

CABINET

MINUTES AND DECISION RECORD

9 May 2011

The meeting commenced at 9.15 am in the Civic Centre, Hartlepool

Present:

The Mayor, Stuart Drummond - In the Chair

Councillors: Jonathan Brash (Performance Portfolio Holder)
Robbie Payne (Deputy Mayor) (Finance and Procurement Portfolio Holder)
Pamela Hargreaves (Regeneration and Economic Development Portfolio Holder)
Gerard Hall (Adult and Public Health Services Portfolio Holder)
Hilary Thompson (Culture, Leisure and Tourism Portfolio Holder)

Officers: Paul Walker, Chief Executive
Chris Little, Chief Finance Officer
Alyson Caman, Legal Services Manager
Dave Stubbs, Director of Regeneration and Neighbourhoods
John Mennear, Assistant Director, Community Services
Graham Frankland, Assistant Director, Resources
Dale Clark, Estates and Asset Manager
Dennis Hancock, Principal Engineer, Environmental Issues
Julian Heward, Public Relations Officer
Angela Hunter, Principal Democratic Services Officer

224. Apologies for Absence

Apologies for absence from Councillors Cath Hill, Children's Services Portfolio Holder and Peter Jackson, Cabinet Member without Portfolio.

225. Declarations of interest by Members

None.

226. Minutes

- (i) Minutes of the meeting held on 8 April 2011 – Received.
- (ii) Minutes of the meeting held on 18 April 2011 – Received.

226. Matters arising from the Minutes

The Portfolio Holder for Regeneration and Economy referred to minute 212 of the meeting of Cabinet held on 8 April 2011 and sought clarification of when an update would be provided for Members on the procurement process to be undertaken. The Assistant Director, Resources confirmed that a report would be submitted to a future meeting of Cabinet which would provide details of the procurement process undertaken and provide options for the future operation of the process.

227. Community Asset Transfer – Community Centres

(Director of Child and Adult Services and Director of Regeneration and Neighbourhoods)

Type of decision

Budget and Policy Framework

Purpose of report

The report sought to provide a clear outline of the current and potential premises that were available for transfer and the process to be followed for that transfer. The properties specifically under consideration were the town's community centres which had been, in part, affected by the Comprehensive Spending Review effect on the Authority's budget position and the impact it has had on service provision. Budget led proposals for closure of some, had led to a review of all, and sought to minimise this threat by actively investigating a robust transfer of such community assets where viable and appropriate.

Issue(s) for consideration by Cabinet

The Portfolio Holder for Finance and Procurement presented a detailed report which outlined proposals to enable the Draft Community Asset Transfer Policy to deliver a transfer of service provision for community centres into the voluntary sector. The implications of transfer were outlined in the report and specific complications and clarifications were outlined with a decision required.

A detailed timetable was provided which would enable a transfer to be sought within the 9 month temporary funding period approved by Council as part of the 2011/12 budget setting process.

A lengthy discussion took place during which Members indicated they were generally supportive of supporting voluntary and community organisations in Hartlepool but sought clarification on a number of areas within the policy.

In response to questions around the leasing arrangements, the Assistant Director (Resources) confirmed that the policy provided the ability to transfer the freehold should that be appropriate in the future. Each application for Community Transfer would be treated on its merits and lease terms will reflect the submitted proposals but in the first instance, it was suggested that the transfer of any assets should initially generally be via a short term lease. A Member questioned the reference to any lease longer than 7 years, which was defined as a long lease, requiring an asset lock. The Estates and Asset Manager indicated that leases would be granted on a peppercorn rent and an asset lock would prevent an organisation assigning that lease to another organisation in the future in order to make a profit within the commercial market.

A Member commented that whilst there was a vibrant voluntary and community sector within Hartlepool, this was in the main due to public sector funding being available in the past and there was concern that many community and voluntary sector organisations were facing an uncertain future financially.

In response to a question from a Member, the Assistant Director (Resources) confirmed that council owned land would also be included within the Community Asset Transfer Policy and as the Localism Bill developed, there may be potential for more people to take on local authority assets through the right to buy programme.

A discussion ensued on how this policy affected the Council's Asset Backed Vehicle policy. The Director of Regeneration and Neighbourhoods indicated that any decisions taken in relation to the Community Asset Transfer Policy should not affect future decisions taken as part of the Asset Backed Vehicle policy.

Clarification was sought in relation to how the transfer of assets and services would be differentiated if Owton Manor and Burbank Community Centres were to be included. The Assistant Director (Community Services) indicated that whilst the budget proposals identified three assets for closure or possible transfer, there had been general expressions of interest made and it was suggested that other community centres could be included to test the market and possible interest, in particular Owton Manor and Burbank Community Centres. However, as noted in the report, TUPE regulations would apply to Owton Manor and Burbank Community Centres as staff remained employed within these centres and any interested organisations need to be made fully aware of the implications of these regulations. Cabinet were therefore requested consider whether to proceed with Owton Manor and Burbank Community Centres complete with TUPE liability and test the market, or withdraw both from inclusion at this early stage. Members reaffirmed that the policy needed to confirm explicitly that should an organisation bid to take over one of the Council's assets, there would be no local authority funding available to support this bid. However, it was noted that there may be support available should an organisation wish to provide services on behalf of the local authority.

A Member questioned whether the proposals had been discussed with any of the staff directly employed within the Community Centres and Libraries. The Assistant Director (Community Services) indicated that Members' views on the proposals were to be sought first. Clarification was sought on what the implications for next year's budget would, be should additional buildings be included within the transfer of assets in the current year. The Chief Finance Officer confirmed that £97k had been identified as a saving based on the properties already identified as part of the budget process. However, should additional properties be included, the financial implications would need to be calculated and reported to Members.

It was suggested that a small number of properties be included in the first instance to enable Members to see how the process worked and enable the community and voluntary sector organisations to fully understand the process. It was also suggested that this issue be considered in conjunction with the Asset Backed Vehicle policy that was to be considered by Cabinet at a future meeting. The Director of Regeneration and Neighbourhoods confirmed that a report on the Asset Backed Vehicle was likely to be submitted to Cabinet in June.

It was noted that the closure of Throston Community Centre or Library, West View Community Centre and Library and Jutland Road Community Centre, which had been identified as part of the budget proposals, had been delayed for a period of up to 9 months to enable asset transfer proposals to be fully developed and implemented. It was suggested that to include Owton Manor and Burbank Community Centres would enable expressions of interest to be made but without the financial pressure of having to include them at the current time.

The Assistant Director (Resources) confirmed that anyone can express an interest in taking over a local authority building at any time. Members reiterated that the policy should explicitly confirm that the receipt of expressions of interest for any Council owned buildings or land did not guarantee that the asset transfer process would be automatically be applied.

A Member referred to paragraph 8.5 in the report which indicated that if no credible transfer opportunities emerged then a subsequent marketing exercise and/or demolition would need to take place. The Assistant Director (Resources) confirmed that this only applied to the three buildings identified as part of the budget process and would not apply to Owton Manor and Burbank Community Centres should they be included within the current community asset transfer proposals. Clarification was sought on the commissioning of services provided in the Community Centres identified. The Chief Executive confirmed that this issue would have to be looked at separately.

In response to clarification sought by Members, the Chief Executive confirmed that decisions on the transfer of community assets would be

made by the relevant Portfolio Holder or Cabinet. However it was suggested that all final decisions be submitted to Cabinet.

The Assistant Director (Community Services) confirmed that the next stage of the process would be to advertise for expressions of interests in the identified properties. It was noted that this may generate speculative interest in properties not listed and the Director of Regeneration and Neighbourhoods confirmed that the process for dealing with speculative interest was included within the Policy.

The report identified that the original proposal for Throston Community Centre and Library was to amalgamate services into one building. Members were asked to note that there was strong support to retain Throston Library and it was therefore suggested that Throston Community Centre be included within the current asset transfer process.

Decision

- (i) The Draft Community Asset Transfer Policy to be used for the process outlined in the report was approved.
- (ii) The shortlist of properties identified for the purposes of the current Community Centres asset transfer proposals included:
 - (a) Throston Community Centre
 - (b) West View Community Centre and West View Library
 - (c) Jutland Road Community Centre
- (iii) That Throston Library remain as an operational service serving the local community.
- (iv) That Burbank Community Centre and Owton Manor Community Centre and Library be included within the current asset transfer process in full recognition that TUPE regulations applied for bidding organisations in a continuing service with staff in post. The outcome may differ subject to staffing developments in the ensuing timeframe.
- (v) The draft timetable for transfer was approved.
- (vi) The Community Asset Transfer Policy to explicitly identify that there would be no local authority funding available to support organisations leasing community assets from the local authority.
- (vii) That the final decisions on all community asset transfers be submitted to Cabinet for decision.

228. Seaton Carew Coastal Strategy – Adoption and Implementation *(Director of Regeneration and Neighbourhoods)*

Type of decision

Key Decision – Test (ii) applies.

Purpose of report

To update Cabinet regarding the outcomes of the Seaton Carew Coastal Strategy and request formal adoption of the coastal management contained within the strategy.

To inform Cabinet on progress made on implementation of the necessary capital schemes including urgent works required between the Staindiffe Hotel and Station Lane Access Ramp and the requirement to seek and secure external funding contributions for future schemes.

Issue(s) for consideration by Cabinet

The report highlighted why the strategy was required; how the strategy was produced; the conclusions and recommendations; consultation; financial implications and programme; approval processes and progress on implementation.

A Member sought clarification why no capital works had been identified for the Dunes of Seaton Sands. The Director of Regeneration and Neighbourhoods confirmed that if the North Gare Breakwater was upgraded, this should help maintain the dunes and keep the sand building up in that area resulting in no additional works being required.

In response to a question from a Member, the Director of Regeneration and Neighbourhoods and Principal Engineer confirmed that Hartlepool Power Station was on board with the Strategy and discussions have been held regarding the Power Station providing funding contributions for the works and that the Power Station has a low level of defence already in place.

Decision

- (i) The Seaton Carew Coastal Strategy was adopted.
- (ii) The progress made on the implementation of the necessary capital schemes and the requirement to secure external funding was noted.

229. Update – Flood and Water Management Act 2010 and Flood Risk Regulations 2009 *(Director of Regeneration and Neighbourhoods)*

Type of decision

Non-key.

Purpose of report

To update Cabinet (following a previous report dated 24th May 2010) regarding ongoing and completed schemes undertaken in accordance with the Flood and Water Management Act 2010 and Flood Risk Regulations 2009. These include the Hartlepool Surface Water Management Plan (SWMP), Hartlepool Preliminary Flood Risk Assessment (PFRA), Tunstall Farm Beck Flood Alleviation Study (Appendix A) and Powlett Road local land drainage works (Appendix A).

To inform Cabinet of the grant allocation of £115k (2011/12) and provisionally £133k (2012/13) to undertake/fulfill a number of new duties under the Flood and Water Management Act 2010.

Issue(s) for consideration by Cabinet

The report provided an update on both the Flood Risk Regulations (2009) and Floods and Water Management Act (2010) and described key features and implications on the Council. The report highlighted the requirement for a Preliminary Flood Risk Assessment (PFRA) and Local Strategy to manage flood risk into the future. The report also provided an update on completed and ongoing schemes (Appendix A), funding and financial considerations and the next steps towards delivering challenging objectives for 2011/12.

The Principal Engineer confirmed that the flood protection upgrading undertaken at Valley Drive/Tunstall Farm area of the town was now complete.

Decision

The report was noted and a further update on this subject would be submitted to Cabinet in the near future.

The meeting concluded at 10.21 am

P J DEVLIN

CHIEF SOLICITOR

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