

FINANCE AND POLICY COMMITTEE

MINUTES AND DECISION RECORD

11 NOVEMBER 2019

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

Present:

Councillor Shane Moore (In the Chair)

Councillors: Christopher Akers-Belcher, James Brewer, Jim Lindridge, Sue Little, Ann Marshall, Leisa Smith, John Tennant,

Also Present: Councillor Cameron Stokell as substitute for Councillor Mike Young in accordance with Council Procedure Rule 4.2.

Officers: Gill Alexander, Chief Executive
Hayley Martin, Chief Solicitor
Chris Little, Director of Finance and Policy
Claire McLaren, Assistant Director, Corporate Services
Sally Robinson, Director of Children's and Joint Commissioning Services
Dr Pat Riordan, Director of Public Health
Jill Harrison, Director of Adult and Community Based Services
Gemma Ptak, Assistant Director, Preventative and Community Based Services
Denise McGuckin, Director of Regeneration and Neighbourhoods
Steve Hilton, Communications and Marketing Team
Denise Wimpenny, Democratic Services Team

57. Apologies for Absence

Apologies for absence were submitted on behalf of Councillors Paddy Brown and Mike Young.

58. Declarations of Interest

Councillor C Akers-Belcher declared a personal interest in Minute No 64.

59. Minutes of the meeting held on 14 October 2019

Received.

60. Minutes of the meeting of the Health and Wellbeing Board held on 1 July 2019

Received.

In relation to Minute 6, a Member raised concerns in terms of reference in the strategy to visceral fat and body fat and was of the view that the strategy should place more emphasis around being healthy.

61. Minutes of the meeting of the Safer Hartlepool Partnership held on 26 July 2019

Received.

62. Sale of Land at Hart (*Director of Regeneration and Neighbourhoods*)

Type of decision

Key Decision (test (i)) Forward Plan Reference No. 30/18

Purpose of report

The purpose of the report was to seek consent to revised terms for the sale of land at Hart previously reported on 18th September 2017. The report had been intended for submission to the Committee on 14th October 2019. However, due to time taken to complete negotiations, there had been a departure from the Forward Plan.

Issue(s) for consideration

The Director of Regeneration and Neighbourhoods reported on the background to previous approval to a joint venture based sale and subsequent site investigation works which had identified abnormal costs, details of which were set out in confidential appendices attached to the report. Due to the high level of abnormal costs the developer had now revised the offer for the property, as set out in a confidential appendix. **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.**

Following extensive discussions with the developer and checking by Council officers, it was considered that the major abnormal development costs were unavoidable and any similar proposals would encounter the same issues.

It was proposed that the sale be completed on the terms outlined in Confidential Appendix 6. **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).**

Members were referred to the risk and financial considerations of the proposals, as set out in the report.

In the discussion that followed presentation of the report, a Member expressed disappointment that full details of the risks referred to in the report, were not adequately presented to Members when the Committee's approval was sought in September 2017 and decision taken to approve a tender made on a "joint venture" basis. Given the current financial climate and uncertainty around Brexit, the proposals were questioned. Whilst the Director acknowledged that receipt from the sale was less than anticipated, Members were advised that completion would result in a substantial receipt and recommended that the sale should continue. The financial implications in the event that the sale did not proceed to completion were outlined.

A Member requested that the meeting move into closed session to enable the figures contained within the confidential appendices, attached to the report, to be explored.

63. Local Government (Access to Information) (Variation Order) 2006

Under Section 100(A)(4) of the Local Government Act 1972, the press and public were excluded from the meeting during part of the discussions on the following item of business on the grounds that it 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 62 – (Sale of Land at Hart) – 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).

- 62. Sale of Land at Hart** (*Director of Regeneration and Neighbourhoods*) 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).

Issue(s) for consideration

Further to discussions in the open session of the meeting, a Member raised a number of concerns in relation to the impact on the Council's financial position should Members agree to sell the land to the developer at a reduced price. The need to explore alternative options were suggested including the Council developing the site and undertaking a re-tendering process. Comparisons were made between this sale and previous land sales. The Director of Regeneration and Neighbourhoods provided clarification in response to suggestions made and explained the difficulties around comparing two sites indicating that abnormal costs would not change. In response to clarification sought, the Director of Finance and Policy reiterated the importance of the Council meeting its capital receipts target and indicated that there were no alternative sites available in the Local Plan.

A Member made reference to the current asset register and provided examples of potential development land available that could be explored which included Briarfields and surplus land at Brierton. A query was raised in relation to proposed house types for the site at Hart to which the Director of Regeneration and Neighbourhoods agreed to provide following the meeting.

- 62. Sale of Land at Hart** (*Director of Regeneration and Neighbourhoods*)

Issue(s) for consideration

Further to discussions in the closed section of the meeting, details of which were set out above, the meeting returned to open session whereupon all attendees re-joined the meeting and the Chair sought any further proposals as well as views on the recommendations.

Decision

- (i) The Committee approved the revised terms for the sale of the land at Hart, as set out in a confidential appendix to the report.
- (ii) That delegated authority be granted to the Director of Regeneration and Neighbourhoods, in consultation with the Chief Solicitor and

Chair of Finance and Policy Committee, to agree the detailed terms of the contract.

- (iii) That details of proposed houses types for this site be provided following the meeting.

Councillors C Akers-Belcher and Marshall requested that their votes against the above recommendations be recorded.

Prior to consideration of the following item of business Councillor C Akers-Belcher left the meeting.

64. Financial Advice and Guidance Contract (*Director of Adult and Community Based Services*)

Type of decision

Key Decision test (i)/(ii) – Forward Plan Ref. ACBS093/19

Purpose of report

To present options for providing a financial advice and guidance service beyond March 2020 when the current contract ends, and to gain approval for a preferred option.

Issue(s) for consideration

The Assistant Director, Preventative and Community Based Services reported on the background to the funding arrangements pre and post 2015/16 for the provision of financial advice and guidance services. Details of current service provision, an overview of how the service operated together with key outcomes were provided, as detailed in the report.

The Committee was advised that demand for financial advice and support, including specialist debt advice, continued to rise and there were potential opportunities to increase co-ordination and enable more effective management of demand through different delivery models. The following three options for future service delivery had been considered, a summary of which was included in the report:-

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| Option 1 | Continuation of service under existing specification |
| Option 2 | Revision of service specification to represent current demand |
| Option 3 | Bring services in-house |

It was recommended to progress with Option 2 based on the measure of benefits and risks associated with each option, details of which were provided.

In the discussion that followed officers responded to a number of queries raised in relation to the report. Clarification was provided regarding the type

of advice and guidance provided and it was noted that despite such support some individuals repeatedly accessed services of this type due to a lack of money management expertise and continued crisis and hardship issues. Emphasis was placed upon the importance of gaining a better understanding of long term individual needs as opposed to short term needs.

In relation to the increased demand for debt related advice, clarification was sought in relation to waiting times for appointments. The Assistant Director, Preventative and Community Based Services agreed to provide this information following the meeting. Discussion ensued in relation to capacity issues generally, the options available for managing the increase in demand as well as the three options available for future service delivery. Members acknowledged the benefits of Option 2 and the potential to maximise funding by working more closely with the Welfare Support Team which would support demand management and maximise co-ordination across all financial advice services locally.

Decision

- (i) The Committee supported Option 2 for the reasons outlined in the options appraisal.
- (ii) That waiting times for debt related advice be provided following the meeting.

Councillor C Akers-Belcher re-joined the meeting.

65. Filling the Holiday Gap Scheme 2018/2019 Update and Proposals for 2019/2020 *(Director, Children's and Joint Commissioning Services, Director of Public Health)*

Type of decision

Non Key Decision.

Purpose of report

To inform members of the Committee of key outcomes from the 2018-2019 "filling the Holiday Gap" community grant schemes. These were delivered over summer 2018 6-week holidays, Christmas 2018 2-week holidays, Easter 2019 2-week holidays and summer 2019 6-week holidays.

To present options for the development and delivery of future programmes with the recommendation that additional resources be allocated from the Child and Family Poverty Initiatives reserve.

Issue(s) for consideration

The Director of Public Health reported on the background to the scheme. Over the four main holiday periods the child and poverty reserve supported fifty organisations to provide “Filling the Holiday Gap”, the key outcomes of which were included in the report. Members’ views were sought on the following options for the development of future programmes, the benefits and risks of which were provided:-

Option A

To test the feasibility of procuring a single catering provider who will work in partnership with local partners to distribute nutritional meals from Easter 2020 and operate the current arrangements for Christmas 2019.

Option B

To continue with the current system with enhanced criteria for application and evaluation

To test the viability of Option A, it was proposed to seek tenders for a single provider commencing Easter 2020, with the option of moving to Option B if a suitable tender was not received. It was also recommended that additional resources be allocated from the Child and Family Poverty Initiatives reserve.

In response to a query raised in relation to the level of funding which contributed towards transport costs, the Director of Public Health agreed to provide clarification following the meeting. A lengthy discussion followed during which Members and members of the public shared examples of how spending was being utilised and were keen to see a strict criteria that organisations in receipt of funding must adhere to to ensure spending was being utilised solely for food items of a good quality nutritional standard. In circumstances where the criteria was not met, views were expressed that spending should be reclaimed.

The Committee welcomed the scheme and commented on the benefits of exploring schools as a preferred provider and requested that the feasibility of this be explored.

Decision

- (i) That the feasibility to procure schools as a preferred provider of meals be explored along with alternative single provider options with the proviso that if this was not feasible to revert to Option B, the outcome of which be reported to a future meeting of this Committee.
- (ii) Members agreed to provide further ring fenced community resources through the Child and Family Poverty Initiatives Reserve to support

schemes for Christmas 2019, Easter 2020, Summer 2020 and Christmas 2020.

- (iii) That details of the level of funding utilised for transport costs be provided following the meeting.

66. Corporate Complaints Annual Monitoring Report 2018/19 *(Assistant Director, Corporate Services)*

Type of decision

For information only.

Purpose of report

The purpose of the report was to inform Finance and Policy Committee of the 2018/19 outturn position in relation to corporate complaints and those considered by the Local Government Social Care Ombudsman (LGSCO).

Issue(s) for consideration

The Committee was advised that there had been a total of 23 corporate complaints received in 2018/19. The historical comparison of corporate complaints since 2014/15 showed that the number of complaints received annually had been steadily decreasing, however this year had seen an increase of 6 complaints. The number of corporate complaints upheld or partly upheld had seen a decrease in the last 2 years.

Members were referred to a summary of the (LGSCO) Annual Review Letter 2019 which set out the annual statistics on complaints made to the LGO about Hartlepool Borough Council for the year ending 31st March 2019. A comparison of LGO data for 2018/19 for the North East region showed that Hartlepool had the lowest uphold rate in the North East Region, with an uphold rate of 20% against an average of 50% for the 12 North East Local Authorities.

Decision

The Committee noted the 2018/19 outturn position on corporate complaints received and the annual statistics on complaints made by the LGO during 2018/19.

67. Housing Revenue Account (HRA) Strategic Financial Management Report - as at 30th September 2019
(Director of Regeneration and Neighbourhoods and Director of Finance and Policy)

Type of decision

For information only.

Purpose of report

The purpose of the report was to inform Members of the 2019/20 Forecast HRA Outturn; and the 2019/20 HRA performance.

Issue(s) for consideration

The Director of Finance and Policy reported on the HRA Business Plan presented to Members in October 2017 which highlighted that the HRA would be in deficit for a number of years as a result of government rent cuts and benefit changes. The HRA had undergone a period of challenge which resulted in a deficit of £190,000 in 2018/19. Corrective action had now been taken to reduce the level of long terms voids and additional housing stock had been acquired using grant funding and section 106 developer contributions which had helped to generate net surplus rent income. This action reduced the forecast deficit to £50,000 in 2019/20 which was broadly in line with the budgeted deficit of £53,000.

A Member requested that thanks be conveyed to officers for their efforts in terms of reducing the number of long term voids.

Decision

That the report be noted.

68. Strategic Financial Management Report - as at 30th September 2019 (Corporate Management Team)

Type of decision

For information only.

Purpose of report

The purpose of the report was to inform Members of:

- i) 2019/20 Forecast General Fund Outturn;
- ii) Corporate Income Collection Performance; and
- iii) 2019/20 Capital Programme Monitoring.

Issue(s) for consideration

The Director of Finance and Policy updated the Committee on the current financial position of the local authority. The Director highlighted that the pressures in relation to Looked after Children were continuing in 2019/20. It was anticipated that this pressure would continue in 2020/21. An updated assessment of the forecast 2019/20 outturn had been completed and a departmental over spend of £590,000 was anticipated compared to the previous outturn of £850,000. A strategy for addressing the previous forecast outturn had been approved as part of the previous Medium Term Financial Strategy (MTFS) report considered on 30 September 2019.

Detailed financial information on the projected outturn for individual departments by Committee was provided as set out in appendices to the report. The report included details of corporate income collection rates, business rates income, council tax collection rates, sundry debts income, capital receipts information as well as discretionary housing payments.

Officers provided clarification in relation to queries raised regarding the anticipated timescales for submitting future business case reports/schemes to Committee in relation to the Town Hall and Borough Hall. An update was requested in relation to the current position on Victory Square improvements as well as progress around the 106 agreement for refurbishment of the tennis courts at Brierton.

Decision

- (i) That the report be noted.
- (ii) That an update be provided in relation to Victory Square improvements and refurbishment of the tennis courts at Brierton.

The meeting concluded at 11.35 am.

H MARTIN

CHIEF SOLICITOR

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