

FINANCE AND POLICY COMMITTEE

MINUTES AND DECISION RECORD

14 MARCH 2016

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

Present:

Councillor Christopher Akers Belcher (In the Chair)

Councillors: Allan Barclay, Kevin Cranney, Marjorie James, Brenda Loynes, Carl Richardson, Chris Simmons, George Springer and Paul Thompson.

Officers: Gill Alexander, Chief Executive
Andrew Atkin, Assistant Chief Executive
Chris Little, Chief Finance Officer
Alyson Carman, Legal Services Manager
Louise Wallace, Director of Public Health
Danielle Swainston, Assistant Director, Children's Services
Denise Ogden, Director of Regeneration and Neighbourhoods
Kerry Trenchard, Strategy and Performance Officer
Steve Hilton, Public Relations Officer
David Cosgrove, Democratic Services Team

161. Apologies for Absence

Councillor Kaylee Sirs.

162. Declarations of Interest

Councillor Loynes declared a personal interest in Minute No's 172 and 173.
Councillor Thompson declared a personal interest in Minute No. 169.

163. Minutes of the meeting held on 15 February 2016

Received.

164. Carr/Hopps Street Housing Regeneration Area Proposals *(Director of Regeneration and Neighbourhoods)*

Type of decision

Key Decision (test (i)) Forward Plan Reference No. RN3/ 16.

Purpose of report

The purposes of the report were to:

- i) seek approval to progress with a development scheme for the Carr/Hopps Street regeneration area with the appointed preferred developer following the submission of the detailed viability assessment; and
- ii) seek approval of the funding for this scheme.

Issue(s) for consideration

The Director of Regeneration and Neighbourhoods reported that the Carr/Hopps Street area is the final Housing Regeneration area in Hartlepool requiring regeneration and redevelopment. The Carr/Hopps Street area comprises of the streets of Jobson, Rodney, Richardson, Hawkridge and Blake and lies off Hart Lane to the south side of North Cemetery. The area extends approximately 1.8 hectares and includes almost 200 terraced properties.

A number of decisions had been made by Regeneration Services Committee and Finance and Policy Committee. The most recent of these was on the 16th October 2015. A confidential appendix to the report set out the methodology used to appoint a preferred developer at the October meeting. 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 business affairs of any particular person (including the authority holding that information).

At that time the developer indicated that they may potentially be able to complete this scheme without financial support from the Council. However, this proposal would be subject to the completion of a detailed financial and technical assessment to determine whether the scheme was viable without financial subsidy. The report also indicated that this proposal was not guaranteed.

Finance and Policy Committee therefore agreed that the proposed developer would be granted an exclusivity period during which they would carry out site investigation and viability study work. This has now been completed and a summary of the investigation and viability study were set out in a second confidential appendix which 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 business affairs of any particular person (including the authority holding that information).

The viability study indicated that a financial subsidy would be required for the scheme. The Director stated that this risk had been identified in the previous report, although the previous report had understated this risk. However, this situation was not wholly unexpected. Whilst, the proposal put forward by the preferred developer would require a public subsidy this was significantly less than had been the case with previous phases of the HMR programme.

The sale and redevelopment also provided significant benefits:

- Development of either 78 properties (with 6 bungalows), or 80 properties (with no bungalows);
- Forecast New Home Bonus income over 4 years of approximately £400,000;
- Forecast annual Council Tax income of approximately £80,000 per year.

The alternative to approving the land sale to the preferred developer would be for the Council to retain the site, demolish the existing housing and seek to sell the cleared site at a future date. This option would require a higher subsidy than the proposed sale to the preferred developer. This subsidy would exceed the available capital funding and therefore require the provision of additional funding. The Council would then need to achieve a capital receipt of at least this amount just to stand still in financial terms. The approach would also delay the achievement of New Homes Bonus and Council Tax income from redeveloping this site.

Ward Councillors spoke in support of the proposal set out in the report. There was need to move the scheme forward as soon as possible as residents had voted for demolition ten years ago. The scheme would not only benefit the immediate development area but also the wider community. Members supported the proposal for 78 properties with 6 bungalows. The recommendations were supported unanimously.

Decision

1. That the disposals of the site and the public sector subsidy as detailed in Confidential Appendix 2 to the report be approved. 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 business affairs of any particular person (including the authority holding that information);
2. That the scheme be based on 78 units including 6 bungalows.
3. The Committee noted that in approving the above recommendations the uncommitted HMR capital budget would be ring fenced and a decision on the use of these one-off resources would be made as

part of the 2017/18 MTFS process.

165. Council Plan 2016/17 *(Chief Executive)*

Type of decision

Budget and Policy Framework.

Purpose of report

To enable the Finance and Policy Committee to consider and agree the final draft of the proposed Council Plan for 2016/17 to go forward to Council for approval.

Issue(s) for consideration

The Assistant Chief Executive reported that the Council Plan contained an action plan setting out how the Council proposed to deliver the Council's priority outcomes. Key Performance Indicators were also included which could then be used to monitor progress throughout the year and at year end. It also contained a section listing the key Risks that could prevent the Council from delivering the priority outcomes.

The Council Plan was built around an outcome framework which had been agreed by Finance and Policy Committee in September 2015. When this framework was agreed the Committee were asked to note that it might change before the final Council Plan was brought for approval. In the preparation of the Plan it had been identified that there was significant overlap between the "Hartlepool has increased economic inclusion of adults and is tackling financial exclusion" outcome and the "Reduction in the prevalence of family and child poverty" outcome. The financial exclusion outcome had, therefore, been removed and its work included in the family and child poverty outcome. The revised outcome framework for 2016/17 was set out in Appendix 1 to the report.

The Council Plan proposals had been considered by each of the Policy Committees in respect of their areas of responsibility. A summary of the comments from the Policy Committees were set out in Appendix 2 along with the relevant departmental response and, where necessary, how the Plan had changed from the drafts previously considered. In addition to comments on the content of the plan Members expressed views on the service planning process. It was noted that in future years Members would like to have an additional step in the process where proposals would come back to individual Policy Committees before going on to Finance and Policy Committee for final approval before Council. This would be fed into the service planning process for next year.

Following consideration of the draft proposals by Policy Committees Departments had reviewed their contributions to the Plan. In light of this there were some additional changes proposed and targets had been put

forward for those that were previously 'To Be Confirmed' (TBC). These additional changes were set out in Appendix 3.

The proposed Council Plan was attached as Appendix 4. This included the changes following discussions at Policy Committees and the additional changes proposed by Departments.

As in previous years, the timetable for producing the Council Plan meant that not all targets could be provided at this stage as the relevant performance information was not yet available. The Finance and Policy Committee was requested to note that the outstanding targets would be presented to the Committee for agreement within the regular performance monitoring reports that it would receive in 2016/17.

Decision

That the proposed Council Plan 2016/17 be approved and forwarded to Council for adoption.

166. Capital Programme 2016/17 (*Director of Regeneration and Neighbourhoods*)

Type of decision

Budget and Policy Framework.

Purpose of report

To seek Members approval to allocate the Council Capital fund for planned maintenance on Council property and assets and to consider the allocation of the other Council priorities pot.

Issue(s) for consideration

The Director of Regeneration and Neighbourhoods reported that in November 2015, the Committee received a report on the Capital Receipts target. The report provided an update on the progress in achieving the existing capital receipts target of £6.5m; outlined proposal for setting a new capital receipts target and the proposed land sales to achieve increase the target to £7.5m and also enabled Members to develop a strategy for using the additional capital receipts target for 2016/17 of £1m to fund the following priorities:-

- £0.6m for Council Capital Fund purposes (Council Assets and Property)
- £0.4m for other Council priorities, which may include match funding capital grants and / or other external funding opportunities, or potential development of Community Hub facilities.

£0.6m has been allocated from the 2016/17 capital receipts target to invest

in the maintenance of council owned assets and property. Given the scale of the financial challenge the Council faced it was likely that services would be delivered differently and from different outlets in the future. It is recognised that there is a need for a programme of service reviews to be undertaken aligned to the decision making process required as part of the MTFS. Therefore, it was proposed not to allocate the full capital maintenance programme at this stage, and this would allow for the outcome of the Council's service review programme to be assessed before committing the whole of these resources. However, based on the criteria listed above the following works were essential.

Newburn Bridge Ind Est	
Pitched Roofs suffering from corrosion	£33,000
Boundary wall renew cracked copings	£2,500
Corroded Steel Lintels	£25,000
	£60,500
8 and 9 Church Street	
Vertical means of escape is inadequate	£7,200
	£7,200
Mill House Leisure Centre	
Replace existing dry-side circulation and toilet floors for compliance with current accessibility legislation	£19,000
Gas pipe renewal scheme	£10,000
	£29,000
Total	£96,700

The Council had allocated £0.4m from the Capital receipts target for other Council priorities, which may contribute towards match funding of capital grants and / or other external funding opportunities. The following proposals had been identified for Members consideration (full details were set out in the report):

Waverley Terrace Safety improvement scheme - Estimated costs ranged between. £230,000 - £297,000.

Seaton Carew car parking – Estimated costs £75,000

Victory Square improvements – Estimated costs £50,000

The costs of delivering the above three schemes totalled £355,000 to £422,000 depending upon the outcome of the site investigations for the Waverly terrace safety improvement scheme. It was therefore proposed that improvements to Victory Square could be phased to ensure there was no overspend and that works could be completed prior to Remembrance Day. In the event that these schemes cost £422,000 approval would need to be sought from full Council to vire funding from the Council Capital fund.

Decision

1. That the proposals relating to Newburn Bridge Industrial Estate, 8 and 9 Church Street and the Mill House Leisure Centre be approved for use of part of the Council Capital Fund;
2. That the proposals relating to Waverley Terrace Safety Improvement Scheme, Seaton Carew Car parking and the Victory Square Improvements be approved for use of the 'Other Council Priorities' resources;
3. That the Committee notes that as the actual costs of 'Other Council Priorities' schemes may total £422,000, a fallback position requiring a virement request would be submitted to full Council to allocate £22,000 from the Council Capital fund as a contingency.

167. Multi Agency Children's Hub (MACH) *(Director of Child and Adult Services)*

Type of decision

Key Decision - Tests (i) and (ii) apply. Forward Plan ref CAS42/15.

Purpose of report

For members to approve the implementation of a North Tees Multi Agency Children's Hub with Hartlepool Council leading and delivering this service on behalf of Stockton Borough Council.

Issue(s) for consideration

The Assistant Director, Children's Services reported that the proposed model for the North Tees Multi Agency Children's Hub is a single point of contact for children's safeguarding referrals and children's enquiries. The Safer Referral Tool (currently in use across Tees) will be used as the mechanism for referring a child into the Multi Agency Hub where there are additional needs that have been identified. Upon receipt of the referral the Hub will undertake joint screening, review of partner information and triage the referral through to the most appropriate service that can meet the identified needs and if needed safeguard the child.

The Hub will be made up of, as a minimum, Hartlepool and Stockton local authority, Cleveland Police, North Tees and Hartlepool Foundation Trust and Tees, Esk and Wear Valley Trust. Other agencies that may be involved include Housing, probation, domestic violence services. As the model is developed further discussions will be undertaken with services that can make a contribution to the Hub.

It had been agreed that a designated education officer post be established to ensure that schools also had a representative and voice within the Hub.

This would initially be funded for one year through the Transformation Challenge Funding and discussions would take place with schools about the sustainability of this post and potential contributions from schools.

The Assistant Director commented that the development of this Children's Hub is an exciting opportunity to make the lives of children in Hartlepool and Stockton better. This was a significantly innovative development with Hartlepool Council delivering a statutory service on behalf of another council. The current Hartlepool service had a good reputation and the development of this multi agency hub would build on the already good practice in place. This was a potential blue print for further Tees work and South Tees local authorities would be involved in the evaluation of the Children's Hub to understand whether there should be further Tees wide developments.

Work has been ongoing for the last year to develop the model and work streams have been set up to look at development of shared processes and pathways, accommodation, IT, performance management and information governance. All these work streams were being managed to ensure that the go live date of 1st June 2016 can be achieved.

The Assistant Director highlighted that it had been agreed with all partners that the Multi Agency Children's Hub will be known and marketed as "The Children's Hub". This is to ensure that there is not confusion with the public.

The Children's Hub will be based in the Civic Centre, Hartlepool and work is ongoing to ensure that accommodation is ready as soon as possible. Work was on target for a launch date of 1st June although prior to that there would be testing of systems with partners to ensure a smooth launch on 1 June. Partners were expected to start to base themselves in the Civic Centre as soon as possible. This would support team building so that workers understand each other's roles for the go live date.

The Chair of the Children's Services Committee expressed his support for the Children's Hub commenting that it would lead to improved outcomes for children and young people in the North Tees area. The Chair supported the comments and congratulated the staff involved in the development of the new service. The Chair requested that further update reports be brought to Committee following the launch of the Children's Hub.

Decision

That the implementation of a North Tees Multi Agency Children's Hub be approved with Hartlepool Council leading and delivering this service on behalf of Stockton Borough Council.

168. Managed Workspace Creative Industries (*Director of Regeneration and Neighbourhoods*)

Type of decision

Key Test (i) applies – Forward Plan Reference RN 01/16.

Purpose of report

To consider proposals to:

- a. Acquire 13/17 Whitby Street to convert into an Innovation and Skills Quarter Managed Workspace
- b. To renovate and convert the property into lettable units and
- c. To manage and maintain the facility and to provide revenue funding for the first two years until it generates enough income to cover operating costs.

Issue(s) for consideration

The Director of Regeneration and Neighbourhoods reported that Innovation and Skills Quarter (ISQ) in the Church St area (including Whitby Street, Tower Street and Lynn Street) was being developed with the intention of redefining the area with additional day time uses, an improved environment and a vibrant cluster of creative industry businesses. The principle of developing a supportive environment for creative and entrepreneurial businesses had the potential to link up closely with the new Campus for Cleveland College of Art and Design (CCAD) on the former Lynn Street Depot site. Therefore, a key part of the ISQ strategy was the establishment of a managed workspace facility in the area.

As reported to the Regeneration Services Committee on the 28th August 2015, the Council had managed to provisionally secure an indicative allocation of £5.5m of Local Growth Funding (LGF) from the Tees Valley Local Enterprise Partnership (LEP) to contribute towards its ambitions for the ISQ. The funding was subject to a stringent due diligence process which examined value for money and the outputs that the project would achieve. In order to start delivering the ISQ it was proposed to acquire a suitable building for conversion into workspace.

An opportunity had arisen to bring forward funding for the scheme which would require the Council to fast track the due diligence process for the acquisition of a building before the end of the current financial year (March 2016). The due diligence for the subsequent refurbishment and connectivity elements of the ISQ scheme would be the subject of a separate due diligence process at a later date. The funding for the acquisition of a managed workspace facility had recently been approved by Tees Valley Unlimited's Investment Panel following a due diligence process.

In order to identify potentially suitable properties and to assess the overall feasibility of a managed workspace, a detailed study was carried out for the Council by Cushman and Wakefield in 2015. The report looked at the economic, policy and strategy context, supply and demand for small business space in Hartlepool and the Tees Valley and key stakeholder views, activities and drivers of demand, together with the availability and suitability of properties in the area. The report concluded that there was demand for such a facility, though there were risks associated with it. On balance the benefits outweighed the risks and consequently negotiations commenced for the purchase by agreement of 13/17 Whitby Street.

The property, although generally suitable for the intended use due to its size, location and character, would require substantial conversion works to create the managed workspace. Proposals contained in the feasibility study were for conversion to 33 units plus 2 meeting rooms, communal kitchens and toilets on each floor, a “break out” space on the ground floor and a bike store. It was considered that this could support 115 new gross jobs at 90% occupancy.

The Director highlighted that the purchase terms were agreed following intensive negotiations and a very substantial reduction being achieved from the property owner’s aspiration. The price agreed was, however, considered to be above the full market value of the property. Although the vendor was unwilling to sell at a price the Estates and Regeneration Manager considered represented Market Value, the purchase had been agreed to in order to facilitate the timely acquisition of the building which would in turn releases approximately £3m of grant funding for the regeneration of the area in addition to the purchase and conversion of the property. Unfortunately, there were no other entirely suitable buildings available at present in the area, and whilst a new build scheme might have been possible, this would be more expensive than acquiring and converting an existing building.

The Chair indicated that as the due diligence procedure with Tees Valley Unlimited was still to be completed recommendations a and b as set out in the report should be approved at this meeting with a further report being brought to Committee for the remaining matters with the addition of a Service Level Agreement with CCAD on the marketing of the facility.

A Member of the public questioned if the facility would operate in a similar fashion to the Brougham Centre and if the businesses would have access to high speed broadband. The Director stated that the workspace would operate in a similar fashion to the Brougham Centre but with a focus on creative industries. High speed broadband would be one of the facilities considered during conversion scheme.

Decision

1. That approval be given to proceed with a purchase of 13/17 Whitby Street, funded by Local Growth Fund, on the terms outlined in

Confidential Appendix 2 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).

2. That approval be given to the further development and design work to RIBA Stage 3 and for the completion of the due diligence process with Tees Valley Unlimited for the refurbishment of the building.
3. That a report be submitted to the Committee following the completion of the due diligence process with Tees Valley Unlimited for the approval of the works to be undertaken, the associated funding and others matters proposed within the report.

169. Future Catering Arrangements at Summerhill (*Director of Public Health*)

Type of decision

Non-Key decision.

Purpose of report

To propose to the Committee options for the future catering provision at Summerhill.

Issue(s) for consideration

The Director of Public Health reported that as part of a wider review of catering across Sport and Recreation, a decision was made to serve notice on the lease holder. Three months notice was given and Liberty ceased trading at Summerhill on the 22nd December 2015. The decision to serve notice was based on a catering review and the need for remedial work to be undertaken to improve the kitchen and servery area.

The cafe is a valued service on site and enables Summerhill to attract more visitors. It also encourages more frequent visits by those who already use it. A recent survey showed that 60% of those surveyed would use a cafe on site.

There are two options regarding the future catering arrangements at Summerhill: -

Option 1: Re-visit enabling an internal provider partnership arrangement with Neighbourhood Services.

Option 2: Go out to tender for an external provider to operate the catering facility with a new specification.

Officers' advice was to go with Option 2 and go out to tender for an external provider to operate the catering facility. This option was recommended as it allows for a short term i.e. one year lease to be offered so that a wider consideration of catering options across Sport and Recreation Services can be considered.

Some Members expressed their preference for option 1 and bringing the service in-house for year to assess the viability of the provision. There were contrary views expressed for option 2 as it provided no financial risk to the council. A Member expressed their concern at providing the service in-house in light of the experience with the Inspirations cafe at Stranton. The Member indicated that the Committee had been informed that it would receive a report on Inspirations early in the year. The Director stated that a report would come to the Committee early in the new Municipal year as this would allow the full financial year information to be reported.

Members expressed a wish to see the cafe facility at Summerhill return as soon as possible as they perceived the lack of such a facility was detrimental to the overall offer at Summerhill. The meeting debated the need for the provision of a cafe at Summerhill with Members alluding to the success of the previous cafe and the ability of the Council to replicate that success through its own service provision which would maximise the investment in the facilities being provided as part of the remedial works.

The Chair put the two options to the Committee and on a majority vote of 8 to 1, Option 1: "Re-visit enabling an internal provider partnership arrangement with Neighbourhood Services" was approved. The Chair stated that a report at the end of the first year of operation would be submitted to the Committee.

Decision

That the catering facility at Summerhill be operated on an internal provider partnership arrangement with Neighbourhood Services for one year following the completion of the remedial works and a report be submitted to this Committee at the end of that year setting out the viability of the operation.

Councillor Thompson recorded his vote against the above decision.

170. Church Street Townscape Heritage Scheme *(Director of Regeneration and Neighbourhoods)*

Type of decision

Non Key decision.

Purpose of report

The purpose of the report was to update the Committee on the successful

bid made to the Heritage Lottery Fund for a Townscape Heritage Scheme in Church Street and approve the use of capital funding previously set aside in 2014/15 for Church Street to be used as match funding.

Issue(s) for consideration

The Director of Regeneration and Neighbourhoods reported that the Church Street area had been identified as a key priority within the Hartlepool Vision which identifies the key regeneration aspirations for the town.

In September a bid was submitted to the Heritage Lottery Fund (HLF) for £1.2 million. The project would conserve and rejuvenate historic buildings within Church Street, improve the local environment and see the creation of new community projects aimed at raising awareness of the history and heritage of the area and the significant role it played in the development of Hartlepool today. The Council's application was the only successful application in the North East and one of only nine in the country under the Townscape Heritage Programme and the Director commended the bid developed by the Heritage and Countryside Team.

The HLF had awarded a first-round pass and a development grant of £40,100 towards the £50,100 cost of developing the second round Townscape Heritage application for Church Street Conservation Area. The scheme would now need to be worked up further with a second-round submission made to HLF. An indicative timetable outlining the works required was submitted with the report.

The amount awarded to the scheme is fixed at the first round. Although the total costs of the scheme may change, the second round grant request may not increase during the development period. In addition to the funding from HLF, funding of £355,000 had been set aside as match funding for this project. This was agreed by Regeneration Committee on the 18th December 2014, with the funding set aside from the Council's Capital Fund as part of the MTFS in 2014/15. It was proposed that £10,000 of this will be used in the Development Phase. The remaining £345,000 has been allocated for use in the second phase.

Once a detailed project plan for the Development Phase of the project was drawn up it would be brought back to this Committee for agreement, prior to the final submission of the second round submission.

The Chair of the Regeneration Services Committee commented that when the details of the bid had been reported to the Committee they were unanimously supported by Members. A Townscape Heritage Officer post will be created to develop and implement the project, funded through the phase 1 development grant. This will be carried out in line with the recruitment proceedings set out in the HLF Guidance. Regeneration Services Committee Members did feel that such an appointment should come from existing staff in the first instance.

Decision

That approval be given to the allocation of £355,000 match funding for the Church Street Townscape Heritage Project, with £10,000 allocated to the development phase and the remaining £345,000 being used in the delivery phase.

171. New Clarence House (*Director of Regeneration and Neighbourhoods*)

Type of decision

Non-Key Decision.

Purpose of report

To seek approval for the sale of land comprising the rear access road at New Clarence House and the release of restrictive covenants affecting the property.

Issue(s) for consideration

The Director of Regeneration and Neighbourhoods reported that New Clarence House was built in the 1990's as a new headquarters and printing press facility for the Hartlepool Mail. At the time the nearby road layout was altered as part of the City Challenge regeneration scheme and in order to help facilitate the development, the Council granted a 99 year lease over Council owned land adjoining William Gray House to Northeast Press for access to the rear of the site. The user clause in the lease stipulated that the land was to be used solely for Hartlepool Mail operations. Northeast Press was subsequently acquired by Johnston Press.

The Council was also the beneficiary of a restrictive covenant affecting the property owned freehold by Johnston Press. The restrictive covenant restricts the use of the building to:

- (i) The trade or business of newspaper publishers and printers and/or
- (ii) office or commercial development within Use Classes A2 or B1 of the Town and Country Planning (Use Classes) Order 1987

The second part of the covenant effectively prevents use of the property for retail (except uses such as estate agents, insurance brokers etc) as well as other commercial or residential uses except offices.

The majority of the building had now been vacated for some time and in December 2014 Members approved a variation of the user clause in the long lease and release of the restrictive covenants in order to facilitate a lease of the building to Seymours. Unfortunately the lease did not proceed due to internal circumstances within Seymours.

The owner's agent had now been able to agree a sale of the property to another party, subject to removal of the restrictive covenant and inclusion of the freehold interest in the access road. Without the inclusion of the access road and the release of the covenants the buildings to the rear of the property were largely unusable. The proposed use for manufacturing and warehousing was contrary to the covenant and this together with access for larger vehicles significantly affects the future use and viability.

The prospective purchaser was currently based in two units at Hartlepool Innovation Centre. This had sufficed for their needs to date but the company is growing and they are therefore looking to move to larger premises. In order to facilitate the sale and re-use of the building, terms had been provisionally agreed for the sale of the Council owned land and release of the restrictive covenant. The terms agreed were set out in confidential appendix 2 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, (paragraph 3) information relating to the financial or business affairs of any particular person (including the authority holding that information).

The terms agreed are considered to be below the full market value of the property, and therefore any sale on this basis would have to be undertaken as a sale at less than best value under the Local Government Act General Disposal Consent 2003. In August 2012 the Council adopted a protocol to be followed in cases of this nature and the report set out in detail how the proposal met those requirements.

Members welcomed the proposal to bring such a large and significant building within the town centre back into use.

Decision

That approval be granted to proceeding with the release of the restrictive covenant and sale of the land on the terms outlined in confidential appendix 2 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, (paragraph 3) information relating to the financial or business affairs of any particular person (including the authority holding that information).

172. Sale of Briarfields Paddock and Former Ambulance Depot (*Director of Regeneration and Neighbourhoods*)

Type of decision

Non-key Decision.

Purpose of report

To seek approval for the sale of land known as Briarfields Paddock and Former Ambulance Depot.

Issue(s) for consideration

The Director of Regeneration and Neighbourhoods reported that the Briarfields Paddock and Former Ambulance Depot had been identified in the Council's Capital Receipt Programme for 2016/17. The site which extends to 4.28 acres was initially marketed for sale as a residential development site in October, 2015. The final closing date for submission of tenders was 27th November, 2015 with six Tenders being received from a number of companies details of which are set out in Confidential Appendix 2. The appendix 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 (para 3), information relating to the financial or business affairs of any particular person (including the authority holding that information).

The tenders received were wide ranging due to the significant variation in the density of development proposed. The Head of Planning and Building Control considered a number of the schemes proposed were inappropriate in terms of density and layout having regard to the sensitivity of the site within the West Park Conservation Area.

In order to ensure an appropriate form of development further guidance was provided to all the tenderers inviting further submissions to be provided by 29th January 2016. Revised tenders were invited on the basis of;

- a) The development of 16 units whilst retaining the former Ambulance Buildings and/or;
- b) Development of 18 dwellings on the basis that the Ambulance Station was demolished and the site cleared.

All of the original tenderers submitted revised bids details of which were set out in Confidential Appendix 3. The appendix 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 (para 3), information relating to the financial or business affairs of any particular person (including the authority holding that information).

It is considered by the Estates and Regeneration Manager and Head of Planning and Building Control the preferred tender is 2a as referenced in Confidential Appendix 3. The appendix 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 (para 3), information relating to the financial or business affairs of any particular person (including the authority holding that information). It was considered that the proposal represented the most appropriate

combination of deliverability, layout and price, however, this was not the highest tender received. Details explaining the recommendation were set out in Confidential Appendix 4. The appendix 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 (para 3), information relating to the financial or business affairs of any particular person (including the authority holding that information).

There was concern expressed by a Member that with site investigations still to be undertaken there was potential for the successful tenderer to renegotiate the tender value down pending planning approval. The Director agreed that there were no guarantees and the proposals were still subject to planning approval. In the event that there were any variations to the proposals set out in the report and appendices, there would be a further report to this Committee.

A Member of the public commented on the traffic issues in the area and if these were to be addressed. The Director stated that any necessary traffic considerations would form part of the planning process. A Member expressed concern at the potential loss of established trees on the site. The Director indicated that any planning application would need to be supported by an appropriate ecology study should this be considered necessary.

Decision

1. That approval be given to accepting tender 2a as referenced in Confidential Appendix 3 of the report. The appendix 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 (para 3), information relating to the financial or business affairs of any particular person (including the authority holding that information).
2. That the detailed information supporting recommendation 1 above, as set out in Confidential Appendix 4 to the report be noted. The appendix 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 (para 3), information relating to the financial or business affairs of any particular person including the authority holding that information.

Councillor Springer's abstention to the above decision was recorded.

173. Ward Jackson Park Lodge (*Director of Regeneration and Neighbourhoods*)

Type of decision

Non Key Decision.

Purpose of report

To seek approval to amended terms in relation to the lease of Ward Jackson Park Lodge.

Issue(s) for consideration

The Director of Regeneration and Neighbourhoods reported that at Committee on 21 September, 2016 Members approved the granting of a 10 year lease with a 5 year break on the basis of a Full Repairing and Insuring Lease to a business proposing to lease the Ward Jackson Park Lodge. Since this time additional essential renovation works had been identified to bring the property back into full repair, including the insertion of a Damp Proof Course. As these additional works were unforeseen but essential to safeguard the fabric of the building it had been agreed that the Council would fund 50% of the works.

The Director indicated that it had been further agreed that the tenant would fund the initial cost and an additional rent free period will be granted spreading the cost of the Council's contribution over the first 2 years of the lease. Details of the agreement were set out in confidential Appendix 1 to the report. The appendix 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 (para 3), Information relating to the financial or business affairs of any particular person (including the authority holding that information).

The tenant had further agreed to extend the lease term acknowledging the Council's additional contribution to the cost of restoring the property but also to provide additional security to the tenant who was investing considerably in upgrading the property. It was proposed to extend the lease from 10 years to 20 years with a 7 year break clause and rent review after 10 years.

Members raised concerns in relation to the changes proposed to the lease and indicated that they wished to discuss the details set out in the confidential appendix. In light of this the Chair sought a resolution to move the meeting into closed session.

Decision

The meeting moved into closed session and in accordance with the Access to Information Procedure Rules, the press and public were excluded from the meeting.

174. 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 173 – Ward Jackson Park Lodge – 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 (para 3), Information relating to the financial or business affairs of any particular person (including the authority holding that information).

173. Ward Jackson Park Lodge (*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 (para 3).

Issue(s) for consideration

The meeting continued the debate in relation to the proposed changes to the lease for the Ward Jackson Park Lodge.

THE MEETING RETURNED TO OPEN SESSION

The Chair referred to the discussions concluded in the exempt section of the meeting and proposed that the recommendations as set out in the report be rejected and the previously approved lease conditions as agreed by the Committee at its meeting on 21 September 2015 (Min. No. 87 refers) stand. The decision to reject the recommendation as set out in the report was supported unanimously by the Committee.

Decision

That the proposed amendments to the terms of the lease for the Ward Jackson Park Lodge be not approved.

175. Child and Family Poverty Strategy (*Director of Child and Adult Services*)

Type of decision

Non-key Decision.

Purpose of report

To update Members on legislative changes regarding Child Poverty and the progress towards creating a new Child and Family Poverty Strategy for Hartlepool.

Issue(s) for consideration

The Assistant Director, Children's Services reported that The Child Poverty Act 2010 set out new requirements for local authorities to develop a Child Poverty Strategy with the aim of eradicating poverty by 2020. Local authorities had to publish a Strategy, Needs Assessment and Plan that would support the achievement of this target. Hartlepool published its first strategy in 2010 and then updated it again in 2012. The Needs Assessment had since been updated annually.

In June 2014 the government released their new Child Poverty Strategy 2014-2017 with a focus on supporting families to work and increase their earnings, improving living standards and preventing poor children becoming poor adults by raising educational attainment.

The new Welfare Reform and Work Bill would legislate for amendments to the Child Poverty Act renaming this The Life Chances Act. The Bill is proposing to remove the current measurement of child poverty (children living in families where household income is 60% below median income) and replace it with "worklessness and levels of educational attainment".

The exact details of how poverty would be measured had not yet been finalised but was expected to include:

- Changes in the number of long term workless households;
- GCSE attainment for all pupils;
- Family breakdown, debt and drug and alcohol dependency.

Based on the Relative Poverty Measurement (less than 60% of median income) Hartlepool's child poverty rate is currently 31%. This was based on the measurement being taken on 0 – 16 year olds. However the figure for children and young people aged 0-19 years old is 33%. It had been as low as 27.9% in 2007 but since then has continued to rise year on year.

In readiness for the requirements set out in the new Welfare Reform and Work Bill a small group of officers have begun to develop a Child and Family Poverty Strategy for Hartlepool. A Child and Family Poverty consultation workshop was held on 28th January 2016 with representatives from the Hartlepool Financial Inclusion Partnership (HFIP) and HBC officers in attendance. A further stakeholder consultation event has been scheduled for 24th March 2016. Parallel to the work being undertaken to develop a new Child and Family Poverty Strategy, Joseph Rowntree Foundation are also undertaking work in Hartlepool to tackle poverty and disadvantage.

At a meeting in December 2015, Council agreed to the creation of a Child and Family Poverty reserve and committed £500,000 to support work to tackle and mitigate the impact of poverty. Over the past year Members have become increasingly concerned about the issue of food poverty and the impact of school holidays on children. Research shows that children living in poverty drop further behind their better off peers when schools are closed and they do not have access to free school meals; they are often physically and mentally unprepared for learning when they returned to school.

In order to maximise the impact of the available reserve, work needs to focus on supporting system change to prevent children and young people being affected by poverty in the longer term. Potential proposals for this funding were:

- A programme in schools to address money management and budgeting;
- Building capacity and skills within the voluntary sector to support families in poverty particularly offering debt advice, money management. At its meeting on 15th February 2016, Finance and Policy Committee agreed to extend the contract with West View Advice and Resource Centre to deliver the Council's financial advice and support service during the 2016/17 financial year. This decision committed £110,000 of the £500,000 reserve;
- Deliver a pilot Holiday Hunger scheme during the 2016 school summer holidays and support organisations that are currently working directly with families in food poverty to develop the scheme so that it is sustainable in the long term.

These proposals would be further scoped in the development of the new Child and Family Poverty Strategy. The Assistant Director indicated that the strategy would form part of the budget and policy framework of the council and would therefore be reported to a future meeting of the Committee for approval prior to referral to full Council for adoption. The Forward Plan would be amended to reflect this.

The Chair of the Children's Services Committee endorsed the work undertaken on the development of the Strategy. The government was clearly not going to meet its original target of eradicating child poverty by 2020 so had decided to change the target to one it could meet. The Chair of the Children's Services Committee proposed that the Committee resist the change to the definition of child poverty and retain the existing measure to ensure that as a Council 'we' had the right data to address the real issues of child poverty in the town.

Members supported the Chair of the Children's Services Committee. Governments had a track record of changing the measure to suit their policies. Child poverty was acute in some wards in the town and the current measure needed to be retained to ensure that those children and

families did not fall out of the system with the new measure. A Member suggested that the approach previously approved by the Committee in relation to The Children's Hub needed to link into the new Community Hubs so that resources could be brought out to the community as and when required.

A member of the public commented on the issue of school holiday hunger experienced among many children in the deprived areas and questioned if changes to the school holidays could go some way to alleviate this. The Chair of the Children's Services Committee commented that the agreement of school holiday dates was in the gift of individual schools though there was a level of coordination among maintained schools across the region.

A Member commented that the government had determined one level of poverty in the provision of free school meals. If the government still accepted this measure it had also to recognise that during the school holidays those families were financially worse off at least to the equivalent of the cost of the school meals each week as they had to feed their children at home. It was a major issue in some areas of the town with many children asking to go to school during the holidays and at weekends as they would get fed if they did. The Chair indicated that it was essential that the Council undertook the pilot previously agreed on school holiday hunger to assess the real need in the community.

Decision

1. That Finance and Policy Committee endorses the work of Officers as outlined in this report to develop a new Child and Family Poverty Strategy for Hartlepool working with Members, officers, partners and children and young people.
2. That the new Child and Family Poverty Strategy be submitted to the Committee in the new municipal year for approval and referral to Council for adoption.
3. That appropriate links be put in place between the new Children's Hub and the new Community Hubs so that resources could be brought out to the community to ensure a full service was delivered to those in most need.

176. Quarter 3 – Council Overview of Performance and Risk 2015/16 – (Assistant Chief Executive)

Type of decision

Non Key Decision.

Purpose of report

To inform Finance and Policy Committee of the progress made against the

2015/16 Council Plan, for the period ending 31 December 2015.

Issue(s) for consideration

The Assistant Chief Executive reported that the current Council Plan had been agreed by Council on the 26th March 2015. The report set out progress against the 177 actions and 141 performance indicators contained within the plan.

Decision

1. That the position in performance as at end of December 2015 (Quarter 3) be noted;
2. That the position in relation to use of RIPA powers as set out in section 4.7 of the report be noted;
3. That the Actions identified as intervention required as set out in Tables 1 and 5 of the report be noted;
4. That the change to the action due date as set out in Table 5 of the report be approved;
5. That the Performance Indicators identified as intervention required, set out in Tables 2, 4 and 6 of the report be noted;
6. That approval be given to NI 123 being changed from a targeted PI to a monitored PI as set out in Table 4 of the report;
7. That the change to risks as set out in sections 5.5 and 8.5 of the report be noted.

177. Employee Sickness Absence 3rd Quarter 2015/16
(Assistant Chief Executive)

Type of decision

For information.

Purpose of report

To update the Committee on the Council's performance, in relation to employee sickness absence, for the third quarter of 2015/16.

Issue(s) for consideration

The Assistant Chief Executive reported that the target figure for the Council excluding Schools is 8.2 wte (whole time equivalent) days absence per employee. The actual sickness rate at the end of the 3rd quarter shows the Council's performance is 8.90 wte per employee per annum. These levels

had declined since they peaked in July 2015 (9.69 wte) through effective management of long term cases, however, the figures still remained over target. The Council would continue to focus on sickness absence management to try and achieve as near to its 8.20 wte average sickness per employee target by the end of the reporting year. The report set out full details of recorded sickness across each department.

Decision

That the report be noted.

178. Any Other Items which the Chairman Considers are Urgent

None.

The meeting concluded at 11.20 am.

P J DEVLIN

CHIEF SOLICITOR

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