

# **FINANCE AND POLICY COMMITTEE**

## **MINUTES AND DECISION RECORD**

18 AUGUST 2014

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

### **Present:**

Councillor Christopher Akers-Belcher (In the Chair)

Councillors: Keith Dawkins, Peter Jackson, Robbie Payne, Carl Richardson and Chris Simmons.

Also Present: In accordance with Council procedure rule 5.2: –  
Councillor Allan Barclay as substitute for Councillor Marjorie James  
Councillor Geoff Lilley as substitute for Councillor David Riddle.

Councillor Jim Ainslie.

Officers: Dave Stubbs, Chief Executive  
Andrew Atkin, Assistant Chief Executive  
Peter Devlin, Chief Solicitor  
Chris Little, Chief Finance Officer  
Damien Wilson, Assistant Director, Regeneration  
Dale Clarke, Estates and Regeneration Manager  
Carole Johnson, Head of Health Improvement  
Julian Heward, Public Relations Officer  
Lorraine Bennison, Principal Registration and Members Services Officer  
Laura Stones, Scrutiny Support Officer  
David Cosgrove, Democratic Services Team

### **32. Apologies for Absence**

Councillors Marjorie James, Brenda Loynes and David Riddle.

### **33. Declarations of Interest**

Councillor Peter Jackson declared a personal interest in Minute 44  
“Delegated Powers Property Transactions – Quarterly Report – 2014 (Q1)”.

### **34. Minutes of the meeting held on 21 July 2014**

Confirmed.

**35. Minutes of the meeting of Safer Hartlepool Partnership held on 9 May 2014**

Received.

**36. Review of Polling Districts, Polling Places and Polling Stations** (*Chief Solicitor*)

**Type of decision**

Key Decision Test (ii) Forward Plan Reference No. CE65/14.

**Purpose of report**

To consider and review proposals for alternative polling districts, polling places and polling stations to be used at future elections.

**Issue(s) for consideration**

The Chief Solicitor reported that the Electoral Registration and Administration Act 2013 introduced a change in timing of compulsory reviews of UK Parliamentary polling districts and polling places. A compulsory review must take place within a period of 'sixteen months beginning with 1 October, 2013 and the same period, beginning with 1 October of every fifth year after that'.

The report set out the proposed review to be undertaken in Hartlepool to ensure that all the electors in the constituency have such reasonable facilities for voting as are practicable in the circumstances; and to ensure that so far as is reasonable and practicable, the polling places they are responsible for are accessible to all electors, including those who are disabled. The preliminary stages of the review involved giving notice of the review to be followed by a proposals stage where the authority must set out its proposals for the new polling district and polling place arrangements and a consultation period of at least four weeks for the public to respond. The consultation process would ensure local groups representing disabled people were included.

Once the consultation process was concluded the proposals would need to be approved by full Council and then published. The aim was to ensure the process was completed by the end of November so that it was concluded before the new register of electors was published at the end of that month.

## **Decision**

1. That the issues raised within the report be noted and the timetable for the review be approved;
2. That the Chief Solicitor be authorised to take all necessary action to implement the review, and undertake appropriate consultations.

## **37. Drug and Alcohol Recovery Support Services** (*Director of Public Health*)

### **Type of decision**

Key Decision tests (i) and (ii) apply - Forward Plan Reference No PH 07/14.

### **Purpose of report**

The purpose of the report was to seek approval from the Finance and Policy Committee to secure a Drug and Alcohol Recovery Support Service, funded through the ring fenced Public Health Grant, to commence 1st April 2015.

### **Issue(s) for consideration**

The Chief Executive reported that the existing contracts for Adult Drug and Alcohol Recovery and Reintegration, Harm Minimisation, Psychosocial Interventions, Education Training and Employment, Family and Carer Support and the Criminal Justice Interventions Team alongside Young People's Drug Treatment Services all come to an end on 31st March 2015. There was no further opportunity to extend existing arrangements and therefore a review of services was required in order to ensure that identified need was still being met and a new recovery model was developed to continue to meet that need.

A full service review was being conducted alongside consultation with stakeholders, providers and service users in order to shape future service provision, the outcome of which will support the development of the new recovery model beyond April 2015. Following final outcome of the review and consultation it was proposed to secure a new Drug and Alcohol Recovery Support Service designed to meet the continuing need of service users, their families and carers.

The Chief Executive highlighted that any successful bidder may be subject to TUPE regulations with regards to staff. There were 53 members of staff employed by the current service providers, with varying working hours.

Members referred to the periodic reports to other bodies, such as the Health and Wellbeing Board on the effectiveness of the service. There was concern that more recent admissions to the programme were progressed from drugs to methadone and then off methadone in a controlled but relatively quicker manner than in the past yet there were still significant numbers who had almost moved to prescribed methadone, another addictive drug, as a life choice rather than being weaned off drugs altogether. The new contract needed to take cognisance of this problem and ensure the programme tackled these users. The Head of Health Improvement commented that long term users were a problem as they saw methadone as a crutch rather than a means to an end. Work within the service was tackling these users and this would be seen through the statistics reported in the coming months.

### **Decision**

1. That the development of a new service specification during 2014/15 taking into consideration current local needs and views from the engagement process be approved.
2. That the securing of a provider for the Drug and Alcohol Recovery Support Service to be funded by the ring fenced Public Health Grant 2015/16 be approved.

## **38. Stop Smoking Service** *(Director of Public Health)*

### **Type of decision**

Key Decision test (i) and (ii) applies - Forward Plan Reference No PH/06/14

### **Purpose of report**

The purpose of the report was to seek approval from the Finance and Policy Committee to secure a Stop Smoking Service, funded through the ring fenced Public Health Grant, to commence 1st April 2015.

### **Issue(s) for consideration**

The Chief Executive reported that on 1st April 2013, under the statutory transfer order, the Council inherited a contract for Stop Smoking Services provided by North Tees and Hartlepool Foundation Trust. On 29th November 2013 the Finance and Policy Committee agreed to place a one year contract from April 2014 with the existing provider of Stop Smoking Services, North Tees and Hartlepool Foundation Trust. In the spirit of openness and transparency it was also agreed that the Local Authority would publish a Voluntary Ex-Ante Transparency Notice (VEAT) in relation

to this proposed contract award.

The current service operates a community-based drop in model providing clinics in a community setting using a wide variety of venues across the town on a range of days and times ensuring easy access. They also support the delivery of a structured one to one delivery of stop smoking service in a selection of pharmacies in the town. Closed groups in workplace settings are offered by arrangement, family/couple home visits for pregnant women and a combination of home and telephone support for the housebound.

The original target set by the Strategic Health Authority was based on achievement over a 3-year period. As Hartlepool had always performed well – being ranked as either best or second best in the Country (per 100,000 population) – an extremely high 4-week quit target, which is the number of people who set a quit date and remain stopped smoking for 4 weeks, was set. In line with regional and national trends it was only in the last year that the high target had not been reached with less quitters accessing services, therefore less 4-week quits. For future service delivery it was expected that more emphasis should be placed on accessing harder to reach groups such as routine and manual workers, pregnant women, those with mental health problems, those from most disadvantaged wards rather than chasing a high 4-week quit rate.

The Chief Executive indicated that it was proposed to plan and implement the review of smoking cessation services through a joint approach between Hartlepool and Stockton on Tees Local Authorities. This joint approach would allow us to compare and contrast our service provision with another local authority who was procuring a very similar service at exactly the same time. It would provide an opportunity to determine whether there was any best practice that could be shared, economies of scale that could be identified and utilised and whether there were any options available for more efficient ways of procuring, especially if future service provision requirements were effectively delivered in the same manner. This did not mean, however, that the service would be commissioned with Stockton as the service would be commissioned on the most economic and efficient means possible for the residents of Hartlepool.

Members noted that there was a reported increase in the numbers of women smoking when pregnant. The Head of Health Improvement that there was a new programme being delivered to pregnant women by midwives which was starting to show some positive results. It was considered that the surveys now being undertaken were including a greater number of respondents so were giving a more accurate number of smokers.

Members acknowledged that the service provided in Hartlepool had, for some time, been one of the best smoking cessation services in the UK and Europe in terms of results which was a credit to the staff involved. Members did question which community locations were being utilised and the Head of Health Improvement commented that they included council

premises where available and other local venues including a pub – mainly chosen in areas of greatest smoking prevalence. Members proposed that the service should be required under the new contract to utilise the community buildings operated by the Council to provide a wider range of services through these venues. This proposal was seconded in the meeting.

Members also questioned the growing use of e-cigarettes and what controls there were on the sale of these products and if their users were still considered to be smokers as many claimed to use them as a means of helping them quit smoking. The Head of Health Improvement stated that users of e-cigarettes were presently classified as non-smokers. This did cause the service an issue when e-cigarette users came forward to the cessation service seeking help to quit. They were offered help by the programme but couldn't be included in the statistics of those helped to quit as they wouldn't be classes as 'smokers'. One of the major issues with smokers switching to e-cigarettes was that it didn't break the physical habit of smoking. The problem with illegal cigarettes was raised by a member of the public and the Head of Health Improvement indicated that the numbers of illegal cigarettes in the town were falling. An officer in the Public Protection Team was working specifically on the issue of illegal tobacco products/non-duty paid cigarettes.

The Chair commented that one of the remaining issues to be tackled through the smoking cessation service was the number of businesses whose employees could be seen smoking around the entrances to businesses. The Head of Health Improvement indicated that work with businesses on these issues was being undertaken by the Workplace Health Improvement Specialist in the Health Improvement Team.

## **Decision**

1. That the development of a new service specification for stop smoking services during 2014/15 be approved to be designed to meet the needs of local people and based on their views gained through the consultation and service review process.
2. That the service specification include the requirement for the services to utilise Council Community facilities as far as was possible, in particular, the three remaining community centres, in order to safeguard their future and make them more viable.
3. That that securing of a provider for a Stop Smoking Service, funded by the ring fenced Public Health Grant in 2015/16 be approved.

### **39. Disposal of Surplus Assets – Seaton Lane Sites** (Director of Regeneration and Neighbourhoods)

#### **Type of decision**

Key Decision (test (i) and (ii)) Forward Plan Reference No. RN 13/09

#### **Purpose of report**

To seek approval to grant an exclusivity period in advance of the proposed sale of Council owned sites in Seaton Lane for the development of healthcare facilities.

#### **Issue(s) for consideration**

The Estates and Regeneration Manager reported that Members previously agreed on 18th October 2013 to the sale of three areas of land on Seaton Lane including the Educational Development Centre (EDC) site for the construction of general needs housing.

The sale of the land had failed to proceed as the successful tenderer significantly reduced their bid for the site subsequent to a full site investigation being undertaken. The level of reduction proposed to reflect abnormal development costs was considered by the Council's Engineers to be excessive and in some cases unnecessary. Details were set out in a confidential appendix to the report. The Appendix contained exempt information under Schedule 12A Local Government Act 1972 (as amended by the Local Government (Access to Information) (Variation) Order 2006) namely, (para 3) information relating to the financial or business affairs of any particular person (including the authority holding that information). As such it had not been possible to agree an acceptable price and the developers had withdrawn from the sale.

Recently an approach has been made from a healthcare developer looking for sites in the Hartlepool area to construct specialist care facilities for which there was currently a shortage within the Borough. The developer was interested in all three of the sites that were previously marketed and were willing to agree headline values in line with those previously agreed with the original tenderer as part of the original tender process.

It was proposed to grant a four month exclusivity agreement to enable the developer to undertake their own site investigation works. Negotiations would then be undertaken to agree a final price subject to Committee approval and then conditional contracts can be agreed to enable planning permission, highway and other statutory permissions to be sought prior to completion. Details of the arrangement were set out in a further confidential appendix to the report.

## **Decision**

That the Exclusivity Agreement set out in the exempt appendix 3 to the report be approved. (Appendix 3 to the report contained exempt information under Schedule 12A Local Government Act 1972 (as amended by the Local Government (Access to Information) (Variation) Order 2006) namely, (para 3) information relating to the financial or business affairs of any particular person (including the authority holding that information).

## **40. Potential Merger of the Teesside and Hartlepool Coroner Areas** *(Chief Executive and Chief Solicitor)*

### **Type of decision**

Non key decision.

### **Purpose of report**

The Finance and Policy Committee on 21st July, 2014, agreed “in principle” to support a merger, subject to a presentation on the final Business Case. The report presented that final Business Case for the merger of the Teesside and Hartlepool Coroner areas and also the stakeholder responses to that Business Case.

### **Issue(s) for consideration**

The Chief Solicitor reported that further to the report to the Committee on 21 July, 2014, the business case for the proposed merger had now been received and submitted for Members information. The Chief Solicitor also informed the meeting that the Chief Constable, Police and Crime Commissioner and the North East Ambulance Service had all now indicated their support for the proposed merger. The report included as appendices the Chief Coroner's Guidance on the Mergers of Coroners Areas and the detailed Business case for this proposal.

The Chief Solicitor stressed that the merger would not result in a diminution of the coroner's service in Hartlepool and inquests would still be held in the town. The proposals would strengthen the retention of the service within Hartlepool and, at the request of the Chief Executive, it was proposed from this authority that the service retain Hartlepool within its new name. The Chief Executive supported the comments of the Chief Solicitor in stressing that these proposals would not result in reduced service for Hartlepool. In response to Members concerns for the future of the service beyond this review, the Chief Executive indicated that he understood that the current senior coroner for the town, Mr Donnelly, had indicated that he would wish

to remain in post for the foreseeable future. This proposal was, however, about this post of coroner and this proposal retained the current service in Hartlepool while strengthening the service across the whole of the area.

The proposals set out in the report were supported unanimously by the Members present.

### **Decision**

1. That the proposed merger of the Hartlepool and Teesside Coroner areas be supported and that the submission (through Middlesbrough Borough Council) of a Business Case (as set out at Appendix B to the report) to the Lord Chancellor be approved and that Business Case include the retention of Hartlepool in the name of the new service and that Hartlepool inquests must be held in Hartlepool.
2. That subsequent reports be brought to the Committee as to the progress of this submission, as and when deemed appropriate.

## **41. Driving at Work Policy and Driver Handbook and Cycle Policy** *(Assistant Chief Executive/Assistant Director, Neighbourhoods)*

### **Type of decision**

Non-Key Decision.

### **Purpose of report**

To seek the committees support in the adoption of a Driving at Work Policy and Driver Handbook and a Cycle Policy.

### **Issue(s) for consideration**

The Assistant Chief Executive submitted a report that regionally it was estimated that 1 in 4 road traffic collisions occurred as a result of a work related journey with the vast majority occurring as a result of human error. Therefore, on the basis that all collisions were preventable, having a robust and effective policy covering all driving activities, including a Council supplied vehicle, or a vehicle supplied by the employee, would reduce the impact that collisions have on the Council.

The practice of safer driving and the implementation of the Driving at Work Policy and Driver Handbook and a Cycle Policy, was essential to maintain our drivers'/riders ability to perform their roles, efficiently and within the law, to reduce the risk of a collision and to protect the Council from litigation

should a blameworthy collision occur.

The proposed policy document was submitted with the report for Members information and the Assistant Chief Executive indicated that the policy had been subject to consultation with the Trades Unions and had their support and provisional agreement.

### **Decision**

That the provisional agreement with the trade unions in respect of the Driving at Work Policy and Driver Handbook and Cycle Policy be ratified.

## **42. Strategic Financial Management Report – as at 30 June 2014** *(Corporate Management Team)*

### **Type of decision**

Non Key Decision.

### **Purpose of report**

The purposes of the report was to inform Members of:

- (i) 2014/15 Forecast General Fund Outturn;
- (ii) Corporate Income Collection Performance;
- (iii) Progress in achieving the capital receipts target; and
- (iv) 2014/15 Capital Programme Monitoring.

### **Issue(s) for consideration**

The Chief Finance Officer outlined the first quarter strategic financial management report for the authority. The Medium Term Financial Strategy (MTFS) report considered on 30th June outlined the scale of the budget cuts required over the next 4 years (i.e. 2015/16 to 2018/19) and the continuing financial risks facing the Council, particularly in relation to Business Rates. The MTFS report also indicated that a number of planning assumptions still need reviewing and would be reported to a future meeting. These issues included a review of reserves, which would be covered in a future report, and an assessment of the 2014/15 forecast outturn, covered in this report. Members approved the Corporate Management Team recommendation that any one-off resources identified from these areas should be allocated to address the following priorities:

- Contingency funding for free swims - £27,000
- Support for 2015/16 Budget - £220,000

As part of the June MTFS decision Members also approved the Corporate Management Team recommendation that any uncommitted resources achieved from the 2014/15 outturn and / or review of reserves not needed for the commitments identified above, should be allocated to address the following priorities to protect the Council's medium term financial position:

- To fund potential one-off protection costs arising from achieving permanent savings from the Terms and Conditions review, which would enable the full saving to be taken within the 2015/16 budget;
- To continue the use of one-off resources to support the budget and protect services beyond 2016/17 when the existing one-off funding of £1.648m would run out.

The Corporate Management Team was again seeking to achieve underspends to help address the significant financial challenges facing the Council over the next few years. This strategy would also provide funding for one-off commitments not provided for in the approved 2014/15 budget as these items were not known at the time, for example Deprivation of Liberty Safeguarding (DoLs) costs.

An initial assessment of the forecast outturn has been prepared based on experience in previous years and actual income/expenditure at the 30th June 2014. The forecast outturn for the year was summarised in a table within the report which showed a net forecast budget underspend between £0.3m and £0.415m.

Details of the proposed departmental reserves were also set out in a table within the report. These reserves would in total amount to £1.378m (worst case) to £1.555m (best case).

The Chief Finance Officer also reported that of the overall Business Rates collection rate, at the 30th June 2014 the Council had collected 29.19% of the 2014/15 liability, down slightly by 0.7% compared to the same period last year, though it was anticipated that the annual target of 98% collection would still be achieved.

The report also included the Capital Programme 2014/15 monitoring report. The Chief Finance Officer indicated that there was still an amount of £94,000 uncommitted Council Capital Fund. Two schemes were proposed to utilise some of the uncommitted fund and they were set out in the report:-

- (i) Hart Boundary Wall – Phase 2 - £10,000
- (ii) Carlton Outdoor centre – Re-roofing of Main Building - £29,000

Members questioned when the capital monies from the release of the covenant connected with the sale of the Seaton Carew Domes site would come through to the authority. The Chief Executive indicated that it was anticipated that the sale would be completed shortly.

Members also questioned what effect the unscheduled shut down at the

power station would have on the authority's collection of business rates. The Chief Finance Officer stated that for each month the power station was not generating electricity, the Council stood to lose £300,000. Discussions were ongoing with the Valuation Office to ascertain whether this shut down would form part of the schedule shut down for maintenance which was built into the rateable value assessment. If it was not, the Chief Finance Officer stated that he would write again to government indicating that the safety net arrangements for authorities like Hartlepool with a power station in their area were inadequate when the site was out of commission due to unforeseen circumstances. The Chair commented that the Council had recognised this continuing financial risk and recently increased the reserve for such eventualities. In addition, these issues had been highlighted in the Council's response to the 'call for evidence' from the LG/CIPFA Commission into Local Government funding.

Members sought assurance that all capital programme schemes would be scrutinised thoroughly to ensure that works were not being undertaken on buildings that were to be replaced in the near future. The Havelock Centre and the Priority Schools Building Programme were cited as examples. The Chief Executive stated that this was the case and the amounts detailed within the appendices to the report were budgeted capital improvements that would be rolled forward into the replacement schemes. In response to Member questions, the Chief Executive stated that the amounts relating to the Willows site were a grant being held by the Council as responsible authority for the organisation that was purchasing the site to cover the purchase price and the upgrading of the building for its future use.

The proposals set out in the recommendations below were approved unanimously by the Members present.

## **Decision**

1. That the contents of the report be noted.
2. That it be noted that forecast resources of between £0.3m and £0.415m were anticipated and that this funding would be available towards funding potential one-off protection costs arising from achieving permanent savings from the Terms and Conditions review, which would enable the full saving to be taken within the 2015/16 budget and to continue the use of one-off resources to support the budget and protect services beyond 2016/17 when the existing one-off funding of £1.648m would run out. It was also noted that additional funding would be required for these issues and it was hoped this could be identified from the reserves review.
3. That the allocation of part of the unallocated Council Capital Fund to fund the balance of costs in relation to Phase 2 of the Hart Boundary Wall capital scheme (£10,000) and the re-roofing of Carlton Outdoor Centre (£29,000) be approved.

**43. Update on the Modernisation of the EU Procurement Rules** *(Director of Regeneration and Neighbourhoods)*

**Type of decision**

For Information only.

**Purpose of report**

To update the Finance and Policy Committee on forthcoming changes to the EU Procurement Rules.

**Issue(s) for consideration**

The Assistant Director, Regeneration outlined the background to, and the main aspects of, the forthcoming changes to EU procurement rules which it was anticipated the UK Government would approve for implementation before the end of the year.

Members noted that one of the thresholds contained within the new regulations was set at €5m and questioned how this would be affected by fluctuations in the exchange rate. The Assistant Director undertook to provide a written response to the question.

**Decision**

That the report be noted.

**44. Delegated Powers Property Transactions – Quarterly Report – 2014 (Q1)** *(Director of Regeneration and Neighbourhoods)*

**Type of decision**

For information purposes only.

**Purpose of report**

To inform the Committee of the recent minor property issues dealt with under Delegated Powers since the matters were last reported on 19<sup>th</sup> May 2014.

### **Issue(s) for consideration**

The Estates and Regeneration Manager updated the Committee on three minor property transactions that had been undertaken during the first quarter of the financial year within the prescribed thresholds approved by the Council. Details of the matters were set out in an exempt appendix to the report. The appendix contains exempt information under Schedule 12A Local Government Act 1972 (as amended by the Local Government (Access to Information) (Variation) Order 2006) namely paragraph 3, information relating to the financial or business affairs of any particular person (including the authority holding that information).

### **Decision**

That the report be noted.

## **45. Corporate Procurement Quarterly Report on Contracts** *(Director of Regeneration and Neighbourhoods)*

### **Type of decision**

For information only.

### **Purpose of report**

To satisfy the requirements of the Council's Contract Procedure Rules with regard to the Finance and Policy Committee:

- Receiving and examining quarterly reports on the outcome of contract letting procedures including those where the lowest/highest price is not payable/receivable.
- Receiving and examining reports on any exemptions granted to these Contract Procedure Rules.

### **Issue(s) for consideration**

The Assistant Director, Regeneration outlined the details of the various contracts approved during the first quarter of the financial year. Detailed appendices to the report set out brief details of the various contracts.

- Appendix A detailed the required information for each procurement tender issued since the last quarterly report.
- Appendix B provided details of the required information in relation to Contract Procedure Rules exemptions granted since the last Corporate Procurement Quarterly Report on Contracts.

- Appendix C included the commercial information in respect of the tenders received. This appendix contained exempt information under Schedule 12A Local Government Act 1972 (as amended by the Local Government (Access to Information) (Variation) Order 2006) namely, paragraph 3, information relating to the financial or business affairs of any particular person (including the authority holding that information).

### **Decision**

That the report be noted.

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

### **Type of decision**

For information only.

### **Purpose of report**

To provide the committee with the annual report on health, safety and wellbeing performance.

### **Issue(s) for consideration**

The Assistant Chief Executive submitted for the Committee's information the annual report on health, safety and wellbeing. The report clearly indicated that; although the council was going through difficult times financially, the number of RIDDOR reportable injuries was falling and although this was accompanied by a fall in the actual number of employees, the RIDDOR rate is also falling. Whilst some of this change had been due to changes in the reporting requirements the consistent downwards trend had been due to the council identifying health and safety concerns such as exposure to vibration which can lead to Hand Arm Vibration Syndrome and dealing with the issue.

The Chair welcomed the report and requested that the Health and Wellbeing Team be informed of this Committee's recognition of their excellent work and ongoing improvement in performance as reflected in the annual report.

### **Decision**

That the report and Chair's comments be noted.

**47. Any Other Items which the Chairman Considers are Urgent**

No items.

The meeting concluded at 10.20 a.m.

**P J DEVLIN**

**CHIEF SOLICITOR**

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