

FINANCE AND POLICY COMMITTEE

MINUTES AND DECISION RECORD

10 FEBRUARY 2020

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, Paddy Brown, Dave Hunter, Jim Lindridge, Sue Little, Ann Marshall, John Tennant, and Mike Young.

Also Present: Councillor Tony Richardson.

Edwin Jeffries, Hartlepool Joint Trades Union Committee

Officers: Gill Alexander, Chief Executive
Hayley Martin, 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
Jill Harrison, Director of Adult and Community Based Services
Denise McGuckin, Director of Regeneration and Neighbourhoods
Steve Hilton, Communications and Marketing Team
David Cosgrove, Democratic Services Team

97. Apologies for Absence

Councillors Leisa Smith.

98. Declarations of Interest

None at this point in the meeting.

Councillor Sue Little declared a personal interest during the discussions on Minute no. 107.

99. Minutes of the meeting held on 30 January 2020

Deferred.

100. Minutes of the meeting of the Safer Hartlepool Partnership held on 22 November 2020

Received.

101. Medium Term Financial Strategy (MTFS) 2020/21 to 2023/24 *(Director of Finance and Policy)*

Type of decision

Budget and Policy Framework.

Purpose of report

The purpose of the report was to provide details of the 2020/21 Local Government Finance settlement announcement and to advise Members of the arrangements to finalise the 2020/21 technical budget calculations to be referred to Council on 20 February 2019.

Issue(s) for consideration

The Director of Finance and Policy reported that Council on 19 December 2019 considered detailed proposals to balance the 2020/21 budget which included approval of a Council Tax increase of 3.9% for 2020/21, inclusive of a Social Care precept of 2%. These proposals reflected information available at the time as the provisional 2020/21 Local Government Finance Settlement had not been issued. The final settlement figures were received on 6th February 2020 and there had been no change over the provisional figures. The Council was now statutorily required approve the formal Council Tax calculations incorporating the Council Tax levels set by individual precepting authorities i.e. the Police and Crime Commissioner, Cleveland Fire Authority and parish councils. This issue will be addressed in a report to Council on 20th February 2020.

A Member questioned what preparation the Council could take in relation to any forthcoming government announcements on the Spending Review and increased Business Rate retention. The Director stated that there was little the Council could do until the government announced and consulted upon its plans. The concern with the Business Rate retention rise was that other specific grants, potentially including the Public Health Grant could be ended and replaced with the increased business rates income. The government needed to recognise the difference between Councils and their localities. The best preparation the Council could do, had been done, insofar as it had approved a robust balanced budget for 2020/21. The Chair supported the Director's comments stating that, as with the previous administration, there was continued lobbying of government on this issue.

Decision

1. The Committee noted the final 2020/21 Local Government Finance settlement as reported by the Director of Finance and Policy;
2. The Committee noted that as approved by this Committee on 31st January 2020 the final budget proposals to be referred to Council would seek approval to allocate the increase in recurring resources of £90,000 to fund increased Prudential Borrowing of £2m, which would increase the Capital Investment Programme budget;
3. The Committee noted that the detailed 2020/21 statutory Council Tax calculations, incorporating the Council Tax levels set by individual precepting authorities i.e. the Police and Crime Commissioner, Cleveland Fire Authority and individual parish councils, would be referred to Council on 20th February.

102. Housing Revenue Account – Financial Business Plan Update *(Director of Regeneration and Neighbourhoods and Director of Finance and Policy)*

Type of decision

Key Decision test (i) and (ii) Forward Plan Reference RN/320.

Purpose of report

The report was to review the recent financial performance of the Housing Revenue Account (HRA), to approve the 2020/21 rent increase and to approve the capital investments proposals to be referred to full Council.

Issue(s) for consideration

The Director of Finance and Policy reported that the Council currently owns and manages 300 properties and is committed to acquiring a further eight empty properties in the current year. This was a capital investment of £22.681m with £12.184m (54%) funded from external funding. The total borrowing approved (£9.869m) equated to borrowing per property of £33,000.

A rent increase for 2020/21 of 2.7% was recommended in the report in line with new government guidance. This would result in average weekly rent increases of £2.22 for a 2 bedroom property and £2.45 for a three bedroom property. The Director highlighted the future housing investment programme for 2020/21 to 2024/25 set out in the report. Based on the funding capacity set out in the report and subject to availability of supply, it would be possible to deliver a further 164 additional units.

The Chair expressed his thanks to the officers that had delivered the current housing stock and the previous administration for reinstating the

HRA. The recommencement of the HRA in Hartlepool was a forward looking decision and the delivery to date reflected the hard work that had gone in to providing good quality homes for the people of Hartlepool. The potential investment in new stock also reflected the ambition Members had for the HRA particularly the delivery of new homes.

Members commended the work in developing the HRA and the Council's housing stock. The meeting discussed issues around future developments including the Garden Village at Wynyard.

A Member considered that the Council could still maintain the same level of HRA performance without the proposed increase in rent. The Chair acknowledged the concerns around the proposed increase in rents but this had to be balanced against four years of rent reductions imposed by government. While there was the potential for an increased HRA in years to come with the growth of the town, the rental proposals from government would provide the means for a sizeable growth in the HRA in the next two years.

A Member also sought clarification on the numbers of houses that the Council would gain from the Seaton Lane development and the Director of Regeneration and Neighbourhoods stated she would circulate that information following the meeting.

Decisions 2 to 7 below were agreed unanimously.

Decision

1. That the Housing Revenue Account Budget as shown in Appendix 3 to the report, including a rent increase of 2.7%, based on CPI inflation in accordance with government rent guidance be approved. This was the amount required to put the HRA on a sustainable footing and restore the HRA balance to a level which can help manage future risks such as higher voids, Right to Buy sales and repairs costs.
2. The Committee noted that tenants receiving either housing benefit or universal credit would receive an increase the level of rent support accordingly. This would apply to nearly two thirds of Hartlepool tenants.
3. The use of Section 106 funding instead of borrowing was approved, where possible, to minimise the borrowing cost for the HRA and approval was given to the use of this funding for current commitments as reported.
4. The Committee noted the current capital commitments and funding as reported, including the proposal to fund 18 new build units on the development of the proposed Greatham site.

5. That the proposed capital programme and capital budget of £19.168m and borrowing requirement of £11.208m to acquire an additional 164 units be referred to Council for approval as set out in confidential appendix 5 to the report 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 or business affairs of any particular person (including the authority holding that information).
6. That approval for individual property purchases be delegated to the Director of Regeneration and Neighbourhood Services in consultation with the Chair of Finance and Policy Committee.
7. That property purchases referred for approval must contribute a net rent surplus of £500 per unit and the average cost of each unit should not exceed the limits for each type of property, as set out in confidential appendix 5 to the report 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 or business affairs of any particular person (including the authority holding that information), and to be increased by BCIS Building Inflation index for each year.

Councillors Christopher Akers-Belcher and Ann Marshall recorded their vote against decision 1 above.

103. Accommodation Strategy for Drug and Alcohol Treatment and Recovery Services *(Director of Regeneration and Neighbourhoods, Director for Children and Joint Commissioning Services and Director of Public Health)*

Type of decision

Non-key decision.

Purpose of report

The purpose of the report was to seek approval to take a new lease of space within the One Life Centre in Park Road to re-locate the Council's Drug and Alcohol Treatment Service to the property; and to advise of the contract award for the provision of specialist substance misuse services in Hartlepool.

Issue(s) for consideration

The Director of Regeneration and Neighbourhoods reported in March 2019 Finance and Policy Committee considered a report of Director, Children and Joint Commissioning Services and Director of Public Health entitled Reshaping Drug and Alcohol Treatment Services and the Committee

agreed a model based on an enhancement of the current service model with a relocation to a higher quality better located facility.

Following a comprehensive competitive tendering and procurement process, the 'clinical' treatment contract was awarded to Foundations; an NHS provider of primary care and specialist substance misuse based in Middlesbrough. The availability of potentially suitable alternative premises having been considered, the former Minor Injuries Unit at the One Life Centre in Park Road was identified some time ago as a very good option. There would also be centralisation of the needle exchange service from the individual pharmacies that currently provided the service. Other changes in service delivery would see the recovery services currently provided at The Willows move to Gladstone House in Victoria Road with the building being operational from early March.

The Chair of the Regeneration Services Committee wished to record his thanks to all the officers that had been working on the new service model now reported and commended the selection of the new location for the services at the One Life Centre. The Chair supported the comments indicating that some of the changes already made to the services were being welcomed by the service users.

A resident from Waldon Street was present at the meeting and voiced the objections of the residents of Waldon Street to the proposal to relocate the drug and alcohol treatment services to the One Life Centre. Residents were concerned at the lack of consultation and the imposition of a service that would bring, what they saw as an undesirable element to their neighbourhood. The resident stated that he had a petition from the residents of Waldon Street against the location of the drug and alcohol services at the One Life Centre. Members objected to some of the language used by the resident to describe the service users of the new facility and considered that the One Life Centre provided the ideal location to support people who required the support the services that would be based there.

The following decision was unanimous.

Decision

1. That the relocation of the Drug and Alcohol Treatment Service to the premises at the One Life Centre be approved together with the taking of the lease of the premises on the terms set out in Confidential Appendix 2 to the report 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 or business affairs of any particular person (including the authority holding that information).

2. The Committee noted the award of the 'clinical' treatment contract to Foundations; an NHS provider of primary care and specialist substance misuse based in Middlesbrough.

104. Violence and Aggression Towards HBC Staff *(Assistant Director, Corporate Services)*

Type of decision

Non Key decision.

Purpose of report

The purpose of the report was to present Finance and Policy Committee with information relating to the unprecedented rise in violence and aggression towards HBC staff, to outline proposals to address and to seek elected member support to implement these proposals and protect staff.

Issue(s) for consideration

The Assistant Director, Corporate Services, reported that level of physical and violence and aggression, both verbal and physical, towards public sector workers nationally was on the increase and this was a trend also evident towards HBC employees. The level of violence and aggression against HBC employees has been rising exponentially over the previous four years, and the number of reports made through the Safety Incident Reporting Form (SIRF) process in 2018/19 were four times greater than the number of reports made in 2014/15.

Members expressed their deep disappointment at the reported levels of violence and aggression towards staff simply undertaking their everyday duties. Members stated that they were supportive of sanctions against perpetrators, including prosecution where appropriate, and sought assurance that sufficient support and training was available for staff. The Assistant Director welcomed Members support and indicated that training was available that all staff could access and those that had suffered violence and abuse were encouraged to access counselling. The Assistant Director also referred to the Employee Protection Register, an online system that all staff and Members could access and record any incidents so that other employees were aware when dealing with specific clients.

Members also referred to the use of bodycams by some officers and suggested that the Council look to the potential wider use of bodycams by officers that may have to deal with problematic service users or may be in positions vulnerable to verbal and physical abuse. The Assistant Director thanked Members for their supportive comments and indicated that the issue of the wider use of bodycams would be investigated.

Decision

That the report be noted and that the Committee states its support and champions the zero tolerance approach towards violence and aggression, to ensure the protection of all staff.

105. Workers' Memorial Day *(Assistant Director, Corporate Services)*

Type of decision

Non Key decision.

Purpose of report

The purpose of the report was to present a request from the Hartlepool Joint Trades Union Committee (HJTUC) for the Council to continue to recognise and support Workers Memorial Day on Tuesday 28 April 2020.

Issue(s) for consideration

The Assistant Director, Corporate Services, reported that the HJTUC had requested that the local authority support the Workers Memorial Day events on Tuesday 28 April 2020.

The Chair indicated his support for the event and encouraged as many Members as possible to attend.

Decision

1. That the Council promotes a minutes silence in all public buildings and to Council staff at 12.30 pm on Tuesday 28 April 2020, in remembrance of 'those workers who have lost their lives through industrial accident or disease'.
2. That the Council authorises the lowering of flags on public buildings on Tuesday 28 April 2020.
3. That the Council assists in promoting, publicising and assists with the event.
4. That the Council authorises the use of Council Premises on Tuesday 28 April 2020 for the service and for guests before / after the Workers Memorial Day Service and Wreath Laying Ceremony.
5. That the Council provides technical equipment and support, as required, on Tuesday 28 April 2020 for the service and wreath laying ceremony.

106. Neighbourhood Investment Programme and Highway Improvement Programme *(Director of Regeneration and Neighbourhoods)*

Type of decision

Non-key decision.

Purpose of report

To provide an update on the capital investment programme that will deliver improvements to neighbourhoods across Hartlepool through the Neighbourhood Investment Programme and Highway Improvement Programme.

Issue(s) for consideration

The Director of Regeneration and Neighbourhoods reported that in March 2017 the Finance and Policy Committee considered a programme of capital investment to deliver improvements to neighbourhoods across Hartlepool. Schemes were submitted by Ward Members for consideration and assessed against approved criteria. Alongside this scheme a programme of highway improvement works were agreed by the Neighbourhood Services Committee on 12th September 2018. The two programmes run concurrently and both benefit from funds provided from Thirteen Group.

A Member referred to the CCTV scheme for the playground in Burn Valley Gardens and was concerned at the inference that only half of the play area would be installed and officers would monitor anti-social behaviour before the installation of the rest of the play equipment. The Member stated that residents had been waiting for this play area for some time and wanted a complete play area and not half a scheme, which was supported. The Member requested a timeline for the installation of all play equipment. The Director stated that officers would work with ward councillors on the installation timeline.

Members welcomed the disabled facilities and play equipment being installed in Seaton Carew.

Decision

1. That the current progress on implementing the Neighbourhood Investment Programme and Highway Improvement Programme be noted.
2. That the additional funding for Marine Drive Play Area and the proposed new equipment in Burn Valley Gardens and Ward Jackson Park be approved.

3. That the proposed enhancement works at Rocket House Car Park, including the installation of three accessible picnic benches in Seaton be approved.
4. That the proposal to install a basketball hoop at Seaton Park and an accessible item of play equipment be approved.
5. That the proposed works to provide barriers at Borrowdale Street / Windermere Road be approved.
6. That the proposed verge works at Dunston Road or Cairnston Road and footpath works in Elwick Road be approved.
7. That the allocation of £50,000 to fund repairs in play areas be approved.
8. That the allocation of £34,000 to fund the support works required for CCTV, which can be accommodated within the existing budget for this scheme, be approved.
9. That the changes to any approved schemes and future projects be delegated to the Director of Regeneration and Neighbourhoods, in consultation with the Chair of Finance and Policy Committee.

107. Local Community Wealth Building *(Director of Finance and Policy and Director of Regeneration and Neighbourhoods)*

Type of decision

For information only.

Purpose of report

To update Elected Members on the Council's consideration of Local Community Wealth Building.

Issue(s) for consideration

The Director of Regeneration and Neighbourhoods reported that has undertaken its own Community Wealth Building drive over recent years which have included the following key elements:

- National Living Wage
- Local Procurement
- Regeneration and Assets
- Economic Democracy.

The report set out the work that had been undertaken, particularly with local businesses, highlighting the number and value of contracts awarded to local companies which was well ahead of other NEPO authorities. The report

also included an action plan of further activities and actions that would be subject of further update reports to Members.

The Chair welcomed the report and thanked officers and Members for their support. A Member voiced some concern at some of the contracts awarded and considered that some were benefiting more than others and the Member requested that details of all the local companies issued contracts and sub contracts with values be shared with Members. It was also suggested that the seminars for businesses wishing to contact with the Council should be more regular.

The Chief Executive stated that the Council did already hold a regular and very successful annual event for local businesses keen on working with the Council and the event outlined in the report would be additional to that. With regard to some of the information requested by Members, it was highlighted that much of this may be confidential information that would be exempt under the Access to Information rules but could be shared with Members on that basis.

The meeting discussed the position of the Member Champion and it was highlighted that it would be one allocated to the position of Chair of the Finance and Policy Committee, whichever Member was in that role. A Member suggested that the role should be independent of the Council.

At this point in the meeting Councillor Little declared an interest in having held previous contracts with the Council.

Decision

1. That the report be noted and the action plan detailed in the report be approved.
2. That full Council be requested to appoint the position of Chair of Finance and Policy Committee as the Authorities Community Wealth Building Champion.

108. HRA (Housing Revenue Account) and Council Housing Capital Strategic Financial Management Report as at 31st December 2019 *(Director of Regeneration and Neighbourhoods and Director of Finance and Policy)*

Type of decision

For information.

Purpose of report

The purpose of the report was to inform Members of 2019/20 HRA forecast revenue and capital outturns.

Issue(s) for consideration

The Director of Finance and Policy submitted the quarterly report on the Housing Revenue Account which Members would note accompanied the report earlier on the agenda.

Decision

That the report be noted.

109. Strategic Financial Management Report as at 31st December 2019 *(Corporate Management Team)*

Type of decision

For information.

Purpose of report

The purpose of the report was to inform Members of the 2019/20 General Fund revenue and capital forecast outturns.

Issue(s) for consideration

The Director of Finance and Policy submitted the Quarter 3 Strategic Financial Management Report for Members information. The Director highlighted that the report updated the position in relation to the forecast outturn which now showed a potential over spend of £640,000, up from the forecast over spend of £590,000 detailed in the Quarter 2 report. This was principally due to the projected departmental over spend of £690,000 for Children's and Joint Commissioning mainly relating to looked after children. The Director also highlighted that the collection rates for Council tax and Business rates were also marginally down on last year's figures at this point but were not sufficient to cause any significant concerns.

Decision

That the report and the projected departmental over spend of £690,000 for Children's and Joint Commissioning relating to looked after children, be noted.

110. Any Other Items which the Chairman Considers are Urgent

None.

The Committee noted that the next meeting will be held on Monday 9 March, 2020 at 2.00 pm in the Civic Centre, Hartlepool.

The meeting concluded at 11.55 am.

H MARTIN

CHIEF SOLICITOR

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