

FINANCE AND PROCUREMENT PORTFOLIO DECISION RECORD

13 October 2011

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

Present:

Councillor: Robbie Payne (Finance and Procurement Portfolio Holder)

Officers: Chris Little, Chief Finance Officer
Graham Frankland, Assistant Director (Resources)
Denise Ogden, Assistant Director (Neighbourhood Services)
Dale Clarke, Estates and Asset Manager
Philip Timmins, Principal Estates Surveyor
Jo Stubbs, Democratic Services Officer

27. Banking Arrangements (*Chief Finance Officer*)

Type of decision

Non key.

Purpose of report

To seek approval for an extension to the current banking arrangements to 31st March 2013.

Issue(s) for consideration by Portfolio Holder

The Council's current banking contract was awarded to the Co-operative Bank in 2002 and is due to end on 31st March 2012. A number of benefits had been identified if the Co-operative Bank continued to provide services in the short term. Efficient working arrangements had developed and given the current implementation of cuts in the overall budget it was felt that transferring the bank contract at this point in time would lead to cost and capacity issues. The banking contract was also an area with the potential for future savings through joint tendering. If the current contract were extended by 12 months this would allow joint tendering to be explored without entering into a commitment that might delay potential future savings. Finally current volatility in the banking sector meant there was very limited market interest in local authority banking at the moment.

The Portfolio Holder noted the comments in the report regarding the savings

and benefits to be made from continuing the current provision and investigating the possibility of joint tendering in the future. However he felt that extending the existing contract due to capacity issues within the division was not a substantial reason to take this action. He indicated that he would approve the actions requested on the basis of the savings identified and for no other reason.

Decision

That the Chief Finance Officer be authorised to enter into negotiations with the Co-operative Bank to continue to provide banking services for a further year from 1st April 2012 and to conclude these negotiations if the cost is within the budget provision for this service.

28 Treasury Management Advice Arrangements (*Chief Finance Officer*)

Type of decision

Non key.

Purpose of report

To seek approval for an extension to the current Treasury Management advice arrangements to 31st March 2013.

Issue(s) for consideration by Portfolio Holder

The current Treasury Management Advice contract is held by Butlers. It was suggested that this contract be extended to 31st March 2013 in order to maximise on efficient working arrangements and continue to utilise the advice and support of the advisor which has previously helped the Council achieve significant one-off benefits and ongoing savings.

The Portfolio Holder queried the possibility of joint tendering for this contract. The Chief Finance Officer confirmed he would consider this but felt that given the size of the Butlers contract joint tendering would be unlikely to result in any significant reduction. Treasury Management was a specialist service and advice reflected the particular circumstances of an individual authority. Therefore, joint procurement was unlikely to provide savings from standardisation of service to more than one authority as a customised approach was needed for each authority.

Decision

That the Chief Finance Officer be authorised to enter into negotiations with Sector to continue to provide Treasury Management Advice until 31st March 2013 and to conclude these negotiations if the cost is within the budget provision.

29 Land at Easington Road *(Assistant Director, Resources)*

Type of decision

Non key.

Purpose of report

To seek approval for the transfer of an additional piece of land to Housing Hartlepool,

Issue(s) for consideration by Portfolio Holder

Housing Hartlepool were currently building new houses and flats on Easington Road. Two pieces of land were previously transferred to Housing Hartlepool by the Council for this development however it had become apparent that a third piece of land was required. Maps showing the land in question and proposed development plan were appended to the report. The land would be transferred under the same terms as the earlier transfer, as detailed in a confidential appendix to the report. The planning permission previously granted also covered this piece of land.

The Portfolio Holder referred to the previous transfer of the 2 adjoining pieces of land and queried why the 3 pieces had not been sold as one larger piece as this would probably have netted more income overall. The Estates and Asset Manager advised that Housing Hartlepool had approached the Council on 3 separate occasions and that each request had been reviewed on a case by case basis. The Portfolio Holder highlighted the Asset Management issues saying that if the land had been sold as one parcel it would have been worth more. The Estates and Asset Manager acknowledged this but queried whether the social benefits of giving the land to Housing Hartlepool outweighed the opportunity to increase revenue. The Portfolio Holder felt that given the 2 adjoining pieces of land had been transferred to Housing Hartlepool on a nil value basis on this occasion the land in question should be sold at the current market value as detailed in the confidential appendix. To do otherwise would be far too lenient. He asked officers to advise Housing Hartlepool of this and to bring their response back to him.

Decision

That the transfer of the land in question be offered to Housing Hartlepool at

the current market value.

30 Ward Jackson Park Lodge *(Assistant Director, Resources)*

Type of decision

Non key.

Purpose of report

To seek approval to the disposal of Ward Jackson Park Lodge and adjoining land.

Issue(s) for consideration by Portfolio Holder

The Lodge House, which forms part of Ward Jackson Park, is currently vacant. As it is no longer required for operational purposes it is considered appropriate for disposal. In addition adjoining land currently used as a grounds maintenance compound has a potential for sale as a residential development plot. Both sites are recommended to be marketed for sale by informal tender with bids invited for either or both sites. Financial details were outlined in a confidential appendix to the report. It was highlighted that should the property remain vacant there would be a need to increase maintenance and security resources over time.

The Portfolio Holder highlighted the need for a new access road from Elwick Road, asking who would pay for this. The Estates and Asset Manager advised that the successful developer would be responsible although if only one site were successfully sold there might be the possibility of a discounted price. The Portfolio Holder queried the option to demolish the building but was advised that as it was a listed building in a conservation area this was unlikely to be approved. As there had been no previous attempts to market the site officers would be unable to prove a lack of interest as a reason for demolition. The Assistant Director (Resources) confirmed that the ward councillors were fully supportive of the proposals.

Decision

That the sale of the Lodge House and adjoining land be approved.

31 The Commissioning of Domestic Violence Prevention and Intervention Services in Hartlepool *(Assistant Director, Neighbourhood Services)*

Type of decision

Non key.

Purpose of report

- i. To seek agreement that domestic violence prevention and intervention services will be commissioned by the Council as one contract, with one agency as lead provider, in the event of a partnership submission
- ii. To seek agreement that the contract will be tendered, subject to funding, for 3 years with an option to extend for a further 2 periods of 12 months each
- iii. To seek agreement on the weightings to be used in the tender evaluations.

Issue(s) for consideration by Portfolio Holder

Domestic Violence is a key issue in Hartlepool and prevention and intervention services are funded from a number of different funding streams or budgets. The majority of this comes from the local authority while additional funding comes from agencies including the police, probation service and ministry of justice and health, a total expenditure of approximately £275,000 per annum. Funding within the local authority is provided by Regeneration and Neighbourhoods and Child and Adult Services Departments under a variety of contracts with varying expiry dates. It was now proposed that these services be let as a single contract. This contract would be managed by a steering group of stakeholders and have a value of approximately £275,000 per annum, although this would be flexible as funding streams were not guaranteed for future years. It was intended to have the new contract in place by 31st March 2011 with tenders assessed on a 60:40 quality, price ratio. A report on the outcome of any future evaluations would be presented to Contract Scrutiny Committee in due course. It was anticipated that streamlining the procurement and contract monitoring requirements in this way would lead to the delivery of savings.

The Portfolio Holder highlighted the £275,000 per annum approximated cost for the service, commenting that there were no guarantees that this price would not be affected by future government policy. The Assistant Director (Neighbourhood Services) acknowledged this but felt the Council had a duty to provide this service as the issue of domestic violence would never be highlighted by victims in an open consultation setting.

Decision

- i. That domestic violence prevention and intervention services be commissioned as one contract with one agency acting as lead provider in the event of a partnership submission
- ii. That the contract be tendered for 3 years with an option to extend for a further 2 years, subject to funding
- iii. That a 40:60 weighting of price:quality be used as the basis for evaluating tender submissions.

The meeting concluded at 10:10am

P J DEVLIN

CHIEF SOLICITOR

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