

FINANCE AND CORPORATE SERVICES PORTFOLIO DECISION RECORD

12 December 2012

The meeting commenced at 4.00 pm in the Civic Centre, Hartlepool

Present:

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

Officers: Andrew Atkin, Assistant Chief Executive
Chris Little, Chief Finance Officer
Graham Frankland, Assistant Director, Resources
Christine Armstrong, Customer and Support Services Manager
Wally Stagg, Organisational Development Manager
Dale Clark, Estates and Asset Manager
Damien Johnson, Principal Estates Surveyor
Israr Hussain, Economic Development Officer
Rachel Clark, Human Resources Business Partner
Angela Armstrong, Principal Democratic Services Officer

41. Accommodation Strategy *(Assistant Director, Resources)*

Type of decision

Key Decision – Test (i) applies – Forward Plan Reference RN 13/09.

Purpose of report

To outline the next stage of the Council's accommodation strategy, note the programme to date and to seek approval for the marketing of Bryan Hanson House for expressions of interest.

Issue(s) for consideration by Portfolio Holder

The report provided the background to the substantial savings the Council has already delivered through rationalisation as part of the Business Transformation Programme. In view of a number of areas within Council buildings being vacant, further rationalisation was proposed to achieve savings and maximise the use of the Council's assets. The buildings affected by the proposals were:

Bryan Hanson House;
Civic Centre;
Carnegie Building (former Northgate Library); and
Park Towers.

The financial implications of the proposed rationalisation programme were detailed in the report. The Chief Finance Officer added that the one-off costs incurred to implement the permanent savings through vacating buildings would be paid back in around 12 months, details of which would be submitted to Cabinet on 17 December as part of the overall budget considerations for subsequent approval by Council in February 2013. It was noted that the 2013/14 part year savings totalled £65k, not £75k as stated in the report.

The Portfolio Holder sought clarification on the timescale for the implementation of the proposals. The Assistant Director, Resources confirmed the proposals would be implemented in a staged process between 2013 to 2015 although some of the minor moves and soft market testing could commence earlier if there were no cost implications.

Decision

- (i) The progress on the next phase of the accommodation strategy was noted and the marketing of Bryan Hanson House was agreed.
- (ii) It was noted that the proposed strategy for funding the one-off costs of achieving ongoing permanent savings towards the 2014/15 budget deficit would be from a combination of:
 - The 2012/13 outturn - £119k
 - The 2013/14 part year accommodation savings - £65K
- (iii) It was noted that the proposal would be referred to full Council in February 2013 as part of the 2013/14 Budget and Policy Framework proposal.

42. Former Henry Smiths School Site, King Oswy Drive

(Assistant Director, Resources)

Type of decision

Key Decision – Test (i) applies – Forward Plan Reference RN 13/09.

Purpose of report

To seek approval for the transfer at nil consideration of land at King Oswy Drive to the Vela Group for the construction of 25 affordable housing bungalows.

Issue(s) for consideration by Portfolio Holder

The report provided the background and history to the site in King Oswy Drive. The proposal to transfer a suitable part of the site to Vela at nil consideration to facilitate their proposed development of 25 affordable bungalows would be subject to a restrictive covenant restricting the use to affordable housing. In addition, Vela were requested to pay the Council's reasonable legal and surveyor's costs involved in the transaction. It was highlighted that the Council would have 100% nomination rights in respect of the housing when the development was complete.

The Portfolio Holder sought clarification on whether the issues raised previously by local residents in relation to the allotments had been considered. The Estates and Asset Manager confirmed that this revised scheme did not affect the local allotments but that an additional scheme was being explored in consultation with local residents with a view to improving the allotment site.

It was highlighted that this was a really positive development in view of the shortfall in affordable bungalows across the town which was an issue raised by Members previously. The Portfolio Holder recognised that this proposal supported the discussions at Council on 6 December 2012 in relation to the different types of housing and shortfalls that existed.

Decision

The transfer of the land at nil consideration on the basis of the terms outlined in section 4 of the report was approved.

43. Potential Sale of Ward Jackson Park Lodge *(Assistant Director, Resources)*

Type of decision

Key Decision – Test (i) applies – Forward Plan Reference No RN 13/09.

Purpose of report

To consider the potential sale of Ward Jackson Park Lodge subsequent to a marketing exercise and the representations regarding the alternate future use of the Lodge and objections to its sale.

Issue(s) for consideration by Portfolio Holder

Further to the approval granted by the Portfolio Holder at the meeting on 13

October to dispose of the former Lodge House at Ward Jackson Park, the property has been marketed and 3 tenders had been received as set out in Appendix 1, **this item contained exempt information under Schedule 12A of the 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.** A number of objections had been received and these were detailed in the report.

In addition to the tenders, a proposal had been submitted by the History of Hartlepool in Images Group. The Assistant Director, Community Services had considered this proposal and expressed a number of concerns in relation to the constitution, sustainability and viability of the Group and its proposal. The financial considerations and implications of the disposal of the site were detailed in the report.

The Portfolio Holder noted that the tenders received fell short of the expected income from the potential sale of the site and questioned the timescales required to implement a Community Asset Transfer (CAT) for this site. The Assistant Director, Resources confirmed that a CAT could take up to six months to progress. Whilst the Portfolio Holder recognised the potential conflicting interests with services provided by the Hartlepool in Images Group and the Council's Cultural Services, it was suggested that alternative options for the disposal of the site be drawn up and presented to the January meeting of the Portfolio Holder for further considerations.

Decision

- (i) The bids submitted for the sale of Ward Jackson Park Lodge were rejected.
- (ii) The Portfolio Holder recognised the objections raised and the representations regarding the alternative future use, including the potential to offer the building for Community Asset Transfer.
- (iii) That a report be submitted to the Portfolio Holder meeting in January outlining the alternative options for the disposal of the site for further consideration.

44. Irrecoverable Debts – Sundry Debtor Invoices *(Chief Finance Officer)*

Type of decision

Non key.

Purpose of report

To seek the Portfolio Holder's approval to write-out a number of Sundry

Debtor Invoices, which were now considered to be irrecoverable.

Issue(s) for consideration by Portfolio Holder

The report provided the background to the Council's financial procedure rules in relation to debts due to the Council or £1,000 or more which can only be written-out with the express permission of the Portfolio Holder. As part of the financial accounts preparation, an analysis was undertaken and set aside a provision for potential non collection of sundry debt. Attached by way of confidential appendix were details of the individual sundry invoices over £1,000 and the reason why each invoice remained unrecovered. **The appendices contained 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.**

It was highlighted that the total value of the debts it was proposed to write-out was £40,199.45 which included approximately £29k which related to people who were deceased and the value of their estate was not sufficient to cover the outstanding debt. The Portfolio Holder examined the reasons for the individual debts and noted with disappointment that one of the debts was due to the bankruptcy of a local business.

Decision

The Portfolio Holder agreed to write-out debts to the value of £40,199.45.

45. General Purposes (Appeals and Staffing) Committee – Redundancy Dismissal Appeals Procedure *(Human Resources Business Partners)*

Type of decision

Non key.

Purpose of report

To review and agree a new appendix to the Reorganisation, Redundancy and Redeployment Policy to include the revised General Purposes (Appeals and Staffing) Committee Redundancy Dismissal Appeals Procedure.

Issue(s) for consideration by Portfolio Holder

The report highlighted that the current stand-alone Redundancy Dismissal

Appeal process indicates that if Members uphold an appeal, a review was instigated which needs to submit its findings back to the Committee. The need for this review has caused a number of issues and it was proposed to remove the need for a review. It was noted that should Members need further clarification before making a decision, the option to adjourn the appeal was available. A proposed amended procedure was attached by way of Appendix.

The HR Business Partner informed the Portfolio Holder that discussions in relation to the review of the appeal process were ongoing with the General Purposes Committee, the outcome of which would be reported back to the Portfolio Holder in due course. In view of this, the Portfolio Holder indicated he would defer the consideration of this report until the outcome of the discussions at General Purposes Committee were known.

Decision

The report was deferred for consideration at a future meeting of the Portfolio Holder.

46. Child Care Vouchers *(Organisational Development Manager)*

Type of decision

Non key.

Purpose of report

To obtain Portfolio Holder approval to a contract extension of a further 3 years with the current provider of child care vouchers.

Issue(s) for consideration by Portfolio Holder

The report provided the background to the Council's current salary sacrifice scheme in relation to child care vouchers. It was noted that the current scheme has operated for a number of years and the arrangements had been 'trouble free'.

A soft market testing exercise had been undertaken, the result of which were attached by way of confidential appendix. **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.**

The potential implications of changing the provider of child care vouchers was

detailed in the report. It was noted that by extending the current contract, a saving of £10k would be achieved.

Decision

- (i) That a contract extension of a further 3 years with the current provider of child care vouchers was approved.
- (ii) That the Chief Executive in consultation with the Chief Solicitor conclude the 'contract extension' with the current service provider.

47. Registration Service Update and Annual Fees Review

(Assistant Chief Executive)

Type of decision

Non key.

Purpose of report

To provide an update on the Registration Service review and agree proposed fees for the financial year 2013-14.

Issue(s) for consideration by Portfolio Holder

The report provided the background and outcome to a review of the Registration and Nationality Service approved by the Portfolio Holder on 12 August 2012 and subsequent recommendations, including a recommendation from the General Register Office.

The proposals include the implementation of a single Superintendent Registrar, single Registrar of Births and Deaths model. In addition, a number of activities were identified for transfer to the customer service centre. The review had highlighted that there was no financial business case to continue with the non statutory service of nationality checking, therefore the subscription that was due in October 2012 was not renewed. It was noted that this service was available from other local authorities in the region.

It was proposed to increase the existing non statutory fee levels by 2.5% in line with the budget provision for 2013-14 as detailed in Appendix 2. However, there was one proposed exception relating to admin and postage costs for provision of certificates where the costs were set to cover the increased costs.

The Portfolio Holder sought clarification on what types of ceremony were held in the Civic Centre. The Customer and Support Services Manager confirmed that citizenship ceremonies and smaller wedding and civil partnership

ceremonies were held in the Civic Centre.

In response to a question from the Portfolio Holder it was confirmed that benchmarking did take place regularly and that the fees were broadly in line with other local authorities in the region.

The Portfolio Holder questioned whether there was an opportunity to review the level of income received from the registering of premises to hold ceremonies as the granting of this license presented the premises with additional business opportunities. The Assistant Chief Executive confirmed that the level of license fees would be reviewed next year.

In response to a question from the Portfolio Holder, the Customer and Support Manager indicated that there were currently 10 venues licensed to hold ceremonies with a new application currently being progressed.

Decision

- (i) That the increase in non-statutory fees for the Registration Service proposed at Appendix 2 to take effect on 1 April 2013 excluding ceremonies that had already been paid for in full was approved.
- (ii) That the changes to the Registration Service following completion of the service review were noted.

48. Throston Community Centre *(Assistant Director, Resources)*

Type of decision

Non key.

Purpose of report

To obtain consent to an extension of the lease and option to purchase already granted over the premises.

Issue(s) for consideration by Portfolio Holder

The report provided the background and outcome of the Portfolio Holder's decision on 26 January 2012 where a lease and option to purchase Throston Community Centre was granted to Hartlepool Stage Society. A request to extend the lease and option for a further 12 months was received and terms have been negotiated.

It was proposed to extend the lease and option for a further 12 months from May 2013 on the same terms as the current agreement to enable the Society more time to dispose of its property in Osborne Road. The existing lease and

option terms were included within Appendix 2. **This item contained 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.** The financial and asset management considerations were outlined in the report.

Decision

That the existing lease and option terms be extended for a further 12 months from the end of the current lease arrangement.

49. Sale of Cargo Fleet Depot, Middlesbrough *(Assistant Director, Resources)*

Type of decision

Non key.

Purpose of report

To seek approval to the sale of the Council's interest in Cargo Fleet Depot, Middlesbrough.

Issue(s) for consideration by Portfolio Holder

The report provided the background to the joint ownership of the Cargo Fleet Depot in Middlesbrough. Middlesbrough Borough Council had requested to purchase the property and an independent valuation had been undertaken. It was therefore proposed that the Council dispose of its interest to Middlesbrough Borough Council subject to an overage arrangement in the sale. The Council's share of the sale proceeds were set out in Appendix 1. **This item contained exempt information under Schedule 12A of the 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.**

Decision

The sale of Hartlepool's interest in Cargo Fleet Depot was approved.

50. The West Hartlepool Technical Day School Old Boys RUFC *(Assistant Director, Resources)*

Type of decision

Non key.

Purpose of report

To consider an approach from the Club to review the lease payments on land at Grayfields.

Issue(s) for consideration by Portfolio Holder

The report provided the background to the lease of land at Wiltshire Way to the Club along with details of an approach from the Club to request a review of the ground rent on the basis that the rent should be reduced to reflect the change of emphasis to providing community facilities. Details of the Club's approach were included in Appendix C. **This item contained 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.**

The Club had highlighted that it had changed the emphasis of its operation to hosting a variety of sporting and community groups in an attempt to increase the sustainability of the Club's facility and further detail was included in the report.

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 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.

Further details were included in the exempt section of the minutes.

Decision

Further details were included in the exempt section of the minutes.

The meeting returned to open session.

51. Single Status Agreement Appeals (*Organisational Development Manager*)

Type of decision

Non key.

Purpose of report

To obtain ratification of Appeals Panel outcomes in respect of appeals arising from the implementation of the Single Status Agreement.

Issue(s) for consideration by Portfolio Holder

The report provided the background to the Single Status Agreement which was implemented from 1 April 2007 along with the procedure for the submission and consideration of job evaluation appeals. The current position on appeals arising from the implementation of the Single Status Agreement was outlined in the report.

At the last meeting of the Finance and Corporate Services Portfolio on 21 November 2012, the consideration of an individual appeal was deferred. Details of the revisited outcome of the individual appeal were included in Appendix A of the report. **This item contained exempt information under Schedule 12A Local Government Act 1972, namely information relating to a particular employee, former employee or applicant to become an employee of the Council, para 1.**

The Portfolio Holder confirmed that he had examined the process undertaken in detail and was confident that it had been applied appropriately, the decision was therefore formally ratified. However, the Portfolio Holder requested a caveat to the approval be included that the job description of the individual in question be reviewed in the near future to be determined by management to ascertain whether it required alteration. The Organisational Development Manager confirmed that should the job description be amended at all, the job evaluation of the post would be re-examined.

Decision

- (i) The Appeal Panel Outcome in respect of the Council employee identified within the confidential appendix was ratified, subject to a review of that individual's job description with a subsequent re-examination of the job evaluation undertaken should any changes be required to the job description.
- (ii) The situation in relation to appeals was noted.

52. Employee Attendance 2012/13 – 2nd Quarter *(Human Resources Business Partners)*

Type of decision

Non key.

Purpose of report

To update the Portfolio Holder on sickness absence performance up to the second quarter of 2012/13.

Issue(s) for consideration by Portfolio Holder

The report provided details of the Council's performance for employee attendance for the 2nd quarter of 2012/13. It highlighted that the actual sickness rate at the end of the 2nd quarter was under target at 7.30. It was noted that a number of Corporate, Departmental and HR Business Team actions were ongoing for the remainder of 2012/13 which were expected to help achieve sickness targets in the future.

The Portfolio Holder recognised that the current figure of 7.30 was under the target of 7.70. However the predicted increase in the Corporate figures was questioned. The HR Business Partner confirmed that the school's current monitoring was triggered at a higher trigger level than the Council departments and discussions were ongoing with the schools to lower this trigger level to ensure employees were receiving active support at an earlier stage in their absence. In addition to the above, the HR team who supports schools were working with Head Teachers to address short term absences, which included support staff as well as teaching staff.

The Assistant Chief Executive commented that each Departmental Management Team regularly analysed the break down of sickness absences within their Departments to ensure they were actively managed in the most appropriate manner.

The Portfolio Holder was pleased to note the progress made in relation to reducing sickness absence within the authority as the average absence had reduced from 13.5 days per annum to 7.5 days over the previous 6 years.

Decision

The employee absence rates up to the second quarter of 2012/13 were noted.

53. 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 50 - The West Hartlepool Technical Day School Old Boys RUFC (Assistant Director, Resources) (This item contained 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 54 - Support for Business (Chief Finance Officer) (This item contained 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)

50. The West Hartlepool Technical Day School Old Boys RUFC *(Assistant Director, Resources)*

Type of decision

Non key.

Purpose of report

To consider an approach from the Club to review the lease payments on land at Grayfields.

Issue(s) for consideration by Portfolio Holder

Further to the earlier consideration of this item, further discussion took place in the confidential section of the meeting.

Decision

Further details were included in the exempt section of the minutes.

- 54. Support For Business** (*Chief Finance Officer*) This item contained 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.

Purpose of report

The report sought the Portfolio Holder's approval to award hardship relief via the business rates scheme to a local business that was currently experiencing financial difficulties brought about by the current economic climate.

Issue(s) for consideration by Portfolio Holder

Details were included within the exempt section of the minutes.

Decision

Details were included within the exempt section of the minutes.

The meeting concluded at 5.14 pm.

P J DEVLIN

CHIEF SOLICITOR

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