

FINANCE AND PROCUREMENT PORTFOLIO DECISION SCHEDULE



Thursday, 12 May 2011

at 10.00 am

in Committee Room C, Civic Centre, Hartlepool

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

1. KEY DECISIONS

No items

2. OTHER ITEMS REQUIRING DECISION

2.1 Business Transformation – Household Waste Recycling Centre Opening Times (Revised) - *Assistant Director (Neighbourhood Services)*

2.2 Review Of Dog Control Orders – *Assistant Director (Neighbourhood Services)*

2.3 Energy Billing Cost Recovery – *Assistant Director (Resources)*

3. ITEMS FOR INFORMATION

No items

4. REPORTS FROM OVERVIEW OF SCRUTINY FORUMS

No items

5. LOCAL GOVERNMENT (ACCESS TO INFORMATION) (VARIATION) ORDER 2006

EXEMPT ITEMS

Under Section 100(A)(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that it involves the likely disclosure of exempt information as defined in the paragraphs

referred to below of Part 1 of Schedule 12A of the Local Government Act 1972, as amended by the Local Government (Access to Information) (Variation) Order 2006

6. EXEMPT KEY DECISIONS

No items

7. OTHER EXEMPT ITEMS REQUIRING DECISION

7.1 Rent Review -Tilcon, Tofts Road West, Hartlepool (Para 3) – *Assistant Director (Resources)*

7.2 Market Hotel (para 3) – *Assistant Director (Resources)*

FINANCE & PROCUREMENT PORTFOLIO

Report to Portfolio Holder

12 May 2011



Report of: Assistant Director (Neighbourhood Services)

Subject: BUSINESS TRANSFORMATION – HOUSEHOLD
WASTE RECYCLING CENTRE OPENING TIMES
(REVISED)

SUMMARY

1. PURPOSE OF REPORT

To seek approval to change the opening times at the Council's Household Waste Recycling Centre on Bum Road, effective from 1st June 2011.

2. SUMMARY OF CONTENTS

The report relates to the Business Transformation/Service Delivery Options contained in the Cabinet Report of 24th May 2010, Business Transformation; it also relates to a recent report to the Community Safety & Housing Portfolio Holder meeting of 25th February 2011.

At the meeting of 25th February 2011, the Portfolio Holder expressed concern for the proposed changes to the summer opening times, suggesting these did not afford members of the public the opportunity to visit the site later in the day. The Portfolio Holder considered this to be of particular relevance to those people who are at work during the day.

This report provides some background and other information associated with the Household Waste Recycling Centre and offers a revised proposal for the opening times at the site.

3. RELEVANCE TO PORTFOLIO MEMBER

The Portfolio has responsibility for Waste Management issues.

4. TYPE OF DECISION

Non key

5. DECISION MAKING ROUTE

Portfolio Holder

6. DECISION(S) REQUIRED

Approval to apply the revised opening times at the Household Waste Recycling Centre from the 1st June 2011.

Report of: Assistant Director (Neighbourhood Services)

Subject: BUSINESS TRANSFORMATION – HOUSEHOLD
WASTE RECYCLING CENTRE OPENING
TIMES (REVISED)

1. PURPOSE OF REPORT

- 1.1 To seek approval to change the opening times at the Council's Household Waste Recycling Centre on Burn Road, effective from 1st June 2011.

2. BACKGROUND

- 2.1 In order to meet the challenging Business Transformation savings targets, Cabinet has endorsed the Waste & Environmental Services section's SDO recommendation to review the opening times at the Household Waste Recycling Centre following the redevelopment of the site.

At the meeting of the Community Safety & Housing Portfolio Holder on 25th February 2011, it was proposed the opening times change from;

	Opening times
April – October (inclusive)	8:00 – 19:30
November – March (inclusive)	8:00 – 18:00

to the following:

	Opening times
April – October (inclusive)	8:00 – 17:30
November – March (inclusive)	8:00 – 16:30

- 2.2 Whilst the winter opening times were considered acceptable, it was viewed that the proposed summer opening times did not afford members of the public the opportunity to visit the site later in the day; this was considered particularly relevant to those people who are at work during the day.

3. **FURTHER RELEVANT INFORMATION**

- 3.1 Since June 2010, there has been increased policing at the site to eradicate abuse by traders seeking to avoid the tipping fees payable at an authorised treatment facility. This has resulted in a reduction in the number of users of the site and in particular those using it towards the end of the day. The current economic downturn has also resulted in fewer residents disposing of household items at the site.

Comparisons for the periods April to December 2009 and April to December 2010 show the decrease in tonnages for both residual and recyclable waste:

	April - December 2010	April – December 2010
Recyclable	5202.83	4650.51
Residual	4607.2	3139.2
TOTAL	9810.03	7789.71

- 3.2 Usage of the site has been closely monitored in order to identify periods of high and low traffic. This has shown that from 4pm to close, the number of visitors to the site reduces significantly.

4. **PROPOSALS**

- 4.1 Taking into consideration the specific concerns raised at the Portfolio Holder meeting on the 25th February 2011, the following revised opening times are now proposed, effective from 1st June 2011:

	Opening times
April – October (inclusive)	8:00 – 18:30
November – March (inclusive)	8:00 – 16:30

5. **BENCHMARKING**

- 5.1 A survey of neighbouring Authorities has shown that opening times at their respective civic amenity sites are similar to those currently in place in Hartlepool; however, all confirm to be carrying out a review of these arrangements with the intention of closing earlier.

6. COMMUNICATIONS

- 6.1 The implementation of any changes to the opening times at the Household Waste Recycling Centre will follow a combination of various mediums including but not exclusive to press releases, website, leaflets, and posters.

7. LEGAL CONSIDERATIONS

- 7.1 Whilst the Council has a statutory duty to provide a civic amenity site, there are no regulations that prevent the implementation of the revised opening times.

8. STAFF CONSIDERATIONS

- 8.1 There are no implications for Hartlepool Borough Council staff as a result of changes to the opening times; however, staff belonging to the operators of the site, J&B Recycling, will have their working hours changed in line with the new times.

9. FINANCIAL CONSIDERATIONS

- 9.1 Only nominal financial savings will be made from the contract management costs as a result of the reduced opening times; however, the reduced hours will provide more time for staff to assist in the segregation of waste, which in turn will result in an increase in recyclable material and a corresponding decrease in residual waste being processed at the site.

10. RISK IMPLICATIONS

- 10.1 In the Cabinet report of 24th May 2010, a change to the opening times at the Household Waste Recycling Centre was listed as a service delivery option (SDO) that would contribute to essential savings/efficiencies. Failure to meet the SDO targets set out in the Cabinet report will have significant negative consequences for the Waste Management Service, its staff, and the Council as a whole.
- 10.2 Reduced opening times may result in an upturn in incidents of fly tipping, which could impact upon the workload of the street cleansing teams. However, this problem can be alleviated through the vigilance and proactive measures of the Environmental Enforcement Team who will not hesitate to take legal action against people who commit such crimes against the environment.

11. RECOMMENDATIONS

- 11.1 That the Portfolio Holder gives approval to the revised opening times at the Household Waste Recycling Centre, effective from 1st June 2011.

12. REASONS FOR RECOMMENDATIONS

- 12.1 A review of the opening times at the Household Waste Recycling Centre is identified in the Waste Management SDO report to Cabinet on May 24th 2010, aimed at achieving essential savings/efficiencies for the Council. Failure to meet these targets will have significant negative consequences for the Waste Management section, its staff, and the Council as a whole.
- 12.2 The proposed changes are in line with those presently being considered by other local authorities in the North East.
- 12.3 The revised proposals take into account the concerns raised at the portfolio holder meeting of 25th February 2011.

13. BACKGROUND PAPERS

- 13.1 Business Transformation- Service Delivery Review Options Analysis Report for Waste Management – May 2010

14. CONTACT OFFICER

Craig Thelwell, Waste & Environment Services Manager,
Regeneration & Neighbourhoods Department,
1 Church St,
Hartlepool, TS25 7DS.

Tel: 01429 523370.

E-mail: craig.thelwell@hartlepool.gov.uk

FINANCE AND PROCUREMENT PORTFOLIO

Report to Portfolio Holder

12 May, 2011



Report of: Assistant Director (Neighbourhood Services)

Subject: REVIEW OF DOG CONTROL ORDERS

SUMMARY

1. PURPOSE OF REPORT

To seek approval to commence the process of reviewing the existing Dog Control Orders currently in place across the Borough of Hartlepool.

2. SUMMARY OF CONTENTS

The report gives concise details of the Dog Control Orders that are in place across the Borough of Hartlepool and explains the reasons why there is a need to carry out a review. The report also explains how the review will be undertaken.

3. RELEVANCE TO PORTFOLIO MEMBER

The Portfolio Holder has responsibility for environmental issues.

4. TYPE OF DECISION

Non-key.

5. DECISION MAKING ROUTE

Portfolio Holder

6. DECISION(S) REQUIRED

Approval to commence the process of reviewing the existing Dog Control Orders currently in place across the Borough of Hartlepool.

Report of: Assistant Director (Neighbourhood Services)

Subject: REVIEW OF DOG CONTROL ORDERS

1. Purpose of Report

- 1.1 To seek approval to commence the process of reviewing the existing Dog Control Orders currently in place across the Borough of Hartlepool.

2. Background

- 2.1 In April of 2006, the Clean Neighbourhoods and Environment Act was fully introduced and provided local authorities with a range of new powers to tackle problems in the environment.

Part 6 of the Act enables local authorities to make dog control orders, which effectively replace the previous system of dog byelaws for the control of dogs, and also the Dogs (Fouling of Land) Act 1996.

- 2.2 The Dog Control Orders Regulations provide for five offences which may be prescribed in a dog control order:

- (a) failing to remove dog faeces;
- (b) not keeping a dog on a lead;
- (c) not putting, and keeping a dog on a lead when directed to do so by an authorised officer;
- (d) permitting a dog to enter land from which dogs are excluded;
- (e) taking more than the specified number of dogs onto land.

- 2.3 Following lengthy public consultations, which included presentations at the Neighbourhood Forums, visits to resident group meetings, press releases and information published on the Council's website, five orders were introduced to Hartlepool in 2008. Specifically, these were:

- The Fouling of Land by Dogs (Borough of Hartlepool) Order;
- The Dogs on Leads (Borough of Hartlepool) Order;
- The Dogs on Leads by Direction (Borough of Hartlepool) Order;
- The Dogs Exclusion (Borough of Hartlepool) Order;
- The Dogs (Specified Maximum) (Borough of Hartlepool) Order.

- 2.4 The penalty for committing an offence under a Dog Control Order is a maximum fine of level 3 on the standard scale (currently £1,000). Alternatively, the opportunity to pay a fixed penalty may be offered in place of prosecution.

- 2.5 Hartlepool Borough Council has set the level of fixed penalty at £80; however, this is reduced to £50 if paid within a period of 7 days from the date of issue.
- 2.6 Each Order is specific to areas of land within the Borough of Hartlepool. A copy of the details of the orders and the land to which they apply is available in the Members room for their information.

3. Proposals and Formal Consultations

- 3.1 Since the introduction of Dog Control Orders in 2008, the Council has received a number of requests from council members and members of the public for amendments to be made to designated areas; Natural England has also requested that an order is placed on the SSSI area of North Sands, Headland. The review will therefore seek to establish the following:
- areas of land where new orders are to placed;
 - areas of land where existing orders will be removed;
 - areas of land where existing orders will be replaced with a different order.
- 3.2 The review process will follow a similar course to that taken at the time the orders were introduced in 2008. That is to say, public consultations will include the following:
- Attendance at Neighbourhood Forums, resident/community groups etc;
 - Media coverage, including news articles and public notices in the Hartlepool Mail and Hartbeat;
 - Information on the Council's website.
- 3.3 Relevant bodies/organisations will also be consulted and these will include the following:
- Dalton Parish Council;
 - Greatham Parish Council;
 - Elwick Parish Council;
 - Hart Parish Council;
 - The Crown Estates (foreshore areas);
 - The Headland Town Council;
 - The Dogs Trust;
 - The RSPCA.
- 3.4 Following this review, the outcome and recommendations will be reported to a subsequent meeting of the Portfolio Holder. At this meeting, permission will be sought to introduce any changes which will then proceed in accordance with statutory guidelines/regulations.

4. Risk Implications

- 4.1 Irresponsible dog ownership continues to be a town-wide problem and features highly amongst peoples concerns. Failure by the Council to implement an effective means of tackling this issue will have risk implications in respect of the following:
- Cost and ability of maintaining a high quality local environment;
 - Public perception of crime and the fear of crime;
 - Social standing of communities;
 - Ability to deliver our statutory duties under the Environmental Protection Act 1990 and street cleansing;
 - Perception that irresponsible dog ownership is 'acceptable'.
- 4.2 The Dog Control Order (Procedures) Regulations 2006 require Authorities to consult with primary or secondary Authorities and other interested parties. Failure to comply with the regulations would leave Hartlepool Borough Council open to criticism and intervention by Central Government.
- 4.3 Failure to carry out a periodic review of the dog control orders could render some orders inappropriate and/or ineffective; it could also be perceived as a failure by Hartlepool Borough Council to take on board the concerns/comments of its residents, Council members and other interested parties.

5. Legal Considerations

- 5.1 A consultation exercise is a requirement of the Dog Control Order (Procedures) Regulations 2006 and is therefore fundamental to the process of carrying out the review.

6. Equality and Diversity Considerations

- 6.1 The review will be conducted in a way that ensures all sections of the community are able to communicate their views on the current and proposed Dog Control Orders in the Borough of Hartlepool.

7. Crime & Disorder Act 1998, Section 17

- 7.1 Irresponsible dog ownership is a town-wide problem, which is costly for the Council's street cleansing teams; it also presents a danger to members of the public and contributes significantly towards the decline of the communities.
- 7.2 It is therefore essential for the Council to have in place an effective means of engaging those irresponsible dog owners who clearly have no regard for the environment or other people.

8. Recommendations

- 8.1 That the Portfolio Holder gives approval to commence the process of reviewing the Dog Control Orders currently in place across the Borough of Hartlepool.

9. Reason for Recommendations

- 9.1 Since the introduction of the dog control orders in 2008, Hartlepool Borough Council has received a number of requests from Council members and members of the public for amendments to be made to designated areas; Natural England has also requested that an order is placed on the SSSI area of North Sands, Headland.
- 9.2 Irresponsible dog ownership is a problem town-wide and Dog Control Orders are considered fundamental to the Council's objective to provide a safer, cleaner place for people to work and live. It is therefore important for the Council to carry out a periodic review of the orders to ensure they continue to be effective.

10. Contact Officer

Craig Thelwell, Waste & Environment Services Manager,
Regeneration & Neighbourhoods Department,
1 Church St,
Hartlepool, TS25 7DS.

Tel: 01429 523370.

E-mail: craig.thelwell@hartlepool.gov.uk

FINANCE AND PROCUREMENT PORTFOLIO

Report To Portfolio Holder

12TH May 2011



Report of: Assistant Director (Resources)

Subject: ENERGY BILLING COST RECOVERY

SUMMARY

1. PURPOSE OF REPORT

To update the Portfolio Holder on the outcome of tenders to reclaim hidden charges in the Half Hourly electricity contract.

2. SUMMARY OF CONTENTS

The report details the background of the opportunity to reclaim energy charges, the criteria to select a recovery expert and the outcome of the competitive procurement.

3. RELEVANCE TO PORTFOLIO MEMBER

The Portfolio Holder is the Council's Procurement Champion.

4. TYPE OF DECISION

Non Key.

5. DECISION MAKING ROUTE

Portfolio Holder only.

6. DECISION(S) REQUIRED

The Portfolio Holder notes the outcome of the tender exercise and notes the appointment of Professional Cost Management Group limited (PCMG) to pursue refunds from the current electricity supplier.

Report of: Assistant Director (Resources)

Subject: ENERGY BILLING COST RECOVERY

1. PURPOSE OF REPORT

- 1.1 To update the Portfolio Holder on the outcome of tenders to reclaim hidden charges in the Half Hourly electricity contract.

2. BACKGROUND

- 2.1 Hartlepool Borough Council uses the North East Procurement Organisation (NEPO) contract to procure its electricity supplies. The preferred utility supplier offers Hartlepool, through NEPO, a set price per kWh for the energy it supplies.
- 2.2 It is possible that the energy supply contract contains hidden chargeable elements that our energy supplier is collecting on behalf of the supply chain. These elements include charges relating to the transportation and distribution of electricity through the grid network and associated infrastructure charges.
- 2.3 The energy supplier has no incentive to examine the accuracy of these costs and simply passes them on as part of their supply arrangement.
- 2.4 Over recent years there has been a growth in companies who analyse utility accounts. Starting with the telecommunication industry, they have now developed software to challenge the pass through costs (DUOS – “Distribution use of Systems”) and recover any over charging within the electricity market.
- 2.5 The increasing requirement to scrutinise all cost centres and to minimise all expenditure has focused attention on the possibility of identifying and recovering any past overpayments and to reduce future payments.
- 2.6 As the Portfolio Holder is aware, a tendering exercise has been undertaken to secure a company who is expert at the analysis of utility accounts and the recovery of any overpayments.

3. FINANCIAL AND RISK CONSIDERATIONS

- 3.1 Hartlepool Council spent £600,000 in the financial year 2009/2010 on electricity supplies to its 12 Half Hourly sites, any potential savings could be beneficial to the Council and its clients. The “Half Hourly” sites are those sites whose electricity consumption passes through a threshold of 100kW per hour. These sites include the Civic Centre, Mill House, Borough Hall and Sports Centre, Central Library, Lynn St Depot, Historic Quay and all of the Secondary Schools. Due to the large amounts of electricity used at these sites, the Cost Management companies specifically target these sites as they offer the greatest chance of cost recovery. Those sites which fall below the threshold are seen to offer little scope to achieve a worthwhile return on investment.
- 3.2 There is no financial risk to the Council as the service is free of charge with the Cost Management Company operating on a fixed percentage of any costs recovered.
- 3.3 The possibility of the Council conducting its own review of the build up of electricity charges had been examined. However due to the complexities of the utility infrastructure and the bespoke software required, the appointment of the specialist cost management organisation is required.

4. TENDER EXERCISE

- 4.1 Electronic tenders were invited on the 16th December 2010 with a closing date of 14th January 2011. Contract Scrutiny Committee formally received 11 tenders on 14th February 2011.
- 4.2 The Procurement Team undertook a tender evaluation exercise by the application of formal tender criteria. The application of this criteria eliminated 9 bidders that did not meet tender requirements. Two bidders remained and were invited to interview to assess their competency within the field of energy billing cost recovery.

5. TENDER RESULTS

- 5.1 Tender results are included in Confidential **Appendix 1**. Evaluation details are included in Confidential **Appendix 2**. **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 or business affairs of any particular person (including the authority holding that information).**

6. CONCLUSIONS

- 6.1 The successful bidder estimates a cost recovery in the order of 5% to 15% of the £600k charges. This potential is an estimate only but could realise savings in the order of £30k to £90k. This could be applied retrospectively up to 6 years.

7. RECOMMENDATIONS

- 7.1 The Portfolio Holder notes the outcome of the tender exercise and notes the appointment of Professional Cost Management Group limited (PCMG) to pursue refunds from the current electricity supplier.

8. CONTACT OFFICER

Albert Williams – Property Manager
Regeneration and Neighbourhoods
Resources Division
Hartlepool Borough Council
Bryan Hanson House
Hanson Square
Hartlepool
TS247BT
01429 52 3396
Email albert.williams@hartlepool.gov.uk