

FINANCE AND POLICY COMMITTEE

MINUTES AND DECISION RECORD

26 SEPTEMBER 2016

The meeting commenced at 10.00 am in the Civic Centre, Hartlepool.

Present:

Councillor Christopher Akers Belcher (In the Chair)

Councillors: Allan Barclay, Paul Beck, Bob Buchan, Alan Clark, Kevin Cranney, Marjorie James, Brenda Loynes, Shane Moore and Paul Thompson.

Officers: Gill Alexander, Chief Executive
Andrew Atkin, Assistant Chief Executive
Chris Little, Chief Finance Officer
Peter Devlin, Chief Solicitor
Louise Wallace, Director of Public Health
Sally Robinson, Director of Child and Adult Services
Denise Ogden, Director of Regeneration and Neighbourhoods
Alastair Rae, Public Relations Manager
David Cosgrove, Democratic Services Team

45. Apologies for Absence

Councillor Stephen Thomas.

46. Declarations of Interest

None at the commencement of the meeting.

Councillor Paul Beck declared a personal interest during the debate in Minute No. 56.

47. Minutes of the meeting held on 5 September, 2016

Confirmed.

48. Minutes of the joint meeting with Regeneration Services Committee held on 9 September, 2016

Received.

49. Minutes of the meetings of the Tees Valley Combined Authority held on 7 June, 8 July and 19 July, 2016

Received.

50. 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 funds 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 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

As part of the Medium Term Financial Strategy recommendations approved by Council authority to approve schemes to be funded from the above resources was delegated to Finance and Policy Committee. Detailed proposals for the allocation of the Council Capital Fund resources were presented for consideration; Members had to date approved funding up to the sum of £96,700. The Director presented schemes which had been identified as urgent based upon Health and Safety and/or DDA requirements. The schemes were –

Civic Centre – Fire Risk Assessment	£12,000
Civic Centre – Roof	£54,000
CCTV – 3 schemes	£83,230
(Car park behind St. Patrick's Shopping Parade)	
(Junction of Borrowdale Street and Kathleen Street)	
(Hartfields Play Area)	

Hartlepool Enterprise Centre (Internal and exterior decoration and replacement of windows to rear of the building.)	£36,380
TOTAL	£185,610

The Director reported that after reflecting these proposals the uncommitted balance on the fund was £286,265 and proposals for using this amount would be subject to a future report. In addition there was also £45,000 of uncommitted Council priority funding and again proposals for using this amount would be subject to a future report. Details of both funds were set out in the appendix to the report.

A Member questioned the new CCTV installations and asked if the new cameras would be constantly monitored. The Director indicated that while all cameras were on, not all screens within the control centre were being constantly monitored. All camera feeds, either directly wired or remote, were recorded and those recordings could be used if an incident was reported.

A Member questioned the quoted costs for replacing the windows at the Enterprise Centre which amounted to £30,602. The Director commented that the building was a former school building and the windows to the rear were numerous with some quite large; the quoted cost did offer value for money.

Decision

That the proposals as reported and set out above for use of part of the Council Capital Fund and totalling £185,610 be approved.

51. Tees Valley Shared Public Health Service *(Director of Public Health)*

Type of decision

Non-key decision.

Purpose of report

The purpose of the report was to inform Committee that the Tees Valley Shared Public Health Service was being disbanded and Hartlepool Borough Council was, therefore, in the process of withdrawing from the Tees Valley Shared Public Health Service Agreement, for the service hosted by Redcar and Cleveland Council.

Issue(s) for consideration

The Director of Public Health reported that the Tees Valley Public Health Shared Service had been formally established in April 2013 as part of the transfer of public health responsibilities from the NHS to local government

(in line with the Health and Social Care Act 2012). The service had been established on the basis of making the most effective use of limited and scarce specialist public health resources, knowledge and skills, and enabling Directors of Public Health for the five Tees Valley local authorities to discharge public health statutory duties in the most cost-effective way.

The Tees Valley Local Authority Chief Executives agreed, at their meeting on 20 April 2016, that the Shared Service should be reshaped and transformed in such a way that it could continue to operate but within a maximum budget envelope of £1.12M. This sum took into account the complete loss of contribution from Darlington Borough Council who had already signalled their intent to withdraw from the shared service agreement in January 2016.

The Public Health Shared Service Governance Board (comprising of the 5 Tees Valley local authority Directors of Public Health) had considered functions, staffing and budgets over the last two months seeking to establish an effective, efficient and safe model for the Shared Service to support the Tees Local Authorities discharge their public health responsibilities.

The Shared Service Governance Board had reluctantly but unanimously resolved that the Shared Service is no longer viable as a stand-alone team. This view was supported by the Tees Valley Local Authority Chief Executives. In the light of this the Governance Board was developing a timetable which would ensure that the Shared Service was fully dissolved by 31 December 2016. An exit plan was being developed with Human Resources, Finance and Legal colleagues.

The Director of Public Health was considering an alternative model of service delivery that will build capacity within the local Hartlepool Public Health team, in order to ensure the statutory functions the shared service discharges were fulfilled. This alternative model would include existing functions that were being provided by the existing service, but also new ways of working. As part of this model it was anticipated that it would result in the need for a full time Consultant in Public Health. It was anticipated that the alternative model of service delivery could be achieved with savings of around 10% of the previous contribution to the shared service agreement of £258,000.

Decision

1. That the disbanding of the Shared Public Health Service and the withdrawal of Hartlepool Borough Council from the Tees Valley Public Health Shared Service agreement with Redcar and Cleveland Council be noted.
2. That the Director of Public Health develops an alternative model of service integrated into the Hartlepool Borough Council Public Health team, to ensure the delivery of the key functions that the Tees Valley Shared Public Health currently fulfils.

52. Disposal of Surplus Assets - Sale of Market Hotel, Lynn Street *(Director of Regeneration and Neighbourhoods)*

Type of decision

Non-key decision.

Purpose of report

To seek approval for the future actions to be taken in relation to Market Hotel, Lynn Street.

Issue(s) for consideration

The Director of Regeneration and Neighbourhoods reported that the Council were the freehold owners of the Grade II listed “Market Hotel” which is located on Lynn Street near the town centre of Hartlepool. The building is located to the south west of the Council Depot which is currently the focus of redevelopment plans.

The property was in a seriously dilapidated condition and had a number of significant structural defects. The building was currently temporarily propped to ensure stability; at ongoing cost to the Council. As such the Council had been looking at the various options available to it in order to find a suitable way forward with the site.

The Director outlined the options set out in the report for the future of the building, which were as follows: -

Option 1 – An offer had been received for the purchase of the property and the adjoining land. The interested party was proposing to refurbish the building and provide an extension on the land at the side in order to convert the structure to self contained apartments. In addition, the developer was also considering possible commercial use of the ground floor. The proposals would be subject to obtaining planning permission and listed building consent. Due diligence information about the prospective purchaser and details of the offer made, which was deemed to be acceptable by the Estates and Regeneration Manager were set out in 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, (paragraph 3) information relating to the financial or business affairs of any particular person (including the authority holding that information).

Option 2 – The Council would retain the building and adjoining land and seek funding to restore the property for use as small business units or live/work units for the creative industries sector. An expression of interest was made to the Heritage Lottery Fund’s Heritage Enterprise Grant

Scheme. A Stage 1 application would be required with no guarantee of funding. The deadline for application was 8th December 2016 for a funding decision by March 2017.

Option 3 – A Listed Building Consent application is made to demolish the building.

The Director outlined the risks and financial considerations that Members needed to consider. Option1 represents the best option financially for the Council, generating a Capital Receipt without the need to fund any costs associated with the development.

A Member commented that they had visited some of the previous schemes undertaken by the company that had submitted the bid to purchase the property and they appeared to be of high quality.

Decision

That the Director of Regeneration and Neighbourhoods be authorised to progress Option 1 and take no further action on the other two alternative options reported.

53. Senior Leadership Restructure (*Chief Executive*)

Type of decision

Non-Key Decision.

Purpose of report

The report made recommendations to Finance and Policy Committee in respect of the Chief Officer structure of the Council with particular reference to Chief Executive's Department.

Issue(s) for consideration

Members of the senior management team left the meeting during the consideration of the report.

The Chief Executive reported that since taking up her post in June 2015 and she had considered the current Corporate Structure and taken the opportunity to review the functional groupings in each Department. The Chief Executive's intention in making any changes was to only make them where they would add value or where they were necessary to ensure the overall robustness of the senior leadership team of the Council.

The Chief Executive had received the resignation of the Assistant Chief Executive and the proposals reported related to this part of the organisation. The proposals for change were included in Appendix 1 in the exempt section of the report. The appendix contains 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 2 – information which is likely to reveal the identity of an individual.

Previous restructuring proposals to the senior leadership team had provided recurring annual savings and this included changes previously made within the Chief Executive's department. In overall terms over the period of the MTFS the changes included as part of these proposals would result in a net recurring saving at the maximum salary points of £36,000 (inclusive of employers' National Insurance and pension costs). In the initial years, until individuals reach the top of the grade, there would be higher savings which would be reflected in the MTFS.

The Hartlepool Joint Trade Unions Committee (HJTUC) had been provided with a copy of this report and a letter containing their comments on the proposals was submitted for Members information.

In order to discuss the proposals set out in the exempt section of the report, the Chair proposed that the meeting move in closed session and the appropriate resolution to exclude the press and public was agreed by the Committee. The Committee's discussions are summarised in the exempt section of the minutes.

Decision

1. That the deletion of the posts identified in the Not For Publication element of this report at section 3.2 be approved,
2. That the grading of the post and slotting in of the post holder identified in the Not For Publication element of this report at section 3.3 be approved;
3. That the new post and grading as set out in the Not for Publication element of this report at 3.4 be approved;
4. That the re-designation of the post as set out in the Not for Publication element of this report of the at 3.5 be approved;
5. That that the proposals as set out in the Not For Publication element of this report at 4.12, 4.15 and 4.16 be noted and that they will form the basis of appropriate communications and consultations with those staff affected;
6. That the functional groupings identified in the Not For Publication element of this report at section 4.13 and 4.17 be approved;
7. That the recurring savings achieved from implementing these proposals be noted;
8. The Committee noted that the Chief Executive may potentially be submitting a further report when she had concluded her considerations on those aspects not addressed by these proposals.

54. Any Other Items which the Chairman Considers are Urgent

None.

The Committee noted that the next meeting would be held on Monday 31 October, 2016 at 10.00 am in the Civic Centre, Hartlepool.

55. 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 56 – Acquisition of Freehold Investment Property – 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).

56. Acquisition of Freehold Investment Property (*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) information relating to the financial or business affairs of any particular person (including the authority holding that information).

Type of decision

Key Decision (test (i)). General Exception Notice issued.

Purpose of report

To seek approval for the acquisition of the freehold interest in a property.

Issue(s) for consideration

The Director of Regeneration and Neighbourhoods reported on proposals to purchase the freehold interest in a property. Details are set out in the exempt section of the minutes.

During the debate Councillor Paul Beck declared a personal interest.

Decision

Details are set out in the exempt section of the minutes.

The meeting concluded at 10.35 am

P J DEVLIN

CHIEF SOLICITOR

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