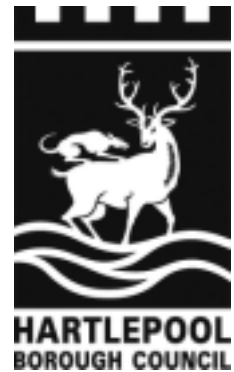


# **SCRUTINY CO-ORDINATING COMMITTEE AND NEIGHBOURHOOD SCRUTINY FORUM AGENDA**



**Friday 8 May 2009**

**at 2.00 pm**

**in the Council Chamber,  
Civic Centre, Hartlepool.**

## **SCRUTINY CO-ORDINATING COMMITTEE :**

Councillors Akers-Belcher, Atkinson, Brash, R W Cook, S Cook, James, Kaiser, London, A Marshall, McKenna, Preece, Richardson, Shaw, Simmons, Wright and Young.

Resident Representatives: Christopher Akers-Belcher, Iris Ryder and Linda Shields.

## **NEIGHBOURHOOD SERVICES SCRUTINY FORUM:**

Councillors Akers-Belcher, Barker, R W Cook, Coward, Cranney, Fleming, McKenna, Worthy and Wright.

Resident Representatives: John Cambridge, Brenda Loynes and Mary Green.

### **1. APOLOGIES FOR ABSENCE**

### **2. TO RECEIVE ANY DECLARATIONS OF INTEREST BY MEMBERS**

### **3. MINUTES**

No items.

### **4. RESPONSES FROM THE COUNCIL, THE EXECUTIVE OR COMMITTEES OF THE COUNCIL TO REPORTS OF THE SCRUTINY CO-ORDINATING COMMITTEE**

No items.

**5. CONSIDERATION OF REQUEST FOR SCRUTINY REVIEWS FROM COUNCIL, EXECUTIVE MEMBERS AND NON EXECUTIVE MEMBERS**

- 5.1 2009/2010 Capital Programme And Prudential Borrowing Limits - Household Waste Recycling Centre and Winter Grit Storage Facilities – *Scrutiny Support Officer*

**6. CONSIDERATION OF PROGRESS REPORTS / BUDGET AND POLICY FRAMEWORK DOCUMENTS**

No items.

**7. CONSIDERATION OF FINANCIAL MONITORING/CORPORATE REPORTS**

No Items.

**8. ITEMS FOR DISCUSSION**

No Items.

**9. CALL-IN REQUESTS**

**10. ANY OTHER ITEMS WHICH THE CHAIRMAN CONSIDERS ARE URGENT**

# **SCRUTINY CO-ORDINATING COMMITTEE AND NEIGHBOURHOOD SERVICES SCRUTINY FORUM**

8 MAY 2009



**Report of:** Scrutiny Support Officer

**Subject:** SCRUTINY TOPIC REFERRAL FROM PORTFOLIO  
HOLDERS FOR NEIGHBOURHOODS AND  
COMMUNITIES AND FINANCE AND EFFICIENCY –  
2009/10 CAPITAL PROGRAMME AND PRUDENTIAL  
BORROWING LIMITS – HOUSEHOLD WASTE  
RECYCLING CENTRE AND WINTER GRIT  
STORAGE FACILITIES

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## **1. PURPOSE OF REPORT**

- 1.1 To inform Members of the Scrutiny Co-ordinating Committee and Neighbourhood Services Scrutiny Forum of the Communities and Finance and Efficiency – 2009/10 Capital Programme and Prudential Borrowing Limits – Household Waste Recycling Centre and Winter Grit Storage Facilities referral, from the Portfolio Holders for Neighbourhoods and Communities and Finance Efficiency, following the meeting of Council held on 30 April 2009 to the Overview and Scrutiny Function.

## **2. BACKGROUND INFORMATION**

- 2.1 As outlined within the Authority's Constitution, the Scrutiny Co-ordinating Committee has a mandatory obligation to consider referrals from individual Cabinet Members within the timescale prescribed.
- 2.2 Council on the 30<sup>th</sup> April 2009 considered a report titled 'Communities and Finance and Efficiency – 2009/10 Capital Programme and Prudential Borrowing Limits – Household Waste Recycling Centre and Winter Grit Storage Facilities'. Attached as **Appendix A**. During consideration of this report, a number of issues and queries were raised resulting in the deferral of a decision, pending receipt of further information to Members.
- 2.3 Following Council's decision the Chair of the Scrutiny Co-ordinating Committee, on the 1 May 2009, received formal notification of the referral of this topic to Scrutiny by the Portfolio Holder for Neighbourhoods and

Communities (supported by the Portfolio Holder for Finance and Efficiency). Attached as **Appendix B** to this report.

- 2.4 The timetable prescribed by the Portfolio Holder for Neighbourhoods and Communities required that Scrutiny completed consideration of the referral within a six week period, reporting back to:-
- (i) A Joint Neighbourhoods and Communities / Finance and Efficiency Portfolio Holder meeting - 25<sup>th</sup> May 2009; and
  - (ii) An Extraordinary meeting of Council - to be held by no later than 12<sup>th</sup> June 2009.
- 2.5 Subsequently, the Director of Neighbourhood Services will be in attendance at today's meeting to provide a brief presentation and answer questions from Members.

### **3. RECOMMENDATIONS**

- 3.1 It is recommended that the Scrutiny Co-ordinating Committee:-
- (a) Formally receives the referral;
  - (b) Considers the proposed timetable for the undertaking of this referral; and
  - (c) Based on the information / evidence received at today's meeting formulates a response for consideration by the Portfolio Holders for Neighbourhoods and Communities / Finance and Efficiency.

**Contact Officer:-** James Walsh – Scrutiny Support Officer  
Chief Executive's Department  
Hartlepool Borough Council  
Tel: - 01429 523647  
Email:- james.walsh@hartlepool.gov.uk

### **BACKGROUND PAPERS**

The following background paper was used in the preparation of this report:-

- (1) Communities and Finance and Efficiency – 2009/10 Capital Programme and Prudential Borrowing Limits – Household Waste Recycling Centre and Winter Grit Storage Facilities report – Considered by Council on 30 April 2009; and
- (2) Referral letter received by the Chair of Scrutiny Co-ordinating Committee from the Portfolio Holder for Neighbourhoods and Communities (supported by the Portfolio Holder for Finance and Efficiency) - dated 1 May 2009.

# COUNCIL REPORT

30<sup>th</sup> April 2009



**Report of:** Executive

**Subject:** 2009/2010 CAPITAL PROGRAMME AND  
PRUDENTIAL BORROWING LIMITS

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## 1. PURPOSE OF REPORT

- 1.1 To provide Council with details of Cabinet's proposed variations to the approved 2009/2010 Capital Programme and Prudential Borrowing Limits.

## 2. REASON FOR SUBMITTING REPORT

- 2.1 In accordance with the constitution Cabinet is responsible for proposing changes to the approved Budget and Policy Framework, which are then referred to Council for consideration. Cabinet agreed at its meeting on 20 April 2009 to delegate authority to the Neighbourhoods and Communities and Finance and Efficiency Portfolio Holders to submit a proposal to this Council meeting. A joint meeting of those Portfolio Holders is due to be held on 27 April 2009 and this report has been prepared subject to the outcome of this joint meeting. Details of the Executive's proposals are set out in the following paragraphs.

## 3. EXECUTIVE'S PROPOSALS

### 3.1 BACKGROUND

- 3.2 Members may recall that several years ago the Council made a large investment in converting the former combined waste transfer station and Civic Amenity Site into a high quality Household Waste Recycling Centre. In addition the site adjacent to the Burn Road location was brought into use as the Council's operational Waste Transfer Station which is not open to the public.
- 3.3 Also based on that site is the Council's winter gritting salt storage facility. This facility is currently a wooden barn previously used to store recycling materials.
- 3.4 Investment is now needed in these facilities as outlined in the following paragraphs

Household Waste Recycling Centre

- 3.5 The success of the Household Waste Recycling Centre together with the need to provide different types of recycling receptacles has meant that the site needs to expand. There is also the added complication created by the positioning of the new traffic lights in Burn Road, installed as a result of the Tesco supermarket extension and car park reconfiguration.
- 3.6 Members will no doubt have witnessed the back-up of cars in Burn Road on popular clean-up days such as bank holidays. The positioning of the traffic lights has meant that this back-up of traffic must be avoided.
- 3.7 In order to accommodate this extension a new elevated ramp will need to be installed in this area together with new hand-rail and gantry extensions.
- 3.8 We also intend to increase not only the number of recycling units but also the type of recyclate we can collect. It is hoped that such things as normal glass from windows and hard plastic, such as toys will be recycled.
- 3.9 One of the main recommendations from the Scrutiny investigation into recycling was the introduction of an Education Centre and “green shop” on site. This design accommodates these suggestions. In addition we intend to build a re-use centre where materials that still have a value to charities or other organisations will be stored and sorted for eventual re-use.
- 3.10 Whilst the facility at Burn Road is very good nevertheless we do not re-use or recycle as much of the material collected as we want to or indeed ought to. This reconfiguration coupled with the recent letting of the contract for site operations to a local company will mean our re-use/ recycling from this site will increase.

Winter grit storage facilities

- 3.11 The existing “salt bam” is located on the Waste Transfer Station site. The current “salt bam” is not purpose built and is made from wood. Over the years through high winds and vehicular damage the facility has become unsafe and for Health and Safety reasons must be demolished and rebuilt.
- 3.12 Its current location is not ideal and causes problems for the safe operation of the Waste Transfer Station. It is proposed therefore to relocate the winter grit facility to a piece of Council owned land in Brenda Road on the eastern side of the road virtually opposite the Corus entrance. This land is currently not used and in years gone by was used as a vehicle/machinery training site by our training section.

**4. FINANCIAL IMPLICATIONS**

- 4.1 An estimate for the works has been provided in the sum of £600K, split £300K for each facility.

- 4.2 Two options for funding these costs are available.
- 4.3 Option 1 – earmark part of the resources achieved from selling LATS permits to fund the developments at the recycling centre and the replacement of the salt barn. This option would commit £600K of the available LATS income and leave an uncommitted amount of £735K which could be allocated to support future year's budgets. This deal to sell the LATS has only recently been concluded and therefore could not be taken into account in the Medium Financial Strategy of the Council. However, because of the certainty of the income this should form part of the Council's Medium Term Financial Strategy from 2010/11 onwards
- 4.4 Options 2 – earmark all of the LATS money to support future year's budgets as Members are aware the Council faces a challenging financial position over the next few years. This position is anticipated to continue when the next Comprehensive spending review is announced as public sector expenditure will be subject to a period of much lower growth, or even frozen at current levels, as the Government addresses the impact of the recession on the public sector finances. Against this background and local risks to the budget it would be appropriate to earmark the whole of the LATS income to support future year's budgets. This strategy would be in line with the strategy adopted in previous years for using other one off benefits, such as higher investment income and LABGI income.

This option would not provide funding for the developments at the recycling centre and the replacement of the salt barn. Therefore, to enable these schemes to go ahead it is suggested that these costs be funded from Prudential Borrowing. The annual repayment cost would be £50K and would need to be funded from the £2m of headroom included in the 2010/11 budget forecast.

- 4.5 It should be noted that these works need to be completed over the summer months to ensure the facilities, particularly the winter grit storage facility is completed before next winter.

## **5. PROPOSALS**

- 5.1 Council is requested to consider the proposals to adopt option 2 and to amend the approved Capital Programme and associated Prudential Borrowing Limits. Council is also asked to note that detailed proposals for using the LATS funding will be referred to Council for consideration as part of the 2010/11 budget and policy framework proposals.

NS / PJ / MH

1<sup>st</sup> May 2009

Cllr Marjorie James  
Chair of Scrutiny Coordinating Committee  
40 Arncliffe Gardens  
Hartlepool  
TS26 9JF

Dear Councillor James

**Household Waste Recycling Centre and Salt Barn Proposals**

At the full Council meeting last night I was disappointed that the recommendations on the funding for the expansion of the Household Waste Recycling Centre (HWRC) and the Salt barn proposals were not supported by Members, this now brings a problem to the authority where we will be in a position without a facility to store the materials for the Winter gritting programme.

However I do understand the concerns of Members to put additional borrowing into the prudential borrowing scheme without having answers to the Members concerns about the borrowing.

Councillor Marshall asked the question why we had not put the schemes into the budget as a pressure during the last budget round; also talking to Cllr Marshall after the meeting he was under the impression that the schemes would total £2M. The schemes, as the report indicates, are actually in the order of £600k (£300k each) and the reference to £2M is the headroom on the 2010/11 budget forecast. The reasons that we did not include the Salt barn as a pressure are the same reasons that the report has come now in that the contract to sell our Landfill Allowance Trading Scheme (LATS) to Merseyside has only been concluded recently, also we believed that we would have an alternative storage facility for the Winter Gritting materials but our negotiations with Stockton Council have come to a halt.

As we will be receiving around £1.3M for our LATS, over the coming years we saw this as an opportunity to progress these much needed schemes and still have around £700k unallocated (which could have gone into the General Fund), the Officer advice was to send the full £1.3M to the General Fund and to use prudential borrowing for the schemes, which was the preferred option chosen by myself and Cllr Payne at our joint Portfolio meeting for this issue.

Because of the implications of the deferment of the decision last night on the Winter Gritting storage facility I am keen to find the quickest way to address the Members concerns and get a facility as soon as possible, the Full Council meetings are not lined



up to help us get this decision before the end of June. In view of this, I would like to formally refer this issue to the Scrutiny Co-ordinating Committee, through which Members concerns and views can be fully explored. Following which an additional extraordinary meeting of Full Council should be convened to reconsider the issue.

I ask that the timescale for consideration of this referral by Scrutiny Coordinating Committee be no more than 6 weeks from today, with an Extraordinary meeting of Council to be held by no later than 12<sup>th</sup> June 2009. I have obtained Councillor Payne's support for this referral, as Portfolio Holder for Finance and Efficiency, and would look to hold a Joint Portfolio meeting on 25<sup>th</sup> May 2009 to reconsider the issue prior to the Extraordinary Council.

I trust this will be an acceptable way forward and I look forward to your reply and comments on this matter.

Yours sincerely

Councillor Peter Jackson

CC: Stuart Drummond, The Mayor  
Councillor Robbie Payne  
Chris Little, Finance Section, Bryan Hanson House  
Dave Stubbs, Director of Neighbourhood Services