

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

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.

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- 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 **and footpaths**.

P J DEVLIN

CHIEF SOLICITOR

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