

# **FINANCE AND CORPORATE SERVICES PORTFOLIO DECISION RECORD**

18 July 2012

The meeting commenced at 3.00 pm in the Civic Centre, Hartlepool

**Present:**

Councillor: Paul Thompson (Finance and Corporate Services Portfolio Holder)

Officers: Andrew Atkin, Assistant Chief Executive  
Graham Frankland, Assistant Director (Resources)  
Philip Timmins, Principal Estates Surveyor  
Rachel Clark, Human Resources Business Partner  
Vicky Bosley, Democratic Services Officer

## **9. Review of Local Government Pension Scheme – Discretionary Policy** (Human Resources Business Partner)

**Type of decision**

Non Key Decision.

**Purpose of report**

To review and agree the amendments to the Local Government Pension Scheme Discretionary Policy.

**Issue(s) for consideration by Portfolio Holder**

The Human Resources Business Partner reported that Hartlepool Borough Council had a legal obligation to publish a policy on how it operated its discretions under the Local Government Pension Scheme Regulations. The policy was last updated in June 2008 and a review had now taken place. The policy amendments had been agreed through the Corporate Management Team Support Group (CMTSG) and with trade unions through Single Table.

The amended policy was attached as Appendix 1 to the main report, however the main changes included:

- Removal of reference to outdated transition arrangements from the introduction of the New Look Pension Scheme in 2008
- Updated references to changes in the eligible retirement age from age 50 to 55 years
- General changes to improve clarity of information
- There are no amendments that have any financial costs to the Council

### **Decision**

That the Portfolio Holder approved the proposed amendments in order for the policy changes to be implemented.

## **10. Employee Sickness Absence Annual Report 2011/12**

(Human Resources Business Partner)

### **Type of decision**

Non Key Decision

### **Purpose of report**

To update the portfolio holder on the Council's performance in 2011/12 in relation to employee sickness absence, future targets and to receive endorsement of actions proposed to achieve the targets.

### **Issue(s) for consideration by Portfolio Holder**

The Human Resource Business Partner reported on the extent to which employees were absent from work due to illness had a direct impact on the quality, level and cost of the provision of services. As such the Council had included this as a Local Performance Indicator (HRPI 5A) – The number of working days/shifts lost due to sickness absence in its group of Corporate Health Performance Indicators. The Human Resource Business Partner highlighted the improvements and provided comprehensive information and updates in the form of graphs and tables contained in the main report, including the following:

- Sickness Absence Performance 2011/12
- Long, Medium and Short Term Sickness Absence
- 2010/11 to 2011/12 Sickness Absence Targets
- Action Planned for 2012/13, including Policy Actions
- Departmental Actions / HR Business Team Actions

The Human Resource Business Partner confirmed:

- (i) The reason for absence in Hartlepool Borough Council have not been collated for 2011/12 due to a redirection of resources to the business transformation programme priorities but there is no reason to suggest we deviate from the national averages.
- (ii) Figure 4 showed a breakdown of long, medium or short term sickness absence for the past six years up to March 2012 and not as stated in the report.

The Portfolio Holder highlighted although figures showed that Hartlepool had the highest sickness absence figures in the Tees Valley, given the current economic climate and the uncertainty around the future of many jobs the Portfolio Holder was pleased to note the continued reduction of sickness absence levels. The Portfolio Holder emphasised the importance of having a lead strategic HR post in place, to focus on sickness absence management to drive the Hartlepool figures down further. The Assistant Chief Executive agreed and confirmed that a difference was noticed after setting up a sickness champion group.

### **Decision**

That the Portfolio Holder:

- (i) Noted the information in relation to employee absence in 2011/12
- (ii) Approved the proposal for future targets and proposed actions for 2012/13

## **11. Rating Recoveries Exercise** *(Assistant Director (Resources))*

### **Type of decision**

Non Key Decision.

### **Purpose of report**

To seek approval for the appointment of external experts to recover business rates potentially overpaid by the Council.

### **Issue(s) for consideration by Portfolio Holder**

The Assistant Director (Resources) reported the Council's total annual business rates bill was in the order of £1.6m per annum and related to over 60 properties and 24 schools. In late 2009, Sanderson Weatherall Chartered

Surveyors were appointed by the Council to act as its rating agent. They reviewed the rating valuation assessments on all properties occupied by the Council and have made appeals where appropriate. Substantial one-off and ongoing savings had been made which contributed to Business Transformation Savings.

The Council had been approached by one of the country's leading firms of rates recovery and audit specialists, Goodman Nash Chartered Surveyors. They had already identified rates which may have been subject to overpayment by the Council. Even after payment of their fees, this clearly could contribute a receipt to the Council's budget, and a full audit of our rates accounts may reveal further refunds due. Goodman Nash were established in 1994 and in 1999 won a major court case at the Court of Appeal resulting in refunds of around £30m and have since identified a further £110m plus. Goodman Nash operated on a success fee basis, and only request payment following actual recovery of funds. The fee basis which had been negotiated with them would be based on a percentage of the recoveries made. This was a competitive fee quote, and envisaged that costs to the Council would be under the tendering threshold of £60,000 as defined in the Contract Procedure Rules. The Assistant Director (Resources) outlined the proposals and financial and risk considerations as detailed in the report, it was highlighted that appointment should result in receipts with no risk to the Council.

The Portfolio Holder questioned how far back recoveries could be made and was informed by the Principal Estates Surveyor recoveries could be made back to 1990.

### **Decision**

That the Portfolio Holder approved the appointment of Goodman Nash to carry out the rates audit and recovery.

## **12. Delegated Powers for Minor Property Issues** *(Assistant Director (Resources))*

### **Type of decision**

Non Key Decision.

### **Purpose of report**

To seek approval for part of Portfolio Holder's powers to be delegated to the Director of Regeneration & Neighbourhoods to increase efficiency in relation to the approval and completion of minor property transactions.

### **Issue(s) for consideration by Portfolio Holder**

The Assistant Director (Resources) reported that the Constitution contained individual Director/Chief Officer Delegations that covered statutory responsibilities however there were a number of areas of work not specifically covered by statutes that would benefit the operational efficiency of the Council. In previous years delegations to which this report relates were previously provided to the Chief Property Services Officer. The Estates section currently prepared and presented reports to Portfolio Holder to seek approval for any proposed transaction. However, there were a significant number of minor transactions that took place for which significant time was currently being spent preparing reports. This was an inefficient use of time as resources were limited. It was reported that the Chief Solicitor had been consulted and advised that within the Constitution there was a 'Power to Act Generally' which would enable a delegated power to be passed to an officer within the department however initially the Portfolio Holder would need to approve the proposed delegation of part of their powers.

The proposal was that delegated powers were extended to the Director of Regeneration & Neighbourhoods in relation to approving various land and property matters that did not exceed £30,000 capital value and £12,000 rental values, in order to allow basic everyday transactions to be concluded quickly and efficiently. Quarterly reports to Portfolio Holder would be prepared listing the transactions and the Director would be required to sign off transactions based on a simplified reporting process. The financial and risk considerations detailed in the report were highlighted by the Assistant Director (Resources).

The Portfolio Holder suggested a six month trial and requested an update be brought back to the Finance and Corporate Services Portfolio after this period.

### **Decision**

The Portfolio Holder was minded to approve the delegation to the Director of Regeneration and Neighbourhoods for minor property transactions as set out in the report for a six month period and requested regular briefings with regards to proposed transactions.

## **13. Local Government (Access to Information) (Variation) Order 2006**

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 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.

**Minute 14** Potential Lease of Land at Gladsworthy Close – Assistant Director (Resources) - 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 information relating to the financial or business affairs of any particular person (including the authority holding that information) – Para 3.

**Minute 15** Former Brierton Caretaker's Bungalow and Former Craft Block - Assistant Director (Resources) - 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 information relating to the financial or business affairs of any particular person (including the authority holding that information) – Para 3.

- 14. Potential Lease of Land at Gladsworthy Close** (*Assistant Director (Resources)*) - 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 information relating to the financial or business affairs of any particular person (including the authority holding that information) – Para 3.

**Type of decision**

Non Key Decision.

**Purpose of report**

To consider an application for the incorporation of open space into a resident's garden.

**Issue(s) for consideration by Portfolio Holder**

These were outlined in the exempt section of the minutes.

**Decision**

This was detailed in the exempt section of the minutes.

- 15. Former Brierton Caretaker's Bungalow and Former Craft Block** (*Assistant Director (Resources)*) - 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 information relating to the financial or business affairs of any particular person

(including the authority holding that information) – Para 3.

**Type of decision**

Non Key Decision

**Purpose of report**

To seek approval to let on licence the former Caretaker's Bungalow and Craft Block to Catcote Futures, part of Catcote School.

**Issue(s) for consideration by Portfolio Holder**

These were outlined in the exempt section of the minutes.

**Decision**

This was detailed in the exempt section of the minutes.

The meeting concluded at 15.30 pm

**P J DEVLIN**

**CHIEF SOLICITOR**

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