

FINANCE AND POLICY COMMITTEE

MINUTES AND DECISION RECORD

27 AUGUST 2019

The meeting commenced at 11.00 am in the Civic Centre, Hartlepool.

Present:

Councillor Shane Moore (In the Chair)

Councillors: Christopher Akers-Belcher, James Brewer, Paddy Brown, Dave Hunter, Jim Lindridge, Sue Little, Ann Marshall and Mike Young.

Also Present: Councillor Bob Buchan as substitute for Councillor John Tennant in accordance with Council Procedure Rule 5.2.

Officers: Neil Wilson, Assistant Chief Solicitor
Chris Little, Director of Finance and Policy
Claire McLaren, Assistant Director, Corporate Services
Dr Pat Riordan, Director of Public Health
Tony O’Ceallaigh, Consultant to Public Health in Drugs and Alcohol
Penny Thompson, Head Of Service, Children's Hub and Partnership
Denise McGuckin, Director of Regeneration and Neighbourhoods
Steve Hilton, Communications and Marketing Team
David Cosgrove, Democratic Services Team

25. Apologies for Absence

Councillors Leisa Smith and John Tennant.

26. Declarations of Interest

None at this point in the meeting.

During consideration of Minute No. 33 ‘Reshaping Drug and Alcohol Treatment Services’ Councillor Christopher Akers-Belcher declared a personal interest.

During consideration of Minute No. 36 ‘Revisions to Local Welfare Support Administration Framework’ Councillor Shane Moore declared a personal interest.

27. Minutes of the meeting held on 22 July 2019

Confirmed.

28. Minutes of the meeting of the Safer Hartlepool Partnership held on 21 June 2019

Received.

29. Final Outturn 2018/19 *(Corporate Management Team)*

Type of decision

Budget and Policy Framework.

Purpose of report

The report provided details of the final budget outturns for 2018/19.

Issue(s) for consideration

The Director of Finance and Policy outlined the main issues of note within the outturn report for Members information. The Director highlighted that Departmental budgets had overspent, mainly as a result of continuing Looked after Children pressures and this had been offset by implementing one off measure, resulting in a net overall underspend of £0.051m. Details of the individual departmental budgets were set out in the report and the attached appendices. The Director also referred to the revenue outturn deficit of £0.19m for the Housing Revenue Account. The HRA deficit was higher than previously forecast as a result of void properties that had a detrimental impact on rent income, repairs expenditure and council tax and a range of measures had been introduced to tackle this.

In relation to Corporate Income Collection Performance, the Director stated that the both business rate and local council tax collection rates were very good and comparable, or improved, on the previous year.

Members welcomed the report. There were questions around the pressures in waste management, which was due to falling income on recyclables. With regard to the management of S106 monies there was discussion on which Committee would manage the element of capital strategy that could utilise such funds and it was agreed that a joint meeting between Finance and Policy Committee and Regeneration Services Committee would be appropriate to determine the process going forward.

Decision

1. That the report, including the transfer of the net General Fund underspend of £0.051m to the Budget Support Fund, be noted.

2. Committee noted that as at 31st March 2019 capital receipts of £2.412m still remained to be achieved from future planned land sales.
3. That a joint meeting between Finance and Policy Committee and Regeneration Services Committee be convened to discuss the future management of S106 monies.

30. Navigation Point Car Park (*Director of Regeneration and Neighbourhoods*)

Type of decision

Key test (i) applies. General Exception Notice applies.

Purpose of report

To seek approval to enter into negotiations to purchase Navigation Point Car Park, Hartlepool Marina.

Issue(s) for consideration

The Director of Regeneration and Neighbourhoods reported that the Council had been approached by business owners located at Navigation Point asking the Council to consider the purchase of the Navigation Point Car Park. Business owners were concerned that current parking charges were detrimental to businesses.

Navigation Point Car Park is currently owned by Mandale Group. The car park is advertised for sale freehold. The car park consists of 340 pay and display spaces plus a Barclays Cash Machine. The sale of the car park includes the car parking machines. The car park provides car parking for a number of apartments and businesses on Navigation Points, Boat owners using the marina and visitors to the marina and local businesses which are primarily bars, cafes and restaurants. A number of companies, apartments and boat owners have free permits in perpetuity. There are, therefore, 163 unencumbered spaces.

The proposal was to enter into negotiations to purchase and operate the Navigation Point car park, to introduce commuter parking bays and to implement restricted parking areas on Middleton Road. The car park would also require works to bring it up to the required standards and over time significant maintenance will be required these works are detailed in confidential appendix to the report. Further details of the proposal and the works were set out in a confidential appendix to the report, which provided details of the proposed self-funded business case for the proposed purchase. This item contained exempt information under Schedule 12A Local Government Act 1972 (as amended by the Local Government (Access to Information) (Variation) Order 2006) namely, (para 3),

information relating to the financial or business affairs of any particular person (including the authority holding that information).

The car parking charges currently in place on this site were well above those charged by the Council in its car parks and take effect 24/7. It was proposed that the car parking charges were set at a similar level to those at Seaton Carew but take effect all year round. It was felt that this would encourage more people to use the car park and support local businesses in the area.

The Commuter Parking Bays would be introduced to support this proposal as the car park would provide the turnaround for visitors to Navigation Point, while the commuter bays would provide parking for employees working in the local businesses. This would formalise some of the parking arrangements that currently exist, while the introduction of the restricted parking zones would help to address some of the road safety concerns on Middleton Road.

Members discussed the proposal in detail. There was support for the proposal based on the self-financing business case reported. The discussion identified that there was no fall-back to the proposal should the negotiations fail. Some Members did not feel the business case provided sufficient evidence to support the proposal. As the discussions progressed, Members indicated that they wished to discuss the matters set out in the confidential appendix to the report and it was, therefore, agreed that the meeting move into exempt session.

Decision

The Committee's decision is set out in Minute 32 below.

31. 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 32 – Navigation Point Car Park – 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).

- 32. Navigation Point Car Park** (*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 test (i) applies. General Exception Notice applies.

Purpose of report

To seek approval to enter into negotiations to purchase Navigation Point Car Park, Hartlepool Marina.

Issue(s) for consideration

The meeting continued its discussion on the proposal to purchase Navigation Point Care Park.

The following decision was unanimous.

Decision

1. That the Director of Regeneration and Neighbourhoods be authorised to enter into negotiations with Mandale Group to purchase the Navigation Point Car Park in the terms set out in the 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).
2. That if the purchase of the car park was completed, Finance and Policy Committee approved the implementation the proposed commuter bays and restricted parking zones on Middleton Road.
3. The Committee noted that on completion of successful negotiations, Full Council would be advised in an open report of the value paid to purchase the asset.
4. The Committee:
 - Noted that on the basis that the purchase was a self-funded business case and upon successful completion of negotiations, a delegated decision would be made by the Chief Executive in consultation with the Director of Regeneration and Neighbourhoods, the Director of Finance and Policy, the Chief Solicitor and the Chair of Finance and Policy Committee;

- Approved that, in support of the business case, charges will be set in line with Seaton Carew Car Park of -
 - Up to 2 hours - £1.00
 - 2 to 4 hours - £1.50
 - All day - £2.00;
- Approved the implementation of charges for commuter parking bays and restricted parking areas on Middleton Road upon successful completion of negotiations;
- Approved the prioritisation of capital works against LTP funding; and
- Approved the creation of a sinking fund from any surplus generated by the scheme to mitigate the use of LTP funding for the capital works.

The meeting returned to open session.

33. Reshaping Drug and Alcohol Treatment Services

(Director, Children and Joint Commissioning Services and Director of Public Health)

Type of decision

Key Decision (tests (i) and (ii) apply) Forward Plan Ref. No. CJCS082/18.

Purpose of report

To seek agreement from Finance and Policy Committee to approve the model for the future delivery of Drug and Alcohol Treatment Services and agree the procurement process for a new integrated model commencing from 01 June 2020.

Issue(s) for consideration

The Director of Public Health reported that the Committee had at its meeting on 11 March 2019 considered a report outlining an option appraisal for the future delivery arrangements for the drug and alcohol treatment service. The meeting considered the options and, upon officer recommendation, decided to support an enhanced current service to receive all new referrals and provide immediate social and psychological support, and to engage with external providers to provide the clinical element.

A further report was presented to Finance and Policy Committee on 22 July 2019 outlining an alternative recommendation for the future delivery arrangements for the drug and alcohol treatment service with a recommendation to move to a completely commissioned model. Members debated this option and requested that Officers review and assess the viability of parallel options to put to members at a future Finance and Policy

Committee meeting. Members also requested a briefing on the issues relating to the recent clinical audit and this took place on 7 August. 2019.

Two options for the future of the services were now set out in detail within the report and were presented to Committee by the Consultant to Public Health in Drugs and Alcohol. Option A would retain the in-house model with a full service restructure and re-modelling and approach the market to identify a commissioned partner to design and build a new clinically integrated model that recognises our treatment needs in Hartlepool. Option B would procure and commission a single provider to provide the whole service via a tendering process. Details of the benefits and risks of each of the options was explored within the report.

Members considered the two options set out in the report and sought assurance that some of the issues raised within the Member Briefing were already been tackled within the service. The Consultant to Public Health in Drugs and Alcohol assured Members this was the case. Members and Trade Union representatives also expressed a wish to protect the jobs of the existing workforce and, therefore, supported Option A. The Chair also questioned when in the procurement process it would be clear if Option A was achievable and the Consultant to Public Health in Drugs and Alcohol stated this would be quite early in the process.

Decision

1. Members supported the preferred Option A as it provided the best opportunity for service transformation and integration with wider primary and secondary care.
2. The Committee noted the proposal to strengthen the leadership arrangements in the service during the interim period.

34. Revisions to Discretionary Housing Payments Administration Framework (*Director of Children's and Joint Commissioning Services*)

Type of decision

Non-key decision.

Purpose of report

To seek approval for a fully revised Discretionary Housing Payment (DHP) Administration Framework for 2019/20 and, subject to Members approval, for the new Administration Framework to be used with immediate effect.

Issue(s) for consideration

The Head Of Service, Children's Hub and Partnership reported that the local authority has received a DHP grant each year. DHPs are made to eligible tenants who are in receipt of Housing Benefit or housing element of Universal Credit. Currently there is an approved DHP Administration

Framework in place that officers use to inform their decision making. The local DHP framework is informed by the 'Discretionary Housing Payment Guidelines' issued by the Department for Work and Pensions each year. Members last approved an update to the framework in October 2018.

The revisions to the framework had been made following a review of the previous information we shared with the public. The new framework had been developed to ensure that the public were clear about the purpose of the fund. Advice has been gathered from Legal Services to ensure that we are complying with the national framework. The fundamental principles of DHP including eligibility criteria were unchanged.

Members welcomed the proposed changes and asked that in future monitoring shows comparisons with previous year's numbers and that this be included in quarterly financial management MTFS reports.

Decision

That the Discretionary Housing Payment Administration Framework 2019/20 be approved and that future monitoring form part of the Medium Term Financial Strategy reporting process.

35. Revisions to Local Welfare Support Administration Framework *(Director of Children's and Joint Commissioning Services)*

Type of decision

Non-key decision.

Purpose of report

To seek approval for revisions to the Local Welfare Support (LWS) Administration Framework and to seek approval to support costs towards Hartlepool's Trussell Trust Foodbank.

Issue(s) for consideration

The Head Of Service, Children's Hub and Partnership reported that the Local Welfare Support included 'in crisis' and 'non crisis' requests for support from vulnerable residents in Hartlepool. Awards were made subject to applicants meeting agreed eligibility criteria. 'In crisis' support involved a resident coming into the Civic Centre to access food, energy top ups, vouchers and/ or other help. 'Non crisis' support involved a resident completing an application form for essential goods that would help them settle into the community for example carpets, beds, white goods and/ or kitchen equipment.

A framework had been established when the scheme first started and set the criteria and parameters in which officers can make an award. Members approved the last framework in 2015/16 and there have been no significant

changes since this date. The submitted revised framework had been developed following a review of our processes and feedback from our Legal team and showed how the council makes decisions on awards. The fundamental principles of LWS including eligibility criteria were unchanged.

The LWS scheme currently makes an annual payment of £10,000 to the Trussell Trust Foodbank to support service users referred by the local authority suffering food poverty. Hartlepool Borough Council was the single biggest referring agency to the Foodbank and awards of vouchers by the local authority were now in excess of 50 per week.

The £10,000 provided by the local authority equated to less than £4 per head per individual we refer yet the foodbank provides food at cost of between £15 and £25 per voucher redeemed. Of late, the Foodbank has struggled to achieve the public donations that it has had in the past. It was proposed that for 2019/20 the award from the Local Welfare Support scheme be increased to £12,000 per annum, subject to budget availability.

At this point in the meeting Councillor Shane Moore declared a personal interest as a volunteer at the Foodbank and also stated that he would not vote on the recommendations.

Members welcomed the proposals. Members also requested that similar to the previous report, future monitoring information be included in the Medium Term Financial Strategy reporting process.

Members questioned what work was undertaken in tackling fuel poverty in the town and whether residents could get fuel 'top-ups' as well as vouchers for the foodbank. The head of Service stated that there was a facility to provide people with a fuel top-up from the Civic Centre if they could demonstrate they had no gas or electricity credit. There was a voluntary sector proposal to develop a fuel bank in the town, on the same principle as the food bank, and officers had provided advice to the groups developing the fuel bank proposal.

Decision

1. That the revised Local Welfare Support Administration Framework 2019 -2020 be approved and that future monitoring be included in the quarterly financial management reports.
2. That approval be given to an increase from £10,000 to £12,000 from the Local Welfare Support Fund to the Foodbank.

36. Council Plan 2017/18 – 2019/20 - 6 Months Progress Update (*Chief Executive*)

Type of decision

For information only.

Purpose of report

The report updated Elected Members on the progress made on the Council Plan 2017/18 – 2019/20 between October 2018 and the end of March 2019 and sought Members approval to a number of changes / updates to the Plan. The report also included the Council's new Strategic Risk Register.

Issue(s) for consideration

The Assistant Director, Corporate Services reported on the progress made on the Council Plan between October 2018 and the end of March 2019.

As work had progressed on delivering the Council Plan a number of changes / updates had been identified. This included the slippage of a number of due dates which had been prompted by unforeseen delays to schemes due to staffing changes, further investigation works being required or capacity issues for our contractors and these were set out in the report.

The Assistant Director highlighted that as the report covered progress on the Council Plan between October 2018 and the end of March 2019 it did not include the accelerated priorities agreed by Finance and Policy Committee in July 2019. Progress against these new key deliverables would be included within the next 6 month progress report.

The new Strategic Risk Register was included with the report and set out the 18 risks which would be reviewed regularly by officers with updates being provided to Finance and Policy Committee every 6 months within the Council Plan progress report. Detailed risk capture forms were included for those risks that have a risk score of 8 or above and were, therefore, RAG rated as red according to the Council's Risk Matrix. The risk capture forms included details of the actions that would be taken to introduce new control measures or improve existing ones in order to reduce the impact or likelihood of the risk.

The Chair referred to the Key Deliverables relating to Growing Our Jobs, Economy and Skills and the £2m identified from the Indigenous Growth Fund which needed to be removed from the key deliverables as there was a review taking place on all of the Indigenous Growth Fund allocations in Hartlepool.

A Member raised concern at the indicators CSD P157 'Rate of looked after children per 10,000 population' and VSB10 M04 'Immunisation rate for children aged 2 who have been immunised for Measles, Mumps and Rubella' and sought further details which the Assistant Director indicated would be sent to Members.

Decision

1. The Committee noted the following: -
 - the progress made on the key deliverables in the Council Plan between October 2018 and the end of March 2019;
 - the changes to the key deliverables in the Council Plan;
 - the changes to the Council Plan Performance Indicators (PIs);
 - the position in relation to the Council Plan PIs; and
 - the new Strategic Risk Register as submitted.
2. That the Key Deliverable relating to £2m identified from the Indigenous Growth Fund (Growing Our Jobs, Economy and Skills) be removed until the review of the Indigenous Growth Fund had been completed.

37. Corporate Procurement Quarterly Report on Contracts *(Director of Finance and Policy)*

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; and receiving and examining reports on any exemptions granted in respect of the Council's Contract Procedure Rules.

Issue(s) for consideration

The Director of Finance and Policy reported that alongside the detailed tender information set out in the appendices to the report, additional related information showing details of exemptions granted to the Contract Procedure Rules were also included in the quarterly report.

A Member referred to Appendix B to the report 'Procurements Exempted from Council Contract Procedure Rules' and the use of Capita Building Services Limited when there was a previous Council decision not to use the company. The Member suggested that the Council's Pay Policy should set this out explicitly. Officers indicated that they would review the previous Council decision.

Decision

That the report be noted.

38. Any Other Items which the Chairman Considers are Urgent

None.

Members noted that the next meeting of the Committee would be held on Monday 16 September, 2019 commencing at 10.00 am in the Civic Centre, Hartlepool.

The meeting concluded at 12.30 pm.

H MARTIN

CHIEF SOLICITOR

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