

FINANCE AND PROCUREMENT PORTFOLIO DECISION RECORD

13 April 2011

The meeting commenced at 10.00 am. in the Civic Centre, Hartlepool

Present:

Councillor Robbie Payne (Finance and Procurement Portfolio Holder)

Officers: Graham Frankland, Assistant Director (Resources)
Alastair Smith, Assistant Director (Transport and Engineering)
Mike Blair, Highways, Traffic and Transportation Manager
Dale Clarke, Estates and Asset Manager
Philip Timmins, Principal Estates Surveyor
Jo Stubbs, Democratic Services Officer

63. Democratic Services Officer

The Portfolio Holder congratulated the Democratic Services Officer on her recent marriage and wished her the best of luck for the future.

64. 5 Year Highway Maintenance Programme 2011-2016 – Assistant Director (Transportation and Engineering Services)

Type of Decision

Key – test ii applies

Purpose of Report

To seek approval to the five-year planned highway maintenance programme for the period April 2011 to March 2016

Issues for Consideration

The report detailed the testing methods utilised to identify the condition of a highway and identified which highways would be included in the five-year programme based on test results, highway inspections, risk management information and customer and Member feedback. The roads and footways indicated were those in the most need of repair however this prioritisation could change over the coming years. Information on the financial implications was also given.

The Portfolio Holder queried whether housing developers could be

asked to contribute toward the costs of resurfacing the Tall Ships roundabout given the excessive use of that area by their vehicles. The Highways, Traffic and Transportation Manager acknowledged that the developers could be approached but felt that given the current housing market they might be reluctant to contribute financially and as this highway was adopted they could not be required to. Similarly the Portfolio Holder had requested a contribution from Camerons Brewery toward the costs of resurfacing Waldon Street. However Planning Committee had not included this in the planning conditions. The Assistant Director (Transport and Engineering) felt there was room to be more assertive on these issues when approving future planning applications.

The Highways Traffic and Transportation Manager confirmed that the order of priorities on the list was flexible, adding that an additional £240,000 had recently been received from the Government for pothole repairs. A further report on that issue would be brought to the Portfolio Holder in June.

Decision

That the five-year programme for planned maintenance be approved.

65. Travel Efficiency Plan – Assistant Director (Transportation and Engineering)

Type of Decision

Non-key

Purpose of Report

To seek approval to progress the Salary Sacrifice Car Lease Scheme as part of the Council's Travel Efficiency Plan

Issues for Consideration

In September 2010 Cabinet agreed to progress a Salary Sacrifice Car Lease pilot scheme as part of the Council's Travel Efficiency Plan. Testing had been carried out and the scheme undertaken through selected single officer involvement. This had proven successful and following approval by HM Revenue and Customs the pilot scheme was now ready for full Council roll out. Discussions were now taking place with the provider, Tuskerdirect, regarding launch arrangements which would include employee website access and a series of roadshows. Any risks to the employee would be explained as part of this process and details were given within the report. Information on the environmental benefits was also set out. The Assistant Director (Transport and Engineering) explained that for employees the scheme was not a tax free benefit but because employees would sacrifice their

gross salary they would pay less income tax, national insurance and pension contributions. The employee would then pay tax on the car based on the fuel emissions. By only utilising fuel efficient vehicles these costs would be kept as low as possible. Employees would also be responsible for fuel costs however any repair costs would be covered within the scheme via the provider.

The Portfolio Holder queried whether this would replace the current Car Loan scheme. The Assistant Director advised that the 2 schemes were designed to run concurrently. The Portfolio Holder expressed his support for the scheme and encouraged employees to sign up.

Decision

That the progression of a Salary Sacrifice Car Lease Scheme be approved and implemented as a Council wide initiative.

66. “Guardians” – Interim Arrangements to Occupy Vacated Properties – Assistant Director (Resources)

Type of Decision

Non-key

Purpose of Report

To inform the Portfolio Holder of action taken in relation to interim arrangement to occupy vacated properties.

Issues for Consideration

Due to ongoing property disposal and vacation of properties by service departments a number of Council-owned properties were currently vacant. The Council security contract requires that mobile or static guards be provided at these properties however this was not felt to be cost effective. Other avenues had therefore been explored and following discussions with providers and the submission of quotes Ad Hoc Property Management were felt to provide the best value service. They had therefore been contracted to provide “guardians” to live in a number of currently vacant properties. This would keep the buildings occupied thereby deterring thieves and vandals. It would also mean that any repair needs could be reported before any serious damage occurs. The Council would retain responsibility for the cost of utilities, rates and essential repairs but this would be substantially less than the cost of conventional security arrangements. The properties in question at present were the Jesmond Road School Caretaker’s House and Somersby Close with additional properties to be added where appropriate.

The Portfolio Holder expressed a number of concerns at the Council taking responsibility for these properties. He felt that the school should be responsible for the Caretaker's House however the Principal Estates Surveyor advised that the school had asked the Council to take responsibility with the sale of the land imminent. The Portfolio Holder noted that during the sale negotiations it had never been mentioned that the house would be empty prior to the school's closure. The Portfolio Holder commented that Housing Hartlepool were contracted to manage the Council's housing stock and queried why they were not involved. However the Estates and Asset Manager indicated the Housing Hartlepool dealt with residential properties and as some were non-residential Housing Hartlepool were under no obligation. Officers had asked if they wished to convert the properties to residential and manage them but they had declined to do this. The Portfolio Holder noted that Housing Hartlepool had recently signed 3-year contracts in respect of Charles Street and Seaton Lane and queried whether there was any get out clause which would allow the Council to manage those properties, particularly as they had originally been built by the Council. The Principal Estates Surveyor advised that the contracts could only be broken for non-performance on the part of Housing Hartlepool.

The Portfolio Holder asked officers to ensure that the contracts were legally watertight prior to implementation. He expressed concerns that tenants might refuse to leave a property at the end of their tenure, leading to court battles. The Principal Estates Surveyor advised that Ad Hoc would take responsibility for 'guardians' who would not be tenants but would rather have a licence of occupancy. It would be made clear to them from the outset that this was a temporary form of occupancy. The Portfolio Holder acknowledged this but asked that officers contact the Principal Housing Advice Officer and the legal department prior to implementation to ensure the policy was robust in terms of repossession of the property and housing regulations. The Assistant Director (Resources) advised that no action would be taken prior to the Portfolio Holder being made aware of the results of these checks.

The Portfolio Holder queried the costs of using Ad Hoc Management. The Assistant Director indicated that there were no cost implications for the Council as Ad Hoc's payment would come from rents. There would also be a security costs saving for the Council.

Decision

That the actions taken be noted and that further clarification on the implications of current housing regulations be sought from the Principal Housing Advice Officer and Legal Department prior to implementation.

67. Update on Implementation of E-Quotation Solution – Assistant Director (Resources)

Type of Decision

Non-key

Purpose of Report

To update the Portfolio Holder on the implementation of an e-quotation solution for use across the Council by all Departmental buyers.

Issues for Consideration

In order to improve procurement processes and systems the Regeneration and Neighbourhoods Asset Management Team were currently trialling an e-quotation system. This provided a web-based mechanism for buyers to use when requesting quotations, allowing buyers to 'lock-down' quotations until a specific opening date and time and distinguishing between local and non-local providers. As this was facilitated through the NEPO Portal there were no additional charges. Early indications were that the system would be sufficiently accessible to be rolled out across the Council therefore subject to successful completion of the trial and the compilation of training information a roll-out programme would be implemented.

Decision

That the issues and ongoing progress described in the report be noted.

68. Local Government (Access to Information) (Variation) Order 2006

Under Section 100 (A)(4) of the Local Government Act 1972, the press and public were excluded from the meeting for the following items of business on the grounds that it involved the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of the Schedule 12A of the Local Government Act 1972 as amended by the Local Government (Access to Information)(Variation) order 2006

Minute 69 – Land to the rear of Conservative Club on the Headland – this item contains exempt information under Schedule 12A Local Government Act 1972 (as amended by the Local Government (Access to Information)(Variation)Order 2006) namely (para 3), information relating to the financial and business affairs of any particular person (including the authority holding that information).

Minute 70 – Place in the Park Cafe – this item contains exempt information under Schedule 12A Local Government Act 1972 (as amended by the Local Government (Access to Information)(Variation)Order 2006) namely (para 3), information relating to the financial and business affairs of any particular person (including the authority holding that information).

Minute 71 – Former Somersby Close Family Resource Centre – this item contains exempt information under Schedule 12A Local Government Act 1972 (as amended by the Local Government (Access to Information)(Variation)Order 2006) namely (para 3), information relating to the financial and business affairs of any particular person (including the authority holding that information).

Minute 72 – Land at Brinkburn and Burn Valley – this item contains exempt information under Schedule 12A Local Government Act 1972 (as amended by the Local Government (Access to Information)(Variation)Order 2006) namely (para 3), information relating to the financial and business affairs of any particular person (including the authority holding that information).

Minute 73 – Briarfields - House – this item contains exempt information under Schedule 12A Local Government Act 1972 (as amended by the Local Government (Access to Information)(Variation)Order 2006) namely (para 3), information relating to the financial and business affairs of any particular person (including the authority holding that information).

69. Land to the Rear of Conservative Club on the Headland – *Assistant Director (Resources)*

Type of Decision

Non-key

Purpose of Report

To seek approval from the Portfolio Holder to consider the transfer of land to the rear of the Conservative Club on the Headland on which a garage will be erected.

Issues for Consideration

An approach had been made to the Estates Section for the purchase of land to the rear of the Headland Conservative Club for the erection of a garage. This land forms part of a larger Council owned site and would therefore have implications on future development opportunities. Further details and financial implications are included in the confidential

minutes.

Decision

Detailed in the confidential minutes.

70. Place in the Park Cafe – Assistant Director (Resources)

Type of Decision

Non-key

Purpose of Report

To outline current position and proposals in relation to letting of the Place in the Park café.

Issues for Consideration

In September 2008 the Place in the Park café was let to the current tenant. Terms were agreed by Parks and Countryside staff. In order to regularise the occupancy and ensure market value the original terms had been renegotiated. Details of the renegotiated terms had been given to the Portfolio Holder as his previous meeting however he had requested an amendment to the terms. This amendment had been communicated to the tenant who had subsequently responded. Details were given within the confidential report and are outlined in the confidential minutes.

Decision

Detailed in the confidential minutes.

71. Former Somersby Close Family Resource Centre

— Assistant Director (Resources) and Assistant Director (Regeneration and Planning)

Type of Decision

Non-key

Purpose of Report

To inform the Portfolio Holder of the feasibility and costs associated with converting Somersby Close Resource Centre in to temporary living accommodation to house homeless people in the Hartlepool area.

Issues for Consideration

At a previous meeting the Portfolio Holder had asked officers to investigate the possibility of utilising Somersby Close Family Resource Centre as accommodation for the homeless. The property had recently been vacated by Child and Adult Services. Subsequent investigation had shown that the costs of such a conversion would be significant when compared with savings which could be made through disposal of the property. Further details are provided in the confidential minutes.

Decision

That the disposal of Somersby Close Family Resource Centre be approved.

72. Land at Brinkburn and Burn Valley – Assistant Director (Resources)

Type of Decision

Non-key

Purpose of Report

To seek approval to lease land at Brinkburn and Burn Valley to Hartlepool 6th Form College

Issues for Consideration

Following a major building programme and expansion in terms of student numbers and courses Hartlepool Sixth Form College had approached the Council to lease 2 areas of Council owned land for use as sports fields. Following consultation with Parks and Countryside and Child and Adult Services terms had been agreed. Details are provided in the confidential minutes.

Decision

That the lease of the land to Hartlepool Sixth Form College be approved.

73. Briarfields - House – Assistant Director (Resources)

Type of Decision

Non-key

Purpose of Report

To seek confirmation of approval of the revised mortgage and contract arrangements between the Council and the owners of Briarfields House.

Issues for Consideration

Further details are provided in the confidential minutes

Decision

Detailed in the confidential minutes.

The meeting concluded at 11:10 am

P J DEVLIN

CHIEF SOLICITOR

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