

FINANCE AND POLICY COMMITTEE MINUTES AND DECISION RECORD

28 March 2014

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

Present:

Councillor: Christopher Akers-Belcher (In the Chair)

Councillors: Rob Cook, Peter Jackson, Marjorie James, Ray Martin-Wells, Robbie Payne, Carl Richardson, Chris Simmons and Paul Thompson.

In accordance with Council Procedure Rule 5.2 (ii), Councillor Geoff Lilley was in attendance as substitute for Councillor Alison Lilley.

Also present:

Edwin Jeffries, Hartlepool Joint Trades Union Committee

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
Gill Alexander, Director of Child and Adult Services
Denise Ogden, Director of Regeneration and Neighbourhoods
Louise Wallace, Director of Public Health
Graham Frankland, Assistant Director, Resources
Nigel Johnson, Housing Services Manager
Alastair Rae, Public Relations Manager
Joan Stevens, Scrutiny Manager
Angela Armstrong, Principal Democratic Services Officer

224. Apologies for Absence

Apologies for absence were received from Councillors Alison Lilley and Keith Dawkins.

225. Declarations of Interest

Councillors Rob Cook and Chris Simmons declared a personal interest in minute 229. See minutes 227, 231 and 239 for further declarations of interest.

226. Minutes of the meeting held on 27 February 2014

Received.

227. Housing Service New Opportunities and Structure (*Director of Regeneration and Neighbourhoods*)

Type of decision

Key Decision – Test (i) and (ii) apply – Forward Plan Reference RN 31/13.

Purpose of report

To provide more detail on proposals to develop the Housing Services Team following the Finance and Policy Committee recommendations of 19 December 2013. The report provided an overview of the proposals to reduce existing management fees, bring services in-house and deliver new services, including an overview of proposed operational delivery and a more detailed financial analysis of the Housing Services budget. The report sought the Committee's approval to the proposals to reconfigure the Housing Services Team, bring back the management of services and establish a new Social Lettings Agency in Hartlepool.

Issue(s) for consideration

The proposals for the in-house delivery of services were detailed in the report and covered the following areas:

- 1) Management of the Housing Register to continue to be undertaken by Housing Hartlepool at a reduced cost at 50% in 2014/15 and to nil cost from 2015/16 onwards, following detailed negotiations;
- 2) Internalise the management of the Council's housing stock (82 new build units and 100 units purchased through the Empty Property Purchasing Scheme);
- 3) Setting up a Social Lettings Agency for management of private rented stock;
- 4) Creation of a Housing Trainee Role within the Housing Services team;
- 5) Introduction of Ward based Selective Licensing.

A number of internal service level agreements were proposed in order to successfully deliver the proposed services and these were outlined in the report. It was proposed to locate the full Housing Services team alongside the Advice and Guidance Hub on Level 2 of the Civic Centre to provide a one stop shop for advice and support to Council tenants.

Councillor Rob Cook declared a personal interest in this item at this point in the meeting.

In response to clarification sought by a Member, the Director of Regeneration and Neighbourhoods confirmed that Housing Hartlepool will remain as an organisation along with Fabric and Tristar and would form part of a bigger group to be known as Thirteen. A Member asked for confirmation of the location of the Housing Register staff and the Director of Regeneration and Neighbourhoods indicated that they would be located in Titan House in York Road from the summer of this year and added that she would provide confirmation of this in writing to that Member direct.

A Member referred to a previous request for further information on the total expenditure of the Council relating to Housing Hartlepool to be included in this report. The Director of Regeneration and Neighbourhoods responded that this information would be circulated to the Members of the Committee.

A Member sought clarification on the future arrangements for the management of the Housing Register. The Director of Regeneration and Neighbourhoods indicated that Housing Hartlepool would manage the waiting list which would be phased over two years to at a nil cost from 2015/16. The importance of utilising the expertise of Housing Hartlepool in a partnership arrangement to manage tenancies was emphasised.

It was highlighted by a Member that she was informed that current working practices adopted by Housing Hartlepool resulted in tenants being given authorised trespass status once they fell into arrears with their rent which would result in their right to buy being removed. The Member added that this was an aggressive course action and was not acceptable. The Housing Services Manager indicated he would seek legal clarification on this issue and the options available when dealing relation to the Security of Tenure and Right to Buy when a tenant has rental arrears and report back to a future meeting of the Committee.

A member of the public in attendance addressed the Committee and asked how many Hartlepool jobs would be lost when Housing Hartlepool move its base from Hartlepool. The Chief Executive confirmed that through the formation of the new group Thirteen, Housing Hartlepool had accepted 100 voluntary redundancies. Further clarification was sought from that member of the public on the total savings to be achieved when Council services were moved out of Park Towers. The Director of Regeneration and Neighbourhoods responded that the savings to be achieved from relocating Council services from Park Towers was £56k which would be incorporated into the corporate property savings.

In response to clarification sought by a Member, the Director of Regeneration and Neighbourhoods confirmed that the overall savings to be achieved through the operation of Housing Services would be spread over a 2 year transitional period with the operation of the Housing Register saving £90k across two years and the Housing Management saving £40k across two years.

Decision

- (i) The report was noted.
- (ii) The reduction of the management fee to Housing Hartlepool for the management of the Housing Register by 50% in 2014/15 and to NIL from 2015/16 onwards was approved.
- (iii) The proposal to internalise the management of the Council owned stock into the remit of the Housing Services Team on a phased approach from April 2014 was approved.
- (iv) That the setting up of a Social Lettings Agency in Hartlepool as set out in the report, subject to an agreed business case being presented to a future meeting of the Finance and Policy Committee.
- (v) That the creation of a Housing Trainee Role within the Housing Services Team was agreed.
- (vi) It was noted that a further report on the development of ward based Selective Licensing was included in the Forward Plan and would be considered by the Regeneration Services Committee in the new financial year.
- (vii) That the Director of Regeneration and Neighbourhoods to confirm in writing the location of the Housing Register Team.
- (viii) That a list of all expenditure of the Council to Housing Hartlepool be circulated to the Committee.
- (ix) That a further report be submitted to a future meeting of the Committee outlining the legal position on the options available to the Council in relation to the Security of Tenure and Right to Buy when a tenant has rental arrears.

228. Community Safety Plan 2014-2017 (*Director of Regeneration and Neighbourhoods*)

Type of decision

Key Decision – Test (ii) applies – Forward Plan Reference RN 24/13.

Purpose of report

To present and seek approval on the final draft of the Community Safety Plan 2014-17 (also referred to as the Community Safety Strategy).

Issue(s) for consideration

The Community Safety Plan was attached at Appendix 1 and had been developed based on the findings of the Safer Hartlepool Partnership Strategic Assessment and public consultation including the Council's Household Survey and Safer Hartlepool Partnership "Face the Public" event. The strategic objectives and annual priorities of the Plan were

detailed in the report.

It was noted that in general the consultation results had confirmed that the Partnership had a good understanding and grasp of the issues that mattered to local communities. Action plans to support the delivery of the Community Safety Plan were being developed by the Safer Hartlepool Partnership Task Groups.

Decision

The Community Safety Plan 2014-17 was approved for submission to Council for adoption.

229. Community Pool Category 4 Grant Allocations 2014/15 *(Director of Regeneration and Neighbourhoods)*

Type of decision

Key Decision – Test (i) and (ii) apply – Forward Plan Reference RN 08/14.

Purpose of report

To outline the level of grants recommended for allocation to Voluntary and Community Sector (VCS) organisations through Category 4 of the Community Pool for 2014/15. A decision was sought from the Committee on these proposals.

Issue(s) for consideration

The report provided the background to the current financial allocation to the Community Pool. In accordance with the agreement of the Finance and Policy Committee on 18 October 2013, the allocation of Categories 1 and 2 were complete and this was detailed in the report. It was noted that 19 applications had been received for Category 4 totalling £169,685.68, which was an oversubscription of £94,685.68 on the £75,000 available. In view of the level of funding requested, a thorough assessment process was undertaken by a panel of officers with applications being pre-screened to ensure that the primary criteria was met and then scored accordingly.

It was highlighted that as part of the evaluation process, supporting information was currently being checked in order to safeguard and protect the Council's investment. It was therefore requested that the Committee consider delegating authority for approval to the Director of Regeneration and Neighbourhoods should any alterations to the recommendations be required.

During the discussions that followed, a Member sought clarification on whether there was anything included within the criteria to prevent an organisation continuing to receive community pool funding if they moved out of Hartlepool. The Director of Regeneration and Neighbourhoods confirmed that payments were provided to organisations on a quarterly basis and if the organisation moved out of Hartlepool, that would be taken into account. It was noted that in previous years, the report had included a list of organisations whose applications for funding had been unsuccessful and it was requested that this information be included on future reports.

A Member questioned the inclusion of confidential appendices to the report and sought clarification on whether this information could be included in the open report in future. The Director of Regeneration and Neighbourhoods responded that including this information in the open papers would result in it being public and reported in the local press, prior to the Committee making its decision on the applications. It was therefore suggested that once Members have made their decision, as much information be included in the open decision record as possible.

Members requested that the meeting move into closed session as they had a number of questions on the confidential appendices.

230. 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 during the discussion on the previous item of business on the grounds that it involved the likely disclosure of exempt information as defined in paragraph 1 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 229 – Community Pool Category 4 Grant Allocations 2014/15 – 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.

229. Community Pool Category 4 Grant Allocations 2014/15 *(Director of Regeneration and Neighbourhoods)*

Further consideration of the report and Appendix 1 can be found in the confidential minutes. **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 meeting returned to open session.

The Chair indicated that future applications for Community Pool funding would be considered with a 50% weighting towards family poverty for an organisation to qualify for funding. However, the Committee had requested that during 2014/15, should there be any slippage in the funding allocated from the Community Pool, this should be allocated to Hartlepool Foodbank.

Decision

- (i) That the contents of the report and progress on the Community Pool Programme to date, including the allocation of Categories 1 and 2 as set out in the report be noted.
- (ii) That the following applications for the allocation of Community Pool funding be approved as follows:

Organisation	Grant Allocated
Hartlepool PATCH	£10,000.00
Making a Difference	£10,000.00
Hartlepool Mind	£8,7190.00
Salaam Community Centre	£9,888.00
Epilepsy Outlook	£4,729.50
Hartlepool People	£10,000.00
Hart Gables	£9,950.04
West View Project CIC	£6,195.00
Hartlepool Foodbank	£5,518,46

- (iii) That delegated authority for approval be given to the Director of Regeneration and Neighbourhoods should any alterations to recommendations be required as a result of supporting information checks.
- (iv) That any slippage in the allocation of Community Pool Funding for 2014/15 be allocated to Hartlepool Foodbank.
- (v) That the future calculations for the allocation of Community Pool Funding be based on a 50% weighting towards organisations who demonstrated a clear strategic fit to Family Poverty and the Council's priorities and objectives.
- (vi) That future reports on applications to the Community Pool should include details of those organisations whose applications for funding were unsuccessful.

Councillor Ray Martin-Wells declared a personal interest in the following item at this point in the meeting.

231. Sale of former Henry Smith School Site, King Oswy Drive *(Director of Regeneration and Neighbourhoods)*

Type of decision

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

Purpose of report

To seek approval for the sale of the remainder of the Former Henry Smith School site, King Oswy Drive.

Issue(s) for consideration

The background and recent history of the site were included in the report. It was noted that Vela had secured planning permission for 25 affordable bungalows on part of the site. The remaining land was marketed for sale by informal tender and the tenders received were disappointing and substantially below the Estate and Regeneration Manager's valuation. However, recently an offer had been received which was worthy of consideration. It was understood that the developer was proposing 80 to 90 houses and taking into account the current market conditions, the Estates and Regeneration Manager considered the offer to be acceptable. The Heads of Terms were 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.**

There were a number of alternative options proposed for Members full consideration and these were detailed in the report.

Members were supportive of the proposal to dispose of the land to the developer in line with the offer and Head of Terms recently received. However, they were mindful that any financial arrangements to dispose of the land should be in full and final settlement. A Member suggested that consideration should be given to the Council undertaking to build properties rather than relying on developers.

Decision

The offer to secure a sale of the remainder of the former Henry Smith School Site, King Oswy Drive at a level which will contribute substantially towards the Council's Capital Receipts Target and reduce the risk of a

funding shortfall if capital receipts were not received was approved.

232. Proposed New Centre for Independent Living Burbank Street *(Director of Child and Adult Services)*

Type of decision

Non key.

Purpose of report

To consider the approach to procuring the proposed new Centre for Independent Living project at Burbank Street.

Issue(s) for consideration

A report was presented to the Committee on 19 December 2013 outlining the potential to redevelop land at Burbank Street as shown on Appendix 1. Detailed in the report were the stages of the tender process proposed to be undertaken. It was intended to award the tender in September 2014 with a view to the construction work beginning in September or October so that the new CIL could be completed in late 2015.

An initial option appraisal had been undertaken to identify the costs over the next thirty five years and further details on this were included in the report. It was noted that there would be an ongoing additional revenue cost of providing a new Centre for Independent Living which will either be funded directly by the Council using Prudential Borrowing or the payment of an annual lease charge to an external provider. To enable the proposed timetable to be followed, it was proposed to submit a report to full Council to seek approval of a maximum revenue funding limit and Prudential Borrowing limit for this scheme which will be based on the detailed assessment of costs which had been completed.

In response to a question from a Member, the Director of Child and Adult Services confirmed that the procurement exercise was modelled to comply with the requirement for European procurement regulations.

Members were supportive of the development and indicated it was an excellent proposal for facility that was much needed in that area of town. The Director of Child and Adult Services added that the procurement process would ensure that the process will be fair and efficient and ensure best value was achieved for the Council.

Members thanked Officers for all their hard work and commitment in progressing this proposal which was a much needed facility for the Town.

Decision

- (i) That the tendering process be initiated.
- (ii) That the approach to be taken and the timescales outlined in the report were noted.
- (iii) That a report be submitted to Council to seek the approval of a maximum revenue funding limit and Prudential Borrowing limit for this scheme.
- (iv) The approach taken for reporting the outcome of the tendering process as outlined in the report was noted.

233. 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.

Minute 234 – Clawback – The Domes, Tees Road, Seaton Carew, Hartlepool

234. Clawback – The Domes, Tees Road, Seaton Carew (Director of Regeneration and Neighbourhoods and Chief Finance Officer)

Type of decision

Key Decision – Test (i) and (ii) Applied – Special Urgency Rules Apply.

Purpose of report

To seek approval to dispose of the Council's clawback interest in The Domes, Seaton Carew subject to the terms and conditions as set out in confidential Appendix B. **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 previous release of a restrictive covenant on the land as shown in Appendix A in 2012. The release of the covenant was agreed subject to payment of the agreed value and the terms were detailed in confidential Appendix B as noted above. The current owner had developed the site with two domes which provide quality

facilities in the form of indoor football pitches, a golf facility and a health and fitness studio. However, an opportunity has arisen for the development to be sold and the owner had approached the Council seeking an agreement to purchase the Council's interest in the site. The financial considerations surrounding the clawback deed were detailed in the report.

On the basis of Members approving the request to dispose of the Council's interest in return for a one-off payment a strategy for using this money needed to be developed. The Chief Finance Officer recommended that the majority of funding be allocated to manage the financial risks being faced by the Council.

The Chair noted that this was an item of Special Urgency and proposed that the recommendations be accepted with the generated funding being allocated to mitigate the risks associated with the Regional Growth Fund loan for Jacksons Landing. This funding would be set aside until the point when the interest free loan required repayment should this be necessary. It was proposed that the remaining funding be allocated to the Public Health Department to fund a repeat of the free swim initiative at the Mill House Leisure Centre along with the associated free transport for the 6-week summer holiday period. In addition to this, sufficient funding should be allocated to the Regeneration and Neighbourhoods Department to fund two additional enforcement officers over a 2-year period. This will enable a full analysis to be undertaken on the fines given out and assess if this could become self-financing. Any remaining funds should be allocated to the Regeneration and Neighbourhoods Department to match fund the 131k given by the Government for schemes to improve the roads in Hartlepool over the next year. The Chair commented that all the above proposals were all issues that were raised as priorities by residents in the Town.

A Member suggested that footpaths should also be part of the funding to improve local highways. Members were supportive of the proposals as it was noted that the proposals would support local Council services that had been prioritised by residents as well as guaranteeing the financial viability of the Jacksons Landing project.

However, a Member did have concerns that this was a significant amount of funding and suggested that a further report be submitted to the Committee to enable Members to consider the proposals for the generated income in more detail. The Chief Executive commented that this proposal had to be concluded very quickly in order to secure the progression of the development.

A discussion ensued on the operation of previous decision making and the fact that the proposals outlined above were things that the majority of people would like to see in the Town. The Chair indicated that the funding would be ring-fenced to the Departments as proposed and further consideration on the detailed spend of this funding would be undertaken through the appropriate decision making Committee.

The meeting moved into closed session.

235. 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 during the discussion on the previous item of business on the grounds that it involved the likely disclosure of exempt information as defined in paragraph 1 of Part 1 of 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.

Minute 234 – Clawback, The Domes, Tees Road Seaton Carew 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.

234. Clawback – The Domes, Tees Road, Seaton Carew
(Director of Regeneration and Neighbourhoods and Chief Finance Officer)

Further details of the discussions around the report and Appendix B can be found in the exempt section of the minutes. **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 meeting returned to open session.

The majority of Members supported the proposals made by the Chair as noted above. However, Councillor Geoff Lilley wished his vote against the proposal to be recorded.

Decision

- (i) The disposal of the Council's interest in The Domes for the sum as set out in the confidential Appendix B **(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) as noted above was approved taking account of the risk and financial issues.**

- (ii) It was noted that this income was not anticipated when the MTFS was approved and the following proposals be developed further, subject to the approval of the proposals by full Council as departures from the approved Budget and Policy Framework and the subsequent approval of detailed proposals by the relevant Committee, to utilise these resources and reflect the financial risks the Council will need to manage over the period of the MTFS:
- a) Funding be allocated to offset the interest free loan for the Jacksons Landing development at the point when this loan was due to be repaid should it be required.
 - b) That sufficient funding be allocated to support the free swim initiative at the Mill House Leisure Centre and associated free transport over the 6-week summer holiday period in 2014.
 - c) That funding be allocated for the creation of two Enforcement Officers within the Regeneration and Neighbourhoods Department over a 2-year period to support the further analysis of fines received to ascertain if this service could become self-financing.
 - d) That any remaining funding be allocated to the Regeneration and Neighbourhoods Department to match-fund the £131k received from the Government to repair local highways.

Councillor Geoff Lilley left the meeting.

236. Review of Carers' Leave *(Assistant Chief Executive)*

Type of decision

Non key.

Purpose of report

To obtain the Committee's ratification to changes to the Carer's Leave arrangements which had been provisionally agreed with the Trade Unions.

Issue(s) for consideration

This report was deferred to the next meeting of the Committee.

Decision

That the report be resubmitted to the next meeting of the Committee.

237. Northgate Community Fund – ICT Contract *(Assistant Chief Executive)*

Type of decision

Non key.

Purpose of report

The ICT contract provided for the provision of a contribution to the local economy beyond a number of other commitments made which include significant job creation and reinvestment in the infrastructure and ICT services for the Council. Given that the commitment is Northgate's, it is appropriate that they were closely involved in the decision making and this meant the process will be different to that for other such funds.

There were a number of aspects to this which give an overall value (on an annual basis) which Northgate had committed to as part of the new contract.

- Commitment to 25 volunteering days per annum
- A Community Fund of £40,000 per annum (the main focus of the report)
- A social value requirement on suppliers for procurement activity associated with the Hartlepool Business Centre (this would have to be determined on an annual basis)
- Residual value of recycled hardware (this would have to be determined on an annual basis)

Through the early stages of the contract, there is the potential, as the new contract provides for the upgrading of council machines that there will be a significant number of machines that could be "donated" to local groups as part of this refresh. Software licences would have to be funded by the local groups themselves as the Council and Northgate could not commit to this. These would not be supported in any way but would provide kit and equipment at very limited cost. This would essentially negate any residual value identified in bullet point 4 above. Any such process would be outside the bidding process and agreements in respect of the Community Fund and would be administered by Northgate.

As part of the development of this report, Northgate have held discussions with representatives from Gus Robinson Developments to identify any areas where the support provided for such activity from both organisations may be aligned.

Issue(s) for consideration

There were a number of aspects to the proposals and whilst the primary focus was in respect of the Community Fund, there were also considerations in respect of general public access to and availability of ICT equipment through Council venues. The report provided Members with further details on the following:

- Public Access Machines
- Priorities for the Community Fund
- Northgate Community Fund Forum
- Management of and Use of the Fund
- Eligibility
- Grant Rates
- Publicity

The report was welcomed by Members as it progressed further public access to computers, however it was suggested that a further audit be undertaken to assess which facilities were being utilised and the reason if they were not being utilised.

Decision

- (i) The proposals included in the report for the operation of the Northgate Community Fund were noted.
- (ii) The membership of the Community Fund Forum was agreed.
- (iii) The Forum to meet annually to determine grant allocations.
- (iv) That £10,000 be ring fenced from the fund to match fund the current contributions from the Gus Robinson Foundation for scholarships to be paid through Hartlepool College.
- (v) That the application process be annual and that the process for this year commence following agreement from this Committee.
- (vi) That a further audit of the use of computer facilities in public buildings be undertaken and if they were not utilised and the reason if they were not being utilised.

238. Review of the Whistle Blowing Policy *(Chief Solicitor)*

Type of decision

Non key.

Purpose of report

The Council's "Corporate Whistle Blowing Procedure" document was last

revised in 2008, albeit reports on “protected disclosures” had been submitted through the ‘Annual Report’ to subsequent meetings of the Council’s former Standards Committee.

The Enterprise and Regulatory Reform Act 2013 made a change insofar as disclosure would not be protected unless there was a reasonable belief on behalf of the individual making the disclosure that it was in the ‘public interest’. Previously, there was no requirement for such a ‘public interest’ qualification upon a disclosure. This change has therefore been incorporated within the revised document as appended herewith (Appendix 1) together with other revisions deemed suitable, mainly to up-date the document since the last revision in 2008. Although the Council’s Whistle Blowing document had formerly been approved by the Council’s Standards Committee this role has now been assigned to the Council’s Finance and Policy Committee under the category of “Other Plans and Strategies” as outlined within the Council’s Constitution (Part 3 – Responsibility for Functions).

Issue(s) for consideration

The report provided the background to the introduction of the Whistle Blowing Policy. It was noted that whistle blowing protection applied to all employees and workers and would therefore include all casual staff, agency personnel and trainees. The revised document therefore comprised reference to both “employees” and “workers” at this time.

Further details were provided in the report on the qualifying disclosures to support the reporting of the following events:

- Criminal offence
- Failure to comply with any legal obligations
- Miscarriage of justice
- Danger to health and safety
- Danger to the environment, or
- Deliberate concealment of any of the above.

Decision

The revisions to the Council’s ‘Corporate Whistle Blowing Policy and Procedure’ document was approved.

Minutes 239, 240 and 241 were considered together.

239. Irrecoverable Debts – Business Rates (*Chief Finance Officer*)

Type of decision

Non key.

Purpose of report

To seek the Committee's approval to write-out a number of business rates debts which were now considered to be irrecoverable.

Issue(s) for consideration

The report highlighted that the Council's performance in the collection of NNDR was positive with 98% of business rates collected within the 2012/13 financial year. National statistics show that Hartlepool's performance compared favourably with other Councils with the average collection rate being 97.1%. High level of collection rates had been sustained in 2013/14 with 98.1% being collected by the end of February 2014. Whilst every effort was made to collect all business rates due, certain debts will become irrecoverable and detailed in confidential Appendix A and B were debts submitted for write-out from the accounting records relating to cases of bankruptcy, individuals deceased with no estate, untraceable absconder/ individual in prison. **These items 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.**

Appendix C provided details of an irrecoverable debt relating to a limited company that has been dissolved.

The report set out that 94% of the proposed write out's would be charged against the former central government National Non Domestic Rates Pool bad debt provision and thereby will have no financial impact on the Council.

A Member commented that a lot of the information included on the confidential papers was within the public domain in one way or another and questioned why this information had been included in a confidential appendix. It was suggested that whilst a lot of the information needed to be included in the confidential papers, it should be explored whether this information could be included within the open decision record once a decision had been made. The Chief Finance Officer recognised this and would explore the inclusion of as much information in the open agenda

documentation or decision record with the Chief Solicitor.

Decision

- (i) That the write-out of the irrecoverable business rates debts to the value of £219,993.76 against the historical National Non Domestic Pool bad debts provision were agreed.
- (ii) That the write-out of the irrecoverable business rates debts to the value of £13,900.31, the cost of which shared between Central Government and the Council were agreed.
- (iii) That the Chief Finance Officer and Chief Solicitor explore the provision of more detailed information in the open agenda documentation or decision record of future meetings in relation to irrecoverable debts.

240. Irrecoverable Debts – Council Tax (*Chief Finance Officer*)

Type of decision

Non key.

Purpose of report

To seek the Committee's approval to write-out a number of Council Tax debts which were now considered to be irrecoverable.

Issue(s) for consideration

The Council's performance in collection of Council Tax was positive, especially given the difficult economic climate, with 97% of Council Tax being collected within the financial year it was billed. With the introduction of Localised Council Tax Support, the Council was required to collect Council Tax from 6,000 households that previously paid no Council Tax. Collection of this debt was challenging, but was progressing well and at the end of February 2014 68.1% of the Council Tax debt due for 2013/14 had been collected and arrangements were in place with 56% of this council tax payer group to pay regular sums. Whilst every effort was made to collect debts due to the Council, certain debts become irrecoverable and attached at Appendices A, B and C were the individual Council Tax debts over £1,000 recommended for write-out relating to deceased individuals with no estate, untraceable absconders and one case where further court action was inappropriate. **These items 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.

Decision

That the write-out of the irrecoverable Council Tax debts to the value of £7,245.23 were approved and it was noted that this would be charged against the existing bad debts provision.

241. Irrecoverable Debts – Sundry Debt (*Chief Finance Officer*)

Type of decision

Non key.

Purpose of report

To seek the Committee's approval to write-out a number of sundry debts which were now considered irrecoverable.

Issue(s) for consideration

Each year the Council issues sundry debtor invoices totally around £23m and in the current financial year, over 98% of these had been paid within three months. At the end of February 2014, the value of sundry debt outstanding greater than three months old was £0.49m, which was substantially lower than the corresponding figure at February 2013 of £0.72m. Whilst every effort was made to collect debts due to the Council, certain debts become irrecoverable and attached at confidential Appendices A and B were the individual Sundry Debts over £1,000 which it was proposed to write-out. **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.

Decision

That the write-out of irrecoverable Sundry Debts to the value of £15,741.49 were agreed and it was noted that this will be charged against the existing bad debts provision.

242. Business Rates (*Chief Finance Officer*)

Type of decision

Non key.

Purpose of report

- (i) Provide details of the financial risks surrounding business rate appeals and the Council's arrangements for assessing and managing that risk;
- (ii) Inform the Committee of the Business Rates system amendments announced by the Government in the Chancellor's December 2013 Autumn Statement;
- (iii) Provide details of how the Council was responding to these national policy changes.

Issue(s) for consideration

The report provided the background to the significant financial risks transferred to Councils as a result of the localisation of Business Rates. It was highlighted that under the new Localised Business Rates system, the Government will pass 50% of the costs of appeals onto Local Authorities. However, the Local Government Association were lobbying Government for the cost of the appeals prior to April 2013 to be fully borne by the Government.

At 1 April 2013 there were 330 Hartlepool businesses, excluding the power station, with outstanding appeals against their rateable values, representing a significant financial value. It was noted that in practice many appeals will be unsuccessful or may result in relatively small changes in rateable value. Once the assessment of the potential cost of appeals has been undertaken the outcomes of the exercise will inform a financial plan for managing the financial risk and this will be reported to Members.

It was recommended that the Council opt to fund the estimated cost of back dated appeals over 5 years. The approach will involve back dated appeals and the process for undertaking this was detailed in the report. The report made reference to Business Rates changes announced by the Chancellor in December 2013. Full details of the actual local impact of these changes will be reported to Members in a future monitoring report.

In response to a question from a Member, the Assistant Chief Finance Officer confirmed that the cost to the Cleveland Fire Authority would be 1% of the total Business Rate income for the Fire Authority area.

A discussion ensued on the hardship relief available to local businesses

and the Assistant Chief Finance Officer confirmed that prior to April 2013, in cases where a local authority considered that hardship relief was justifiable with 75% borne by the national pool and 25% by local council tax payers. It was suggested that information should be included on the business rate bills outlining the eligibility for hardship relief. The Chief Finance Officer confirmed that Finance staff worked closely with Economic Development to identify cases of hardship and only a very small number of cases had accessed hardship relief and that the protection of jobs local jobs was a priority.

Decision

- (i) The financial risks of backdated business rate appeals and the arrangements for assessing and managing that risk were noted.
- (ii) The Business Rate system amendments announced in the Chancellor's December 2013 Autumn Statement and the Council's response to these national policy changes were noted.
- (iii) It was noted that a future report would be submitted to the Committee on the actual local impact of the national business rates policy changes announced by the Chancellor.
- (iv) That the recommended strategy for funding the cost of back dated appeal costs through a combination of the following was approved and it was noted that further details will be reported when more information was available:
 - a) allocating uncommitted resources from the 2013/14 outturn (assuming the final outturn exceeds the minimum net managed underspend already built into supporting the 2014/15 to 2016/17 budgets);
 - b) completing a further review of existing reserves and the associated risk they were being held to manage over the summer 2014 as part of the 2015/16 budget process;
 - c) In the event that items (a) and (b) do not provide sufficient funding, the shortfall will need to be addressed as part of the 2015/16 budget strategy, which will include consideration of the forecast 2014/15 outturn position.

Councillors Ray Martin-Wells and Robbie Payne left the meeting at this point.

243. Workplace Health *(Director of Public Health)*

Type of decision

For Information.

Purpose of report

To introduce a short presentation regarding the topic of workplace health and wellbeing, which was led by the Health Improvement Team within the Council's Public Health Department.

To inform the Committee of the approaches being taken by Hartlepool Borough Council in relation to improving workplace health and wellbeing, for the Council workforce and also partner organisations across the town.

Key issues and outcomes were highlighted within the presentation and there will be an opportunity for questions and discussion following the presentation.

Issue(s) for consideration

The Director of Public Health provided a detailed and comprehensive presentation which highlighted that the direct costs of absence alone amounted to over £14 billion in 2012 – an average of £721 per employee per year in the public sector. It was noted that Hartlepool Borough Council was the only local authority to achieve Continuing Excellence level in The North East Better Health at Work Award. The presentation outlined the Council's approach to achieving this award including

- a number of sport and recreational activities;
- support for National No Smoking Day
- BHF Wear Red for Heart Health Day
- Movember – Male Cancer Awareness

The presentation highlighted that sickness absence was reducing and the average sickness absence was currently at 6.84 days per person per year. The Director of Public Health concluded by presenting the future proposals to continue improving workplace health for all Council employees.

Councillor Paul Thompson declared a personal interest in this item at this point in the meeting.

Members were encouraged by the reducing sickness absence levels and thanked the team for all their hard work and commitment to supporting the health and wellbeing of the Council's employees. It was suggested that as part of the Free Swim Initiative which was agreed subject to Council approval earlier in the meeting, that the adults who would be attending with the children are offered diabetes and other health screening whilst they were in attendance at the Leisure Centre.

In addition, the team were commended for their work tackling childhood obesity an important part of which was educating parents who would pass it

onto their children. A Member questioned whether, as one of the largest employers in the town, there were any negotiated corporate rates offered at the Council's fitness facilities to encourage a higher uptake of fitness activity. The Director of Public Health confirmed that there were discounts provided in the Council's facilities as well as some other facilities in the town for Council employees.

The Chief Executive added that Council employees were under tremendous amounts of pressure in view of the recent and forthcoming budgetary reductions and it was important to recognise that providing more assistance to assist workplace health was better for their health and wellbeing.

The Director of Public Health thanked Members for their leadership and for being supportive of the Workplace Health initiatives.

Decision

The presentation was noted.

244. Any Other Business which the Chair Considers 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.

Minute 245 – Early Retirement of Assistant Director (Resources) and Assistant Director (Community Services)

245. Early Retirement of Assistant Director (Resources) and Assistant Director (Community Services)

The Chair noted that this was the last meeting that the Assistant Director (Resources) would attend before leaving the Council for early retirement and he was thanked for his contribution and loyalty shown to Hartlepool Borough Council over the years, in particular over the last 12 months as project lead for developing the Advice and Guidance Hub within the Civic Centre.

In addition, the Chair thanked the Assistant Director (Community Services) who was also leaving the Council for early retirement for his commitment to Hartlepool Borough Council and for being an excellent and loyal Officer throughout his years of service.

The meeting concluded at 11.57 am

P J DEVLIN

CHIEF SOLICITOR

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