England and Wales over the period from 6 April 2007 to 19 October 2008. The objective of the Regulations is to promote the improvement of the energy performance of buildings within the European Community. The idea is that the Regulations will encourage owners to choose energy efficient buildings when seeking new accommodation and to improve the performance of buildings that they occupy.

- 2.2 From 6 April 2008 the Council will be required to: -

a. have in their control and possess a valid advisory report

and

b. display a valid Display Energy Certificate at all times in a prominent place clearly visible to the public

A Display Energy Certificate requires 12 months of energy consumption data for the building. Therefore, the Council needs to start to survey, collect data and produce reports on relevant energy information now for 2008.

A letter from the LGA outlining the requirements and Committee and Local Government Department guidance is attached at **Appendix A**.

- 2.3 This report sets out the duties which will be imposed by the Regulations on building owners including the Council in relation to Energy Performance Certificates, Display Energy Certificates and the inspection of air conditioning systems.
- 2.4 The duties are part of an increasing requirement on Councils to improve on environmental sustainability and address the increasing government actions on climate change. Our response will be key, not only as part of the Council's climate change strategy, but also in the drive for financial savings in energy consumption.
- 2.5 In the 2008 Use of Resources Assessment on Financial Reporting there is a new KLOE: -

“The annual report or similar document includes information and analysis about the Council's environmental footprint”. More detailed energy performance information on buildings will be required.

3 DEFINITIONS

- 3.1 **Energy Performance Certificates** provide information about the energy performance of a building.

There are exceptions to the duty to provide an Energy Performance Certificate which may be of relevance and these include temporary buildings with a planned time use of 2 years or less, industrial sites, workshops, particular buildings with low energy demand (for further details see the Approved Document L2A 2006), buildings to be demolished and stand alone buildings of less than 50 square metres.

These regulations are still in their infancy, however it is clear that there will be an increase in the administrative burden falling on property owners, particularly those with large estates such as the Council. Some of the new regulations will only impact on acquisition and disposal activity, however the day to day aspects of the regime will require the Council to look more closely at energy efficiency, how our buildings are performing, what actions we should take to improve and how this can be resourced.

- 3.2 **Display Energy Certificates** provide additional and further information about the energy performance of a building.

A key contrast from the Energy Performance Certificate is that the Display Energy Certificates include a numeric indicator of the amount of energy consumed during the occupation of the building over a 12 month period. These operational ratings are derived from meter readings. Display Energy Certificates are intended to show the public how the building is performing. Whilst the Government has not finally advised on

the exact format that Display Energy Certificates a typical example of the likely format is shown as **Appendix B**. Premises Managers will need to be aware of the requirement that they will be responsible for the display of these Energy Certificates in their premises.

Calculations of cost are generally based upon the work done by the Department of Communities and Local Government in the Regulatory Impact Assessment.

4 IMPLICATIONS FOR THE COUNCIL

4.1 **Energy Assessors** –under the legislation the only people who can produce Energy Performance and display Certificates and Advisory Reports are Accredited Energy Assessors. To become accredited structured training has to be undertaken. The costs are as follows: -

- Training £3500 per person
- Accreditation £400 per person

The Department for Communities and Local Government has acknowledged that there are not enough fully accredited Assessors in place. To fulfil the need at Hartlepool Borough Council it is recommended that two existing members of technical staff be trained and accredited in that capacity. There is no specific funding in place for this. The staff in question are only part funded corporately and part fee earning.

4.2 **Software** – Bespoke software is required capable of calculating building performance and to produce the Energy Display Certificates and this is available at no cost from STARK the suppliers of the Energy Management Database.

4.3 **Sale, Rent and Construction** of dwellings and other buildings – The cost of the production of the Energy Performance Certificates will be built into the relevant fee structure. The additional costs generated are estimated to be likely to be in the range of £250 -£500 for small premises and up to £2,000 for large premises. Clients of and within the Council need to make allowance for these requirements.

4.4 **Energy Performance and Display Certificates and Advisory Reports** For existing buildings Energy Performance and Display Certificates will be produced following a site survey and the use of software to produce an energy rating. The schedule of cost-effective energy saving measures to accompany the certificate in the form of an Advisory Report will be produced from a generic list, customised by the Energy Assessor for the building concerned with the software used to limit the time this would take.

The time taken and costs will vary dependant on the floor area and

complexity of the buildings concerned and in respect of Hartlepool Borough Council currently 60 No. buildings are assessed as requiring an Energy Display Certificate and Advisory Reports.

The additional work involved in the production of Energy Performance and Display Certificates and Advisory Reports on all buildings over 10,000m sq equates to an estimated 300 additional person hours of work. It is recommended that two existing members of technical staff be trained and accredited to undertake this work, and that the existing staffing structure is reviewed to allow the implementation of the requirements of this new Legislation and other similar pressures e.g. on Legionella and gas management. A combined pressure has been included in CMT Budget Considerations. .

- 4.5 **Air Conditioning Systems** are required to be inspected and the energy performance reporting upon in the form of a written report including advice on how to improve the efficiency of the system at an interval of not exceeding five years.

It is proposed that, as far as possible, an inspection of the air conditioning systems in buildings will be incorporated into the routine maintenance arrangements. The average extra time for the inspection might be around 2 person-days for larger, centralised systems, and up to 2 hours on average for a packaged unit or system of units. Persons accredited by an independent body would be expected to carry out the majority of inspections. The average additional cost of being obliged to inspect centralised systems every five years will be about £120 per year, and for packaged units about £15 – £20 per year, as it is required that inspections should be repeated at five-year intervals. This will be an additional pressure on central and departmental maintenance budgets.

- 4.6 **Advisory Reports** are to contain recommendations for improvement of the energy performance of buildings. Advisory reports will be valid for 7 years and will need continuous updating as action plans are put in place.

- 4.7 **Energy Assessors** are required to be qualified and/or accredited to carry out all the above works in an independent manner.

5. IMPLEMENTATION DATES:

- **1 August 2007** Energy Performance Certificates are required for the sale of existing dwellings, on a phased basis starting with four bedroom and larger properties, where a Home Improvement Pack is required under the Housing Act 2004. (Other than dwellings built to 2006 standards)
- **1 October 2007** Energy Performance Certificates are required on construction for all dwellings and for the sale of dwellings built to 2006 standards

- **6 April 2008** - Energy Performance Certificates are required for the sale or rent of buildings other than dwellings with a floor area over 500 m²
- **6 April 2008** - Energy Performance Certificates are required on construction for all non-dwellings
- **6 April 2008** - Display Energy Certificates required for all public building greater than 1,000 m². (The Council owns 60 buildings in this category)
- **6 April 2008** - Advisory Reports required for all public building greater than 1,000 m²
- **1 October 2008** - Energy Performance Certificates are required for the sale or rent of all remaining dwellings and buildings other than dwellings
- **4 January 2009** - First inspection of all existing systems over 250 kW must have occurred by this date
- **4 January 2011** - First inspection of all existing systems over 12 kW must have occurred by this date

6. GOVERNMENT GUIDANCE

6.1 The Department of Communities and Local Government is preparing guidance documents to assist duty holders and enforcers in the discharge of their duties under the Energy Performance of Buildings Regulations. It is understood that these will include the following and will be published to coincide with the relevant start dates for the new requirements.

- Guidance and criteria for accreditation schemes, technical guidance on methodologies, and advice on boiler use
- Guidance for enforcement agencies the Department of Communities and Local Government will work with Trading Standards and Building Control bodies to produce this guidance through meetings and consultation
- General information upon the Energy Performance of Buildings Regulations and its application and purpose in different sectors
- Public information leaflets (as part of a wider publicity campaign) for all those with duties under the Energy Performance of Buildings Regulations, including homeowners, landlords and tenants, commercial building owners and occupiers, air conditioning system operators and boiler users

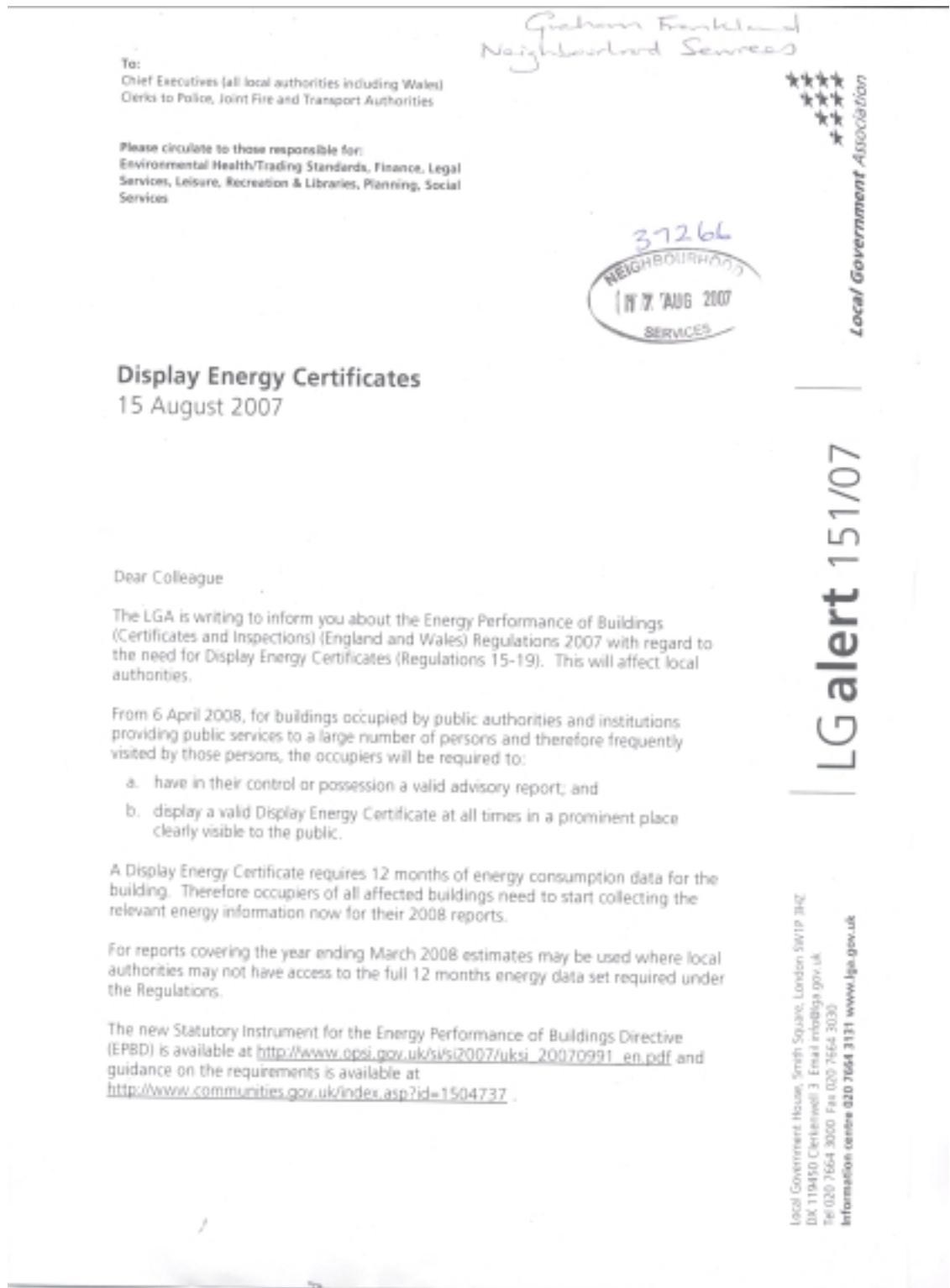
6.2 The remaining costs of buildings and in particular their energy performance is key both in maximising the use of our assets and promoting environmental sustainability.

7. RECOMMENDATIONS

7.1 That Portfolio Holder endorses:-

- a) The contents of the Report and the implications to the Council
- b) That two existing members of technical staff in the Procurement and Property Services Division be trained and accredited in the capacity of Energy Assessors acknowledging a pressure on the corporate funding for maintenance.
- c) That a review of the existing staffing structure of the Procurement and Property Services Division to allow the implementation of the requirements of the new Legislation will take place and will be considered as an additional pressure for 07/08 and as a legislative pressure in the 08/09 budget process.
- d) That, as far as possible the inspection of the air conditioning systems in buildings will be incorporated into the routine maintenance arrangements and additional costs minimised.

APPENDIX A



APPENDIX B

Energy Certificate

Building Energy Performance >		As built:	In use:
Certificate type	FULL	Asset Rating	Operational Rating
Building Type	Office		
Whole or part of building	Whole building		
Very energy efficient			
<div style="display: flex; justify-content: space-around; align-items: center;"> <div style="background-color: #2e7d32; color: white; padding: 5px 10px; border-radius: 5px;">A</div> <div style="background-color: #43a047; color: white; padding: 5px 10px; border-radius: 5px;">B</div> <div style="background-color: #a5d6a7; color: white; padding: 5px 10px; border-radius: 5px;">C</div> <div style="background-color: #fff176; color: white; padding: 5px 10px; border-radius: 5px;">D</div> <div style="background-color: #e57373; color: white; padding: 5px 10px; border-radius: 5px;">E</div> <div style="background-color: #e67e22; color: white; padding: 5px 10px; border-radius: 5px;">F</div> <div style="background-color: #8d6e63; color: white; padding: 5px 10px; border-radius: 5px;">G</div> </div>		B	D
Not energy efficient			
Asset rating method:	UK National Standard 2004	Calculated	Actual
Operational rating method:	UK Office Tailored Benchmarks 2002	48	83
Units used:	kg CO ₂ per sq m of net area per annum >		
Occupancy level	Square metres net lettable area per person	14	12
Equipment heat gain level	Watts per square metre net	12	12
Weekly occupancy hours	Hours per week	55	58
Heating performance ratings		A B C D E F G	A B C D E F G
HVAC performance ratings (cooling, fans and pumps)		A B C D E F G	A B C D E F G
Lighting performance ratings		A B C D E F G	A B C D E F G
Management rating (for in-use performance only)			A B C D E F G
Internal Environmental Quality			Not assessed
Risk level			Not assessed
Further information can be found in the Energy Log Book.			
GB 2004		 <small>Directive 2002/91/EC</small>	

Certifying organisation Street PO Box City Contact Tel email	Building name Organisation Street City Contact Tel email
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■ Above is an example of the proposed Energy certificate.

FINANCE AND EFFICIENCY PORTFOLIO

Report To Portfolio Holder

18th October 2007



Report of: Head of Procurement and Property Services

Subject: Land at 23 Ashwood Close

SUMMARY

1.0 PURPOSE OF REPORT

To obtain Portfolio Holder approval to the disposal of Council land to the side of 23 Ashwood Close, Hartlepool.

2.0 SUMMARY OF CONTENTS

The report outlines the background to this proposal to resolve anti-social behaviour problems being experienced in the area and details the terms by which disposal is proposed.

3.0 RELEVANCE TO PORTFOLIO MEMBER

Portfolio Holder has responsibility for the Council's land and property holdings.

4.0 TYPE OF DECISION

Non-Key

5.0 DECISION MAKING ROUTE

Portfolio Holder only

6.0 DECISION(S) REQUIRED

Authority to complete disposal of land

Report of: Head of Procurement and Property Services

Subject: Land at 23 Ashwood Close

1. PURPOSE OF REPORT

1.1 To obtain Portfolio Holder approval to the disposal of Council land to the side of 23 Ashwood Close, Hartlepool to attempt to resolve anti-social behaviour problems being experienced in the area.

2. BACKGROUND

2.1 On the 13th June 2005, Performance Management Portfolio Holder agreed to dispose of land to the rear of 24-35 Ashwood Close to the residents of these properties in order to resolve severe anti social behaviour problems.

2.2 23 Ashwood Close was not included in this as there had been a discrepancy with the section 38 Agreement which meant that the Open Space to the side of 23 Ashwood was omitted from the transfer of land from the developer to the Council. The area of land is highlighted in **Appendix 1**.

2.3 To resolve this matter the Councils Legal section concluded that a Deed of Rectification was required to regularise the situation. The original developer was Walter Lawrence Homes North Limited, who were taken over by Hassal Homes (Cheshire) Limited around 1992. In 1997 Alfred McAlphine Home took over this company, and now finally the land lies with George Wimpey North East Limited.

2.4 The Legal Section have issued a draft Deed of Rectification to Wimpey's, and it is expected that this matter will soon be resolved transferring ownership to the Council.

2.5 Once ownership is vested with the Council it is proposed that the land be transferred to the owners of 23 Ashwood Close. This would complete a scheme recently undertaken to transfer land to other properties of Ashwood Close thereby resolving the anti-social behaviour problems.

3.0 FINANCIAL IMPLICATIONS

- 3.1 It is intended that the land be disposed of subject to the terms that adjacent owners were permitted to purchase land subjected to details of which are attached at the confidential **Appendix 2**. **This item contains exempt information under Schedule 12A of the Local Government Act 1972, (as amended by the Local Government (Access to Information)(Variation) Order 2006) namely, Information relating to the financial or business affairs of any particular person (including the authority holding that information).**

4. RECOMMENDATIONS

- 4.1 That the Portfolio Holder approve the disposal of land to the resident of 23 Ashwood Close at the agreed terms.

2.4 APPENDIX 1

