

FINANCE AND POLICY COMMITTEE MINUTES AND DECISION RECORD

19 September 2013

The meeting commenced at 9.30am in the Civic Centre, Hartlepool

Present:

Councillor: Christopher Akers-Belcher (In the Chair)

Councillors: Rob Cook, Peter Jackson, Marjorie James, Alison Lilley, Carl Richardson, Chris Simmons, Paul Thompson and Ray Wells

In accordance with Council Procedure Rule 5.2 (ii), Councillor Kevin Cranney was in attendance as substitute for Councillor Robbie Payne and Councillor Geoff Lilley was in attendance as substitute for Councillor Keith Dawkins.

Also in attendance:

Edwin Jeffries and Stephen Williams, UNISON

Officers: Dave Stubbs, Chief Executive
Andrew Atkin, Assistant Chief Executive
Peter Devlin, Chief Solicitor
Chris Little, Chief Finance Officer
John Morton, Assistant Chief Finance Officer
Denise Ogden, Director of Regeneration and Neighbourhoods
Louise Wallace, Director of Public Health
Sally Robinson, Assistant Director, Children's Services
Graham Frankland, Assistant Director, Resources
Deborah Gibbin, Health Improvement Practitioner
Karen Oliver, Facilities Management Manager
Alastair Rae, Public Relations Manager
Karen Clarke, Drug and Alcohol Manager
Chris Catchpole, Clinical Commissioning and Quality Manager
Joan Stevens, Scrutiny Manager
Angela Armstrong, Principal Democratic Services Officer

93. Apologies for Absence

Apologies for absence were received from Councillor Keith Dawkins and Robbie Payne.

94. Declarations of Interest

There were no declarations at this point in the meeting – see minutes 99, 100 and 103.

95. Minutes

- (i) The minutes of the meeting of the Finance and Policy Committee held on 23 August 2013 were received.
- (ii) The minutes of the meeting of the Safer Hartlepool Partnership held on 5 July 2013 were received.

96. Medium Term Financial Strategy – Review of Reserves as at 31 March 2013 *(Corporate Management Team)*

Type of decision

Budget and Policy Framework

Purpose of report

To enable Members to review the existing financial reserves that were held to manage financial risks and to determine if any of these risks have reduced and thereby enable reserves to be released for other purposes.

Issue(s) for consideration

The report provided a detailed and comprehensive background to the current financial position which had resulted in the Council facing the most challenging Medium Term Financial Strategy it has ever faced over the next three financial years which was a forecast deficit of £16.2m. Also detailed were a range of budget risks that the authority faced and needed to manage, especially in relation to business rates and around the local council tax support scheme. Members were reminded that a review of reserves had been undertaken in 2012/13 which had resulted in £2.35m being released, it was therefore considered that a further review of reserves would not result in significant further resources being released.

The report provided a detailed review of current reserves and identified £631k of resources which can be released owing to the original risk reducing or being removed. It was noted in the report that whilst there was funding in the current year for the Ward Member budgets, continuation of these budgets as they were currently operated would need to be funded from within the identified reserves of £631k which would result in a reduction in reserves by £165k leaving £466k of uncommitted resources.

The Chief Finance Officer drew Members' attention to paragraph 4.21 which identified the total one of funding available to the Authority from the current reserves review and 2013/14 forecast outturn. It was noted that whilst the grant settlement to be received from the Government was still awaited, it was expected that the Government proposals would be way beyond the anticipated budget cuts. A further complication had arisen as whilst the Department of Health funding available may mitigate against the cuts in core funding for Council services, as yet the net impact of this particular funding was not yet known. It was suggested that these resources should not be committed at this stage and a further detailed report be submitted to the Finance and Policy Committee when the grant settlement was known in November.

Members indicated their wish to continue with the Ward Member budgets as they considered that this enabled them to address localised issues within their Ward communities and had proven to be of great benefit. A discussion ensued on the ability to carry forward any favourable balance in a Ward Budget remaining at the end of the financial year into the next financial year. Members were reminded that when Ward Member budgets were introduced, Members had agreed to enable any remaining budget to be carried forward into the next year but that this would be revisited for further debate at a later date. It was therefore suggested that consultation be undertaken with all Members on the operation of the Ward Budgets with a further report to the Finance and Policy Committee outlining the results of the consultation.

Decision

- (i) The report was noted.
- (ii) That the provision of Ward Member budgets of £5,000 per Member continue in 2014/15 at a total cost of £0.165m.
- (iii) That the Ward Member budgets be funded from one-off resources identified from the reserves review of £0.631m which will leave an uncommitted one-off benefit of £0.466m
- (iv) That a strategy for using the net uncommitted reserves of £0.466 be developed as part of the overall MTFs and note that this amount may need to be allocated to offset higher grant cuts in 2014/15 or 2015/16 to provide a longer lead time to develop a permanent strategy.
- (v) That the Director of Regeneration and Neighbourhoods undertake to consult with all Members on the operation of Ward Budgets with a further report to a future meeting of the Finance and Policy Committee outlining the results of the consultation.

96. Medium Term Financial Strategy (MTFS) 2014-15 – Savings Proposals – Initial Budget Consultations

(Corporate Management Team)

Type of decision

Budget and Policy Framework

Purpose of report

To consider the views/comments received from each individual Policy Committee in relation to the initial 2014/15 savings proposals.

To ask that the views/comments expressed by the Policy Committees be fed back to the Corporate Management Team to assist in the preparation of further detailed reports in relation to the initial 2014/15 savings proposals, for consideration by the Policy Committees in November 2013.

Issue(s) for consideration

The report provided the background and an overview of the Council's current financial position. Each of the relevant Policy Committees had considered the proposed departmental budget savings and pressures for 2014/15 and their responses were included in the report. The next stage of the planned MTFS consultation process was outlined in the report.

Decision

- (i) The report was noted and the views and comments expressed by each of the individual Policy Committees were approved.
- (ii) That the responses from the Policy Committees be fed back to the Corporate Management Team to assist in the preparation of more detailed reports in relation to savings proposals for 2014/15 for further consideration by the Policy Committees in November 2013.
- (iii) That the MTFS consultation process was approved as outlined in the report.

97. Procurement of Specialist Drug and Alcohol Prescribing Service *(Director of Public Health)*

Type of decision

Key Decision – Test (i) and (ii) applies – Forward Plan Reference PH/01.

Purpose of report

To seek approval from the Committee to procure a specialist drug and alcohol prescribing service.

Issue(s) for consideration

The report provided the background to the commissioning of public health services, including a specialist prescribing service for people who have substance misuse issues relating to the use of illicit drugs and excessive alcohol use and outlined the key aims of the service to be procured. The Director of Public Health reminded Members that there was already a treatment centre in Whitby Street.

It was noted in the report that the procurement process would release significant savings on existing contract costs and a Member sought further detail on this. The Director of Public Health confirmed that due to the commercial sensitivity around the procurement process, figures relating to anticipated savings were not yet available. However, the savings would form part of the ring fenced Public Health Grant and further details of this would be reported to a future meeting of the Finance and Policy Committee.

A Member highlighted that through the media, it had been noted that the option to charge people who use such facilities as drug and alcohol treatment centres was being pursued in some areas and clarification was sought on whether this was being discussed with other local authorities in the Tees Valley area. The Director of Public Health commented that as more information became available on this issue, this would be discussed at the Alcohol Strategy Group and would feed into the Safer Hartlepool Partnership.

In response to a question from a Member, the Director of Public Health confirmed that integrated service provision was in place with Tees, Esk and Wear Valley Mental Health Trust to ensure pathways of care work across a range of services. It was also noted that the specification for the drug and alcohol prescribing service aimed to increase existing capacity in the service given the needs of the population as identified in the Joint Needs Strategic Assessment (JSNA).

A Member sought clarification on the number of people accessing the service and whether this was increasing. The Director of Public Health confirmed that the demand for the service was increasing but work was ongoing to reduce alcohol related admissions and getting the message across that over indulgence in alcohol was a huge issue and a significant public health challenge.

The Chair commented that there had been a healthy debate on this issue

which highlighted Members' commitment to ensure a robust service was maintained.

Decision

That the commencement of a procurement process for a specialist drug and alcohol specialist prescribing service was approved which would seek to award a contract to a service provider to commence on 1 April 2014.

98. Disposal of Surplus Assets – Lease of Bryan Hanson House *(Director of Regeneration and Neighbourhoods and Assistant Director, Regeneration)*

Type of decision

Key Decision – Test (i) and (ii) applies – Forward Plan Reference RN13/09.

Purpose of report

To seek approval to the grant of a lease of Bryan Hanson House as shown edged black in Appendix 1 on terms as set out in confidential 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)).**

Issue(s) for consideration

The report provided the background to the disposal of surplus assets as part of the rationalisation and Business Transformation process. The proposed terms for a lease to commence with effect from 1 January 2014 had been negotiated with the successful ICT tenderer. The benefits to the Council would be the generation of a rental income, reduced running costs and the town will benefit from the creation of additional private sector jobs over a period of time as the occupation of the building increases.

A discussion ensued on the name of the building and it was suggested at the point of the building becoming leased by a private sector company, it may be appropriate to change the name of the building, which was named after ex Councillor and Leader of the Council, Bryan Hanson. This would be on the understanding that the Chief Executive contact ex Councillor Mrs Hanson to inform her of this change. However, a Member did express disappointment at the proposal to change the name of the building and asked for it to be noted that he would wish the name to remain as Bryan Hanson House for the foreseeable future.

A vote was taken on the proposal to change the name and this was carried.

Decision

That the terms as set out in confidential appendix 2 were approved. **This item contained exempt information under Schedule 12A Local Government Act 1972 (as amended by 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.**

99. Discretionary Housing Payment Policy Review (*Chief Finance Officer*)

Type of decision

Key Decision – Test (i) and (ii) apply – Forward Plan Reference CE61/13.

Purpose of report

To enable Members to approve a revised framework for awarding discretionary housing payments.

Issue(s) for consideration

The report provided the background to the statutory Discretionary Housing Payment (DHP) Scheme. It was noted that the Council was currently processing and awarding DHP support in accordance with an Administration Framework approved by Members on 4 March 2013 in line with then DWP guidance. A consultation process involving 11 Registered Social Landlords (RSLs), two primary advice agencies and those Council Officers dealing with strategic welfare reform issues had been undertaken in August 2013. The results of the consultation were outlined in the report. It was proposed that categories 1-5 receive full protection from bedroom tax with category 6 to receive 33% protection.

At this point in the meeting Councillors Rob Cook and Chris Simmons declared a personal interest in view of their involvement with West View Advice and Resource Centre.

A Member questioned whether calculations had been undertaken to ascertain the costs of protecting category 6 by up to 50%. The Assistant Chief Finance Officer confirmed that the cost of supporting category 6 up to 50% would amount to £40k. A discussion ensued on the potential to

recalculate the funding to each category and the Assistant Chief Finance Officer indicated that any recalculations would need to remain within the composite funding envelope to avoid the requirement for additional funding.

During the discussions that followed, Members were concerned that where relationships had broken down and families had separated, it was unfair to tax the parent who lived away from the family home for retaining a bedroom for when their child stayed with them. However, Members were reluctant to reduce the support provided to the other five categories. It was noted that a £16k contingency fund had been built into the calculations and it was suggested that the cost of increasing the support to 50% for category 6 of £13k be taken from this contingency fund as opposed to reducing any of the other categories of support.

The Chief Finance Officer advised Members that reducing the contingency potentially increases the risk that expenditure on DHP may exceed the available funding, although this slightly increased risk can be managed within the context of the overall financial position of the Council for 2013/14.

Decision

- (i) Fully protect via DHP those five Bedroom Tax DHP priority groups 1-5 as set out in section 6 of the report.
- (ii) Retain Benefit Cap Discretionary Housing Payment support at the current level covering 18 weeks.
- (iii) Provide partial DHP support at 50% to those Bedroom Tax impacted claimants who need an additional bedroom for child access requirements.
- (iv) That £13,000 of the Benefit Cap Discretionary Housing Payment contingency be utilised to fund recommendation (iii) and the contingency fund be reduced to £3,000.
- (v) Approve the transfer of surplus DHP resources from the DWP Benefit Cap allocation of £73,300 to supplement the Bedroom Tax DHP allocation.
- (vi) Approve the application of the DWP 13/14 Benefits Transitional Funding Allocation of £29,244 by extending the current West View Advice and Resource Centre welfare impacts contract for an additional 6 months at a cost of £18,000 and applying the balance of £11,244 to top up the Bedroom Tax DHP allocation.

100. Advice and Guidance Project *(Assistant Director, Resources)*

Type of decision

Non key.

Purpose of report

To seek comments on options to reconfigure the Council's advice and guidance services to the public.

To seek approval to a preferred option to be developed.

Issue(s) for consideration

The Assistant Director, Resources presented a detailed and comprehensive report which provided the background to the Advice and Guidance project recently carried out. A number of lines of enquiry had been undertaken with a wide range of stakeholders to assess the strengths and weaknesses of the current services and what changes might be needed to provide advice and guidance services to meet customer requirements now and in the future. The report included a summary of the findings and outlined the impact the changes to universal credits would have on the future of advice and guidance.

The conclusion of the report looked at the benefits, outcomes, core service offer, culture and the values and performance. Five options had been identified for the delivery of advice and guidance and were provided for Members' consideration and these were detailed in the report.

Members were informed that the Corporate Management Team had discussed the identified options and had suggested a delivery model based on option 4 including:

The creation of a restructured Customer Services Centre to deal with non-variable process that will include the Registration Service and the Chief Executive's support service function. The Customer Services Centre would be responsible to the Assistant Chief Executive to retain its corporate identity and to provide resilience and a co-ordinated approach.

The creation of an Advice and Guidance Hub containing identified benefits staff and the FCSH to deal with first contact financial and personal need including benefits claims and local welfare support. This could be a combination or variation around option 4 outlined in the report. Initially the front office benefits staff could transfer with potential for some of the back office benefits staff transferring as well (subject to workloads and system changes). Management arrangements would need to be considered in terms of the "people" services emphasis of the team and the financial management and controls needed to safeguard the Council.

The Assistant Director, Resources indicated that discussions were ongoing

in relation to the Integration Transition Fund 2015/16 and how this brought together health and adult care services and this would be examined further over the next six months to ascertain how this linked to the Advice and Guidance project.

At this point in the meeting, Councillor Chris Simmons declared a personal interest in view of his involvement with West View Advice and Resource Centre.

During the discussions that followed, Members were very clear that a key priority to progress the Advice and Guidance project was to ensure that the safeguarding elements for children, young people and vulnerable adults were not compromised by any changes implemented or during the transition. A Member referred to the previous scrutiny investigation which challenged officers to explore the provision of all advice and guidance service provision being received in one place.

A Member questioned whether the provision to extend the contract for West View Advice and Resource Centre would be available at the end of the current contract. The Director of Regeneration and Neighbourhoods confirmed that this contract had been extended for a period of 12 months already and could therefore not be extended further and a full tendering exercise would need to be carried out.

Members unanimously supported option 4, as a baseline minimum, in conjunction with needing to ensure that safeguarding was not compromised and the challenge to deliver all advice and guidance from one place as this would provide a holistic approach. This decision was made on the understanding that the new service would include the migration of the Discretionary Housing Payment function and Local Welfare Support function out of the Benefits Service area and into the new Customer Contact Centre/Advice & Guidance Hub. Members further indicated that progress to option 5 should be undertaken as soon as practicable with a further report required. This further move to be explored when considering the relocation of Housing Options centre back to the Civic Centre no later than September 2014.

It was noted that Members agreed that the future provision of Housing Advice/Housing Options Centre be relocated to the Civic Centre from September 2014 or sooner if feasible.

The Assistant Director, Resources and all Officers involved were thanked for their hard work and commitment in progressing this project and providing an excellent, well informed report.

Decision

- (i) That Option 4, in conjunction with needing to ensure that safeguarding was not compromised and the challenge to deliver all

advice and guidance from one place, including the Discretionary Housing Payments function and the Local Welfare Support function., be approved for the future delivery of first point of contact advice and guidance within the Civic Centre.

- (ii) That a detailed implementation plan with structures and costings, addressing the needs outlined in Section 10.4 of the report with a view to implementing the changes by April 2014 was approved.
- (iii) That Option 5 be developed and considered over a longer period of time to further focus advice and guidance particularly as Universal Credit and its effects on the Council and its customers were rolled out. This to be explored as when relocating the Housing Advice/Housing Options centre back to the Civic Centre.
- (iv) That the Assistant Director, Resources be authorised to work with the Corporate Management Team on the management structures, financial appraisal, implementation plan and proposed risk management arrangements for service delivery for the preferred option with a further report to the Finance and Policy Committee in November/December 2013 for final approval.
- (v) That the commencement of the necessary consultations with staff and Trade Unions and associated stakeholders was approved.
- (vi) That a report be received by the Finance and Policy Committee in November 2013 exploring the options for the continuation of the services currently provided by West View Advice and Resource Centre.
- (vii) That the future provision of the Housing Advice/Housing Options Centre post September 2014 be relocated to the Civic Centre.

101. Registration Service Update *(Assistant Chief Executive and Director of Regeneration and Neighbourhoods)*

Type of decision

Non key.

Purpose of report

To provide an update on the recommendations made at Scrutiny Coordinating Committee held on 22 March 2013 namely that:

- All appropriate staff are fully trained;
- Marriage packages be explored as a means of income generation;
- Consideration be given to the relocation of the Registration Service to a more “suitable” location.

Elsewhere on the agenda was a report considering options in respect of Advice and Guidance service provided by the Council. The two reports, whilst separate in many ways have a significant number of links.

Issue(s) for consideration

The report provided the background to the provision of the Registration Service and the Guiding Principles for the requirements for delivering this service were attached at Appendix 1. A number of recommendations had been made previously by the Scrutiny Co-ordinating Committee on the provision of the Registration Service and a review of these recommendations was included in the report.

A number of proposals for alternative venues including costs for all physical changes to buildings were detailed in the report and included:

- (1) Civic Centre – via main reception area, level 2
- (2) Civic Centre – via north entrance, level 1 (CEX Support Services/Emergency Planning Office)
- (3) Civic Centre – via north entrance, level 1 (Print Unit)
- (4) Sir William Gray House
- (5) Borough Hall
- (6) Tanfield Offices

There were a number of staffing and financial considerations and these were detailed in the report. Taking into account all the issues considered, the report recommended Option 2 as the preferred alternative location due to the degree of flexibility in staffing arrangements, separate access being available and the flexibility in view of the previous report on the Advice and Guidance Project.

A Member questioned whether the premises previously occupied by the Registration Service located opposite the Town Hall had been taken into account as part of this review, as Members considered it had proven to be a private building that served the purpose of the Registration Service very well. The Chief Executive commented that moving the Registration Service into a separate building would not be an effective and efficient use of staffing resources in the current economic climate. A Member highlighted that as part of the previous investigation undertaken by Scrutiny, it had been requested that reserved car parking be provided for people who were attending appointments to register deaths. A Member commented that taking an appointment ticket and waiting in the contact centre to be called was not a dignified way of registering a marriage or a death.

The Assistant Chief Executive confirmed that under the current system, anyone visiting the Civic Centre to register a death, does so through a previously arranged appointment and was met in the reception area and taken to a private room. Whilst the Council does offer alternative venues for marriages, the Committee Rooms in the Civic Centre were offered as a low-cost alternative and had only been used for around 2% of marriages in the previous two years. One of the key benefits to relocating the Registration Service to level 1 of the Civic Centre would be that a separate entrance and reception would be available, along with a more private facility

with the provision of private rooms being available. The Assistant Chief Executive indicated that he was not aware of the previous recommendation to reserve car parking for anyone making an appointment to register death but would look into this.

In addition to the above, the Assistant Chief Executive confirmed that the building previously used, opposite the Town Hall, had not been purpose built and currently required a significant amount of structural maintenance on the building and the roof.

In view of Members concerns and comments noted above, it was suggested that a further report be prepared to enable Members to compare Option 2 with an option to relocate to the building to the premises previously used by the Registration Service, opposite the Town Hall. This would enable Members to be fully appraised of all the facts and costings and would provide the potential to visit both locations in between the next pre-agenda meeting and formal Committee meeting should they so wish.

Decision

- (i) That a further report be provided to the Finance and Policy Committee providing further details for Option 2 and the alternative option of relocating to the building previously used by the Registration Service in Raby Road, including costings to enable Members to make an informed decision on the preferred location for the Registration Service.
- (ii) That should Members consider it necessary, a visit to both locations be arranged in between the pre-agenda meeting and Committee meeting where this report was to be considered.

102. Additional Apprenticeship Opportunities *(Assistant Chief Executive)*

Type of decision

Non key.

Purpose of report

To seek agreement to create additional Apprenticeship opportunities restricted to young people leaving care in the first instance.

Issue(s) for consideration

The report provided the background to the current partnership with Hartlepool College of Further Education for the delivery of the Council's

Apprenticeship Programme which was due to expire in August 2014. At the request of the Finance and Policy Committee, the Corporate Management Team (CMT) had explored the potential to use part of the redeployment budget to increase apprenticeship opportunities across the Council. CMT had proposed that three apprentices undertaking two year apprenticeships be agreed at a cost of £44,622 with the location of the apprenticeships to be determined by Departments. It was considered that this would be an idea opportunity to make apprenticeships available to young people leaving care and as such it was suggested that the above opportunities be restricted to young people leaving care in the first instance. In the event that young people leaving care did not meet the entry requirements, the opportunities would then be made available more widely.

A Member sought clarification on the salary for apprentices and how this linked to the living wage. The Assistant Chief Executive confirmed that the salary costs reflect the new national minimum wage rates from October 2013 and were set on a national basis depending on age as noted in Table 1 of the report. It was highlighted by a Member that a full review would be undertaken of the apprenticeship programme provided by the Council prior to a new contract being in place in September 2014 the rates of salary would be considered as part of that review.

Members were pleased to note that priority would be given to young people leaving care in the first instance in line with the wishes of the Corporate Parent Forum. In relation to the location of the apprentices, Members requested that consideration be given to one of the apprentices being located within the Democratic Services and Scrutiny Section and one be located within the Public Relations and Communications area of the Council as it was considered that this would be an ideal location to receive a generic administration background and knowledge across all Departments of the Council.

Decision

- (i) That three 2-year apprenticeships be created at an estimated cost of £44,622.
- (ii) It was noted that Departments could determine the areas where the apprenticeships may be located but that Members agreed the placing of one apprentice in Democratic Services & Scrutiny and one apprentice in Public Relations and Communications.
- (iii) That the above opportunities be restricted to young people leaving care in the first instance and in the event that young people leaving care do not meet the entry requirements then the opportunities will be made available more widely.
- (iv) That the proposal to vire £44,622 of the ring fenced redeployment reserve into an apprenticeship reserve which would be released over a two year period to fund three additional apprenticeship opportunities be referred to Council for approval with support from the Finance and Policy Committee.

103. Function Catering Service *(Director of Regeneration and Neighbourhoods)*

Type of decision

Non key.

Purpose of report

To present an overview of the current service arrangements and options on the range of catering outlets within the Function Catering service.

Issue(s) for consideration

The report provided the background and history to the current catering service provided by the Council from the Civic Centre; Art Gallery Coffee Shop; Wingfield Castle, Central Library Coffee Shop and Inspirations Coffee House. In addition it was noted that the Council currently provided a buffet/function service based at Golden Flatts school kitchen where the facilities were shared with the schools meals service team.

The Assistant Director, Resources highlighted that as with any catering establishment, it was extremely challenging to provide a service in the ongoing recession with circumstances beyond the Council's control impacting financially on any given day. It was therefore apparent that the Council cannot continue to provide the number of coffee shops it currently does and it was proposed that the Art Gallery and Central Library Coffee Shops be closed and the Wingfield Castle Coffee Shop be closed but retained for functions and events. It was also proposed that the catering service provided to the Civic Centre does not resume and that the core buffet/function service be relocated to the Inspirations Coffee House to release capacity and reduce labour costs across the service area.

A Member questioned whether the option to create a Community Interest Company (CIC) had been explored to continue the service provided in the Central Library. The Assistant Director, Resources indicated that this option had not been explored bearing in mind all the outlets were in a difficult financial position, however this may come out as a result of the consultation to be undertaken.

The Trades Union representative commented that the Unions were fully aware of the difficult financial position facing the Council and the potential outcomes of service reviews and were fully prepared to be involved in the process. In relation to the function catering service, the relocation of this service to the Inspirations Coffee House to provide short term support to enable the new venture to become established was supported by the

Trades Unions. It was noted that the facilities proposed to close not only benefited the residents of the town but also visitors. A summary of the Trades Union response was that the Wingfield Castle should be maintained and included in the wider review of the Maritime Experience to be undertaken later this year; that a food and drink facility should be retained at Christ Church Art Gallery; and that a decision on the Central Library be deferred to enable a full and robust consultation exercise to be undertaken with the Trades Unions and staff on whether to maintain the facility as it is or as an alternative provision.

The Chief Executive confirmed that a full and robust consultation exercise with Trades Unions and staff would be an essential part of any proposals with the redeployment of staff being utilised wherever feasible. It was highlighted that the cost of running the three coffee house establishments was substantial and may lead to further redundancies in the longer term if the current proposals were not taken forward.

A Member expressed serious disappointment that this review was instigated so shortly after the opening of the Inspirations Coffee House where a number of new staff had been employed, and it was suggested that there appeared there was a lack of cohesion between the review of current service provision and the opening of the new Coffee House.

The proposal to explore the potential of a CIC to operate the Central Library Café was supported by other Members.

At this point in the meeting, Councillor Paul Thompson declared a personal interest due to his involvement in Café 177.

As a Member wished to discuss information that contained within the confidential appendix **(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).**

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 they involved 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.

Further details of the discussions in closed session can be found in the exempt section of the minutes.

The meeting returned to open session and the press and public were invited back into the meeting.

After returning to open session it was concluded that the current service provision in the Wingfield Castle be retained and be subject to the inclusion within the overall review of the Maritime Experience, to take place later this year. In relation to the Art Gallery Coffee Shop and Civic Centre catering service, Members considered that both these services should cease operation with the introduction of a vending machine within the Art Gallery. Members recognised that the current service provision within the Central Library could not be sustained as a service but that the option of an alternative provider through the potential of a Community Interest Company be explored further that may in time, generate income for the Council.

Decision

- (i) The Art Gallery Coffee Shop and Civic Centre catering service cease to operate but that a vending machine be installed within the Art Gallery.
- (ii) That the current service provision within the Wingfield Castle be retained and be subject to inclusion within the forthcoming overall review of the Maritime Experience.
- (iii) That the option of an alternative provider for the Central Library be explored further with the potential to generate income for the Council albeit the Council service would be no longer funded.
- (iv) That the core buffet/catering service be relocated to the Inspirations Coffee House over time as part of the development of a broader business model for function catering based on the Inspirations site.

104. Skills Support for the Workforce - Procurement

(Assistant Director, Community Services and Assistant Director, Resources)

Type of decision

Non key.

Purpose of report

To seek approval to the proposed procurement arrangements for the ESF Skills Support for the workforce project via the identified and approved partners.

Issue(s) for consideration

The report outlined the background to the successful bidding to the Skills Funding Agency (SFA) for ESF Skills support for the workforce project. It was noted that over the next 2 years, the project was required to engage

with 2162 participants across the whole of the Tees Valley through a partnership arrangement with all the Tees Valley Local Authorities.

The bid was divided into 50% set aside as a notional allocation for the five Local Authorities Adult Learning services. The remaining 50% of the delivery targets would be commissioned from specialist providers. Four possible procurement routes had been identified which would fulfil the procurement process and these were detailed in the report and in Appendix 1. It was noted that procurement routes 1 and 3 required an exemption to the Council's Procurement Rules to allow the Council to award business directly, ie without undertaking a competitive procurement process.

The report highlighted that the project was fully funded by the Skills Funding Agency with no financial implications for the Council. Funding would only be given to the sub-contractors when the agreed targets were met.

Decision

That the four proposed procurement routes and grant exemptions to the Contract Procedure Rules in respects of routes 1 and 3 were approved.

105. Localised Council Tax Support 2014/15 (*Chief Finance Officer*)

Type of decision

Non key.

Purpose of report

- (i) To provide information on the operation of the current 2013/14 Local Council Tax Support (LCTS) scheme;
- (ii) To set out potential options for the Council's 2014/15 scheme and later financial years; and
- (iii) To enable Members to approve consultation arrangements for 2014/15.

Issue(s) for consideration

The report outlined the background to the requirement for Council's to implement a Local Council Tax Support (LCTS) scheme. The report also provided detailed and comprehensive information that dealt with the options for next years LCTS scheme and later financial years.

The key details were contained in table in paragraph 6.9 of the report which sought Members' consideration of the following options:

Option 1 – maintaining the 8.5% LCTS cuts for 2015/15 rising to a 20% cut in 2017/18; or

Option 2 – a gentler gradual increase in the level of LCTS cut of 10% in 2014/15 to 18% in 2017/18.

It was highlighted to Members that these options were only deliverable because the Council had proactively identified the financial risks associated with the Government's policy change and reserves had been set aside to support the LCTS scheme, to minimise the financial impact on low income working age households. The Assistant Chief Finance Officer informed Members that whilst both options noted above were financially viable, it was highlighted that option 2 would result in a phased reduction over 4 years rather than 3 years as noted in option 1. However, it was noted that should Members choose option 1 and keep the same scheme as 2014/15, there would be no requirement to undertake consultation.

An amendment to the current policy on council tax charges for those properties that had been inherited and remain empty after 2 years was included in the report. It was proposed that these type of properties were no longer charged the additional 50% council tax premium at a cost of £4,000 as detailed in paragraph 4.8.

The Assistant Chief Finance Officer highlighted that in the medium term, the Council could not sustain one off support for the LCTS scheme and at some stage, the cut will need to increase to 20%. Furthermore, the scheme will be subject to a range of variables and will need to be closely monitored as any variances will require the Council to revise its local scheme or result in an additional General Fund budget pressure.

A Member sought clarification on the actual cost of each option to residents. The Chief Finance Officer confirmed that the forecast beyond 2014/15 could change depending on the actual grant settlement which may result in the forecast level of cuts is support for either options having to be implemented earlier than currently forecast.

Whilst Members were mindful of the need to accept there may be risks associated with future grant settlements, given the impact of welfare reform they were keen to provide the best support for the residents of Hartlepool and were in favour of the implementation of option 1. Members recognised the requirement to review and determine a LCTS scheme on an annual basis.

Decision

- (i) The continuation in 2014/15 of the current Local Council Tax exemptions and reductions policy as detailed in paragraph 4.2 was approved with the proviso that the 150% Council Tax charge on those

properties that had been inherited by family members which remain empty and unfurnished after 2 years is reduced to 100% and arrangements for deferring payment until the property was sold continue. To note, the annual cost of approving this change is £4,000 and was reflected in the updated LCTS forecasts.

- (ii) The continuation in 2014/15 of the current policy of applying the yield from the Local Council Tax exemptions and reductions policy to mitigate the national government funding shortfall for the LCTS scheme was approved.
- (iii) The continuation of the principles A to E set out in section 5 was approved.
- (iv) Option 1 to maintain LCTS cut at 8.5% in 2014/15 and then implement phased reductions in support over the period 2015/16 to 2017/18 was approved.
- (v) It was noted that as Option 1 had been approved, there was no requirement for consultation to be undertaken at this point.
- (vi) The proposed timetable detailed in paragraph 8.1 was approved.
- (vii) That the proposed LCTS for future years would need to be reviewed when the actual grant allocation for 2015/16 onwards were known to enable Members to determine their overall priorities.

106. Hartlepool Household Survey – Headline Results (Assistant Chief Executive)

Type of decision

For Information.

Purpose of report

To provide the headline results of the Household Survey.

Issue(s) for consideration

In May 2013 a questionnaire was hand delivered to a random sample of 18,960 Hartlepool residents. The response rate to the survey was 30.6% with 6,028 surveys being returned. The response rate for individual wards ranged between 24.7% and 40% with the more deprived areas of Hartlepool obtaining the lowest response rates. A more detailed report on responses on a ward level would be submitted to a future meeting of the Finance and Policy Committee. The survey asked questions on the following issues:

- About your Local Authority;
- About your Local Area;
- Health and Wellbeing;
- About where you live;

- About yourself; and
- Taking part in other consultations.

A copy of the survey was attached at Appendix A. The Assistant Chief Executive highlighted that the survey had provided residents with the opportunity to indicate how they felt and the responses received had generally provided a positive picture.

Members were pleased with the consultation undertaken and thanked Officers for their hard work and commitment to achieving such a high level of responses. It was noted that it was encouraging to see a positive trend in satisfaction levels.

A Trades Union representative commented that a lot of the work to reduce anti-social behaviour had been undertaken in conjunction with Neighbourhood Policing and expressed concern at the potential reduction in Neighbourhood Policing. The Director of Regeneration and Neighbourhoods indicated that a report would be submitted to a future meeting of the Neighbourhood Services Committee on the potential reductions in neighbourhood policing and the impact that may have.

Decision

- (i) The results of the Hartlepool Household Survey were noted.
- (ii) It was noted that a further report would be submitted to the Finance and Policy Committee on 8 November including a more detailed breakdown of findings.

107. Health and Safety Annual Report *(Assistant Chief Executive)*

Type of decision

For information

Purpose of report

To provide an annual report on health, safety and wellbeing performance.

Issue(s) for consideration

It was noted that this was the first Health and Safety Annual report to be submitted to Members formally and covered the period 1 April 2012 to 31 March 2013. The report indicated that the number of RIDDOR reportable injuries was falling due to improved health and safety performance and partly attributable to the changes in the reporting regulations from April 2012. It was noted that the Annual report had been considered by the

Local Joint Consultative Committee (LJCC) on 13 July 2013 and had been welcomed. A number of issues had been raised at the LJCC and clarification on these issues was included in the report.

It was noted that the Annual report would be placed on the Council's intranet and external facing internet once considered by the Finance and Policy Committee.

Decision

That the contents of the Health and Safety Annual report were noted.

108. Update on Strategic Review of Procurement in the North East Local Government Sector *(Director of Regeneration and Neighbourhoods)*

Type of decision

For information.

Purpose of report

To provide an update on the consulting team's findings in relation to the North East Procurement Organisation's (NEPO) success in meeting its objectives and their options appraisal in terms of the future role and shape of NEPO and procurement generally in the north east local government sector.

Issue(s) for consideration

The report provided the background to the review of how collaborative procurement was undertaken in the North East. The findings of the review were detailed in the report and covered the following areas:

- Clarity: strategy and collaboration;
- Credibility: leading and innovating;
- Deliverability: procurements, skills, efficiencies and outcomes; and
- Accountability: Councils, Associates, Suppliers and public.

In light of the findings a range of options for the realignment of the NEPO organisations had been developed and these were outlined in the report. It was noted that option 4 was the preferred option of the Chief Executives and Leaders of the 12 North East Local Authorities and the requirements to implement this options were included in the report for Members' consideration.

In conclusion it was noted that the 12 authorities remain committed to the concept of collaborative procurement and that NEPO should remain an important component of any collaborative procurement arrangements. The continuation of this arrangement would provide an opportunity to refocus NEPO on those areas where the landscape for procurement within Local Government had changed resulting in the potential to reduce its current costs and structure. The transition arrangements of the preferred option were outlined in the report.

The Chief Executive commented that the Council's representatives on NEPO will need to be proactive in ensuring this option was progressed.

Decision

That the Committee endorsed option 4 as the preferred option and requested that this be fed back to NEPO Joint Committee.

109. Distribution of Pink Papers *(Chief Solicitor)*

Type of decision

For information.

Purpose of report

To enable Members to review the production and distribution of pink papers

Issue(s) for consideration

At its meeting on 31 May 2013, the Finance and Policy Committee had requested a report to enable Members to review the production and distribution of pink papers. At that meeting it was highlighted by the Chief Solicitor that such a review of the process for the production and distribution of pink papers could have consequences for the constitutional and overall governance arrangements of the Authority. The report outlined the current process for the distribution of pink papers. It was noted that whilst Officers endeavour to ensure as much information as possible was within the public domain, the Chief Solicitor suggested that a relaxation of the current rules around the distribution of pink papers be implemented for a trial period to enable all Members to receive pink papers relating to key decisions. However, Members needed to be mindful of the need to protect the integrity of the information and not damage the reputation of the Council.

Members recognised why the distribution of pink papers had been restricted historically but noted that a six month trial of the above arrangements be undertaken on the basis that the Code of Conduct for Members be

reinforced.

Decision

- (i) That for a trial period of 6 months, all Members receive pink papers relating to any key decisions on the basis that the Code of Conduct for Members be reinforced.
- (ii) That the above amendment be report to Council as a change to the Council's Access to Information Procedure Rules within the Constitution.

110. Healthy Weight Healthy Lives including report on National Child Measurement Programme (NCMP) *(Director of Public Health)*

Type of decision

For information.

Purpose of report

To inform Members of the approaches being taken by Hartlepool Borough Council and partners to address rising levels of overweight and obese adults (18+) within the town.

The assure Members that the National Child Measurement Programme (NCMP) was being undertaken. This had been a mandated responsibility of the Local Authority since 1 April 2013.

To seek Member views on the approaches being taken and gain support for the overall Healthy Weight Healthy Lives strategy moving forward.

Issue(s) for consideration

The report provided detailed and comprehensive statistics around obesity on a national and local level. It was noted that the NCMP had been established in 2005 for all children in year 6 (aged 10-11 years). It was noted that NCMP participation in Hartlepool remained consistently high with 99% of eligible children measured during the 2011/12 school year. The most recent data from the NCMP demonstrates that 9.9% of children in reception year were classified as obese with this rising to 24.3% of children in year 6 compared to a national average of 9.5% in reception and 19.2% in year 6.

The report included a number of established initiatives to combat obesity in children including early intervention in the antenatal period through to the

early years settings which linked into the Joint Strategic Needs Assessment. A number of interventions support programmes were in place for adults and these were detailed in the report.

A discussion ensued on how obesity was identified in children and the Director of Public Health confirmed that it was a national programme that was undertaken using nationally validated tools to measure a child's body mass index (BMI). A key aim of the NCMP was to ensure a positive health message was in all schools and to make certain that any parent who received a letter about their child received any necessary support.

A Member highlighted the importance of making sure that any information available was clear and that the healthy lifestyle message was widely accessible. The Director of Public Health confirmed that there were a lot of resources and visual aids available to get the message across within local communities.

Decision

- (i) The report and the actions being taken to support people in Hartlepool to achieve and/or maintain a health weight was noted.
- (ii) It was noted that the mandatory NCMP was being undertaken in all Council schools.

111. Any Other Items which the Chairman Considers are Urgent

The Chairman ruled that the following items of business should be considered by the Committee as a matter of urgency in accordance with the provisions of Section 100(B) (4)(b) of the Local Government Act 1972 in order that the matter could be dealt with without delay.

112. Priority Schools Building Programme – Nursery Provision at Holy Trinity CE Primary School *(Director of Child and Adult Services and Chief Finance Officer)*

Type of decision

Key Decision – Test (i) applies – Special Urgency Rules apply.

Purpose of report

To agree to the funding of potential future nursery provision at Holy Trinity CE Primary School.

Issue(s) for consideration

The report provided the background to the Priority Schools Building Programme (PSBP) which includes the following schools:

- Manor College of Technology
- Barnard Grove Primary School
- Holy Trinity Church of England Primary School

The Council had undertaken to review nursery provision in the Seaton Carew area. The EFA had been notified of this due to the impact this may have on the future development of Holy Trinity CE Primary School as nursery provision had not been included in the original application for funding.

It had been agreed that the control options developed by the EFA for Holy Trinity CE Primary School would include 26 FTE place nursery. Should the consultation exercise result in the closure of the Nursery, the development of a nursery would be included as part of the new build at Holy Trinity CE Primary School. The EFA has established that the approximate cost of the additional 26 FTE nursery at Holy Trinity would be a maximum of £211,000. Members were informed that the Governing Body of Holy Trinity CE Primary School had agreed to fund a 10% contribution of the overall cost of the 26 place nursery which left a residual cost of £189,900 unfunded.

Members were requested to authorise the Chief Finance Officer to sign the Section 151 letter as required by the EFA, which, whilst it does not commit the Council to provide the remaining funding for a nursery, will require any costs incurred by the EFA in relation to abortive design and project management costs to be reimbursed.

A discussion ensued on the proposal and how this linked to the Seaton Carew Masterplan and it was noted that any additional costs to be incurred, would be funded from within the cost envelope available for the development of the Seaton Carew Masterplan. It was suggested that the diocese be approached to ascertain if they were willing to make a contribution to the above costs. The Chief Executive confirmed that discussions were ongoing with the Esh Group in relation to the additional land that may be available to be incorporated into their current proposals in Elizabeth Way.

It was acknowledged that consultation would be undertaken to ascertain the demand for nursery places within Seaton Carew before the development progresses.

Decision

- (i) That Council approval be sought for funding of £189,900 for a 26 FTE

nursery provision at Holy Trinity CE Primary School if the decision was made to proceed with the closure of Seaton Carew Nursery School and extend the age-range of Holy Trinity CE Voluntary Aided Primary School.

- (ii) That subject to the above Council approval, the cost of £189,900 will be funded from a combination of the net additional Capital Receipt generated from the sale of the existing nursery site and a contribution from the Seaton Carew Master plan capital receipts of between £70,000 and £90,000.
- (iii) It was noted that in the event that a decision was made not to progress with this scheme, the Council will be required to reimburse any costs incurred by the EFA in relation to any abortive design and project management costs associated with the proposal, and that these costs would need to be funded from the 2013/14 forecast revenue outturn.

113. Local Government (Access to Information) (Variation Order) 2006

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 they involved 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.

Minute 114 – Future of the Indoor Bowling Club – Director of Regeneration and Neighbourhoods – 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).

114. Future of the Indoor Bowling Club (*Director of Regeneration and Neighbourhoods*) 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).

Type of decision

Non key.

Purpose of report

To confirm arrangements for the Indoor Bowls Club.

Issue(s) for consideration

Further details can be found within the exempt section of the minutes.

Decision

Details of the decision can be found within the exempt section of the minutes.

The meeting concluded at 1.05 pm

P J DEVLIN

CHIEF SOLICITOR

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