

FINANCE AND POLICY COMMITTEE

MINUTES AND DECISION RECORD

29 JUNE 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, Jim Lindridge, Sue Little, Ann Marshall, Leisa Smith, John Tennant, and Mike Young.

Officers: Gill Alexander, Chief Executive
Hayley Martin, Chief Solicitor
Chris Little, Director of Finance and Policy
Sally Robinson, Director of Children's and Joint Commissioning Services
Danielle Swainston, Assistant Director, Joint Commissioning
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
Denise Wimpenny and David Cosgrove, Democratic Services Team

1. Minutes silence

The meeting observed a minutes silence for those that had lost their lives during the Corona Virus pandemic.

2. Apologies for Absence

Councillor Dave Hunter.

3. Declarations of Interest

Councillors Christopher Akers-Belcher, Shane Moore and Leisa Smith declared personal interests as members of the Town Fund Board.

Councillors Sue Little and Paddy Brown declared personal interests as their business(es) had been in receipt of grants from Central Government during the Coronavirus emergency measures.

4. Minutes of the meeting held on 9 March 2020

Confirmed.

5. Minutes of the meeting of the Health and Wellbeing Board held on 2 December 2019

Received.

6. Minutes of the meeting of the Safer Hartlepool Partnership held on 10 January 2020

Received.

7. SEMH (Social, Emotional and Mental Health) Special Free School *(Director of Regeneration and Neighbourhoods and Director, Children and Joint Commissioning Services)*

Type of decision

Key Decision (test (i) and (ii)) Forward Plan Reference CJCS97/19.
General Exception Notice applies.

Purpose of report

To seek approval for the grant of a lease for a new Special Free School and to seek delegated powers to agree a capital contribution to the construction costs as required following a Department for Education (DfE) feasibility study.

Issue(s) for consideration

The Assistant Director, Joint Commissioning reported that Hartlepool BC had been notified on 11th March 2019 that the Secretary of State had approved our bid to develop a new Special Free School and could move to the next stage of the process which was the Trust competition stage. Subsequently bids were invited to and two were received from academy trusts interested in running the school.

DfE representatives together with local authority officers interviewed two providers and subsequently recommended one of them as the preferred provider for the Hartlepool Free School. The Secretary of State has accepted this recommendation and the provider had been informed that they had been successful on 18th May 2020. There is still an embargo on this information and the council will be notified when the embargo had been lifted.

The Assistant Director highlighted that discussions had been held with DfE representatives regarding the details of the site, the lease terms, procurement issues and construction process. The provision of the school was based on the grant of a long lease to the DfE who would construct the building and assign the lease to the selected academy trust so that on completion the trust would take occupation and open the school. The DfE would fund the construction of the school but the Council would have to pay for the access to it and potentially for some abnormal costs as described in the report. The costs for access to the school site was agreed at Finance and Policy Committee on 30th January 2020 in the Capital and Indigenous Growth Investment Programme report. Because a decision regarding abnormal costs may need to be made more quickly than the usual committee reporting process allows, delegated authority was being sought for the Director of Finance and Policy in consultation with the Chair of Finance and Policy Committee to approve the level of the Council contribution if required.

The Assistant Director indicated that there was a timetable for the construction and opening of the school set out in the report and despite the delays the recent Covid-19 emergency had caused it was still hoped the school would be open in September 2022.

Members welcomed the approval of the new school and congratulated officers on the work that had gone into the successful bid to the DfE. Members referred to the costs savings highlighted within the report and the Assistant Director confirmed that in some cases, the saving to the local authority in not having to place children in out of town schools with the related fees and travelling costs could be in the region of £60,000 per pupil per annum. The Assistant Director stated that Hartlepool had identified a need for around 30 placements at the school. The capacity of the school would be 50 placements which could mean that some placements could be sold to neighbouring authorities. These fees would, however, be paid to the provider.

Members queried the potential abnormal costs and how this would be provided for within the Council's budget. The Assistant Director stated that there was currently no provision for these costs should they arise. The DfE had indicated that they did not see the site as a risk but abnormal costs could potentially arise. Members sought assurance that these costs could be met within the constraints of the Constitutions Financial Procedure Rules and if not they should be reported back to this Committee.

The following decisions were supported without dissent.

Decision

1. That approval be given to officers concluding an agreement for lease on the basis of the Heads of Terms set out in the Confidential Appendix 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) subject to the agreement of any capped contribution amount.

2. That delegated authority to the Director of Finance and Policy in consultation with the Chair of Finance and Policy Committee to agree the amount of the capped contribution if any additional costs are identified, subject to those costs being within the limits permitted within the Council's Constitution and should they exceed that amount, a report would be submitted to this Committee seeking approval to the costs together with details of how the costs had arisen..

8. COVID19 Recovery: A Sustainable Solution to Food Poverty *(Director of Adult and Community Based Services)*

Type of decision

Key Decision tests (i)/(ii) apply. General Exception Notice applies.

Purpose of report

To present options for addressing food poverty and hardship during the COVID19 recovery phase, linking to the developing role of Community Hubs.

Issue(s) for consideration

The Director of Adult and Community Based Services reported that existing services that tackle food poverty within Hartlepool had been maintained throughout the COVID19 response, and the Council had worked in partnership with the Food Network, Hartlepool Foodbank and other voluntary and community sector organisations to provide a crisis response to those in urgent need of food.

The COVID19 response had identified issues relating to longer term food poverty, particularly among the working poor and the over 65s, which need a sustainable solution that does not create a dependency. People report that they do not want to accept what they perceive to be charity, such as food parcels via a food bank, but acknowledge that they are struggling to buy sufficient, high quality nutritious food due to having a limited income.

It is proposed that a sustainable solution be developed that could be delivered through the Council's Community Hubs. This would enable people accessing the service to benefit from the wide range of other services delivered in the Hubs, including Adult Education, welfare benefits advice, health and wellbeing services, Community Connectors, the library offer, internet access via The People's Network and Community Kitchens.

There is a model which is utilised in other areas of the country which has been very successful, and it is proposed that this is used as the basis for a local procurement exercise to deliver a similar model for Hartlepool. A community-led membership model was used to provide access to low cost, nutritious food whereby families and individuals with very little disposable income were offered the provision of a deeply discounted food service to help their income go further. Members receive a week's worth of fresh food and other essentials in return for a nominal membership fee. The model developed in Manchester typically provides three bags of food (chilled produce, fruit and vegetables and store cupboard items) with a normal retail value of at least £30 for £7.

The cost of implementing this model in a neighbouring Local Authority was £125,000 for the first year. After 12 months the model was entirely self-sustaining with no further investment required from the Council. The Government announced on 11 June 2020 that a further £63m had been identified nationally for councils to assist households struggling to afford food and other essentials. Guidance indicated that this was a one-off boost to councils and they will have discretion on how best to help those facing severe hardship. Depending on the allocation formula, the Council may receive sufficient funding from this grant to fund the above costs.

Members warmly welcomed the proposal, though through discussion it was clear that Members were very keen to ensure local voluntary sector groups were involved in the project. Members also sought assurances around the initial capital input to the project. The Director gave assurances around the capital investment involved for purchasing the vehicle and also that local voluntary groups would be involved. The Director also indicated that progress reports during the first year and, thereafter, an annual update would be supplied to the Committee.

The following decisions were agreed without dissent.

Decision

1. That approval be given to the development of a sustainable model that will support people experiencing long term food poverty and that the funding strategy detailed in the report be approved.
2. That an evaluation report be submitted after 6 months of operation of the scheme and thereafter annual updates to this Committee.

9. Tall Ships 2023 (*Director of Adult and Community Based Services*)

Type of decision

Key Decision tests (i) and (ii) apply. General Exception Notice applies.

Purpose of report

To seek approval to host the Tall Ships 2023 should application submission be successful, and to seek approval to enter into a funding agreement with Tees Valley Combined Authority (TVCA) if successful in being a host location for Tall Ships 2023.

Issue(s) for consideration

The Assistant Director, Preventative and Community Based Services reported that Hartlepool has previously hosted the Tall Ships in 2010 attracting hundreds of thousands of visitors. The event demonstrated that Hartlepool has the ability to host an event of this magnitude, successfully celebrating the maritime heritage.

Hartlepool had applied to host the Tall Ships event in August 2023 providing high quality hospitality to ships, crews and visitors. The event would provide a milestone for Hartlepool to reanimate its cultural and heritage offer for residents and tourists. This was more important now due to the impact COVID-19 has had on this sector. Tall Ships will give Hartlepool a focus to work towards and bring much needed investment into the local economy.

The Tees Valley Combined Authority (TVCA) Mayor has written a letter expressing TVCA's commitment to supporting the return of the Tall Ships to Hartlepool and we are progressing a bid to the TVCA for £3m to meet the cost, which combined with income, will fully fund the event. If we were successful then any agreement to hosting the event would be subject to this funding being approved.

The Chair commented that the submission of the initial, late, bid had made some months earlier to Sail Training International to host the race in 2023. No decision had yet been made. The Chair stated that lessons would be learned from the 2010 experience and the intention was that the funding from TVCA and any income would cover the costs in their entirety. Members welcomed the bid but were also keen that the Council did not repeat the mistakes of 2010 and sought assurance that local businesses would benefit this time.

Following debate it was agreed that the costs envelope of the funding must be the funding by TVCA grant so that there was no risk to the Council's own funds. This was to ensure that Hartlepool residents could be assured they would only be beneficiaries of the event. The Chair also suggested a cross-party working group of Elected Members should be formed to plan the event should the bid be successful.

The following recommendations were agreed without dissent.

Decision

1. That approval be given to Hartlepool hosting Tall Ships 2023 pending approval from the event organisers.

2. That approval be given to enter into a legal agreement with TVCA for the £3m funding offer, pending a successful decision from the event organisers.
3. That should the bid to host the event be successful, the cost envelope for the event should be the funding package approved by TVCA and that a cross-party working group of Elected Members and Officers provide oversight from the Council's perspective during the organisation of the event.

10. Covid-19 Financial Position Update (*Chief Executive*)

Type of decision

For information.

Purpose of report

To provide details of decisions taken in relation to the delivery of the Council's response to the Covid-19 pandemic.

Issue(s) for consideration

The Director of Finance and Policy reported that the Council had played a key role in responding to the pandemic and it has been necessary to make decisions at speed and then implement those decisions. This has been the case across the Local Government sector and principally related to the grants received from Government to support the Covid 19 response.

The decisions had been made in accordance with part 3 of the Constitution (Chief Executive delegated power CE15) which delegates authority to the Chief Executive in consultation with the Leader (or in his absence the Deputy Leader), Chair of the relevant Committee (or in his absence Vice Chair) and Monitoring Officer, The Chief Executive (or in his/her absence the Director of Finance and Policy) may take a decision normally reserved to a Committee where (a) Failure to take the decision quickly would, or would be likely to, harm the interests of the Council and the public; and (b) The decision is so urgent that it cannot wait until the next meeting of the Committee at which the decision would normally be taken.

The Director highlighted the decisions around the Local Council Tax Support Scheme (LCTS) and some of the delays around business grants caused by delays in receiving guidance from central government. The Director also specifically highlighted the current financial situation and the impact of the pandemic and identified a current shortfall in funding of £2.906m.

Members acknowledged the huge amount of work undertaken by Officers during the emergency period and commended them on the speed of decisions and their implementation. There was some committee debate around the choice of one commercial organisation to provide food parcels

and how that decision was reached and why the voluntary sector had not been utilised. Members also asked for further details on the decision to provide funding to an organisation delivering accommodation for rough sleepers and those who are homeless. There was also some concern expressed that there had been insufficient consultation with Members on some of the decisions that were made. A further report on the decision for the supply of food parcels and provision of homelessness accommodation was requested by Members. The Chair acknowledged that some things could have been done better and that lessons had been learned through the emergency period while acknowledging the unprecedented and extremely challenging context in which decisions had been made.

The meeting also discussed issues around the awarding of discretionary grants to businesses that sublet. The Director stated that some had applied for assistance and they were being assessed. The Director stated in response to Member questions and comments that the Tees Valley authorities had adopted a unified approach to the awarding of the grant monies directed by central government. This was to ensure businesses in neighbouring towns weren't treated differently and to ensure a 'level playing field'. The criteria set by central government were limited and there may be businesses that received support that had not suffered great detriment because of the pandemic. Conversely, some business not meeting the Government set criteria had suffered financially.

The following recommendations were agreed without dissent.

Decision

1. That the report and associated Chief Executive Decision Records be noted.
2. The Committee noted that, as requested by full Council on 10th June, any additional Decision Records would be circulated to all Members, and reported to Finance and Policy Committee and published in line with the Committee process;
3. The Committee noted the position in relation to the Hardship Decision Record and that a further report would be presented to a future Finance and Policy Committee to update Members on the actual commitments against this one off funding and options for using any residual uncommitted funding.
4. That a report be submitted to a future meeting of the Finance and Policy Committee on the issues raised by Members around the selection of one commercial supplier for the supply of food parcels.
5. That a report be submitted to a future meeting of the Finance and Policy Committee providing details of the support delivered by the homeless accommodation provider.

11. Towns Fund, Town Centre Masterplan and High Street Taskforce *(Director of Regeneration and Neighbourhoods)*

Type of decision

Non-key decision.

Purpose of report

The report informed the Finance and Policy Committee of the invitation for Hartlepool to develop proposals for a £25m Town Deal, the creation of a Town Centre Masterplan and Hartlepool's involvement in the Pilot of the High Street Task Force.

It also provided details of the £173,000 capacity funding allocated to Hartlepool to support the development of a Town Investment Plan and will seek approval for the governance arrangements and membership of a new Town Deal Board.

Approval was sought for the Council to take on the role of "Lead Council" for the Towns Fund which will involve being the accountable body for the capacity funding and future Town Deal, setting out and publishing how the capacity funding will be spent, convening the Town Deal Board and ensuring robust governance arrangements and compliance with the Towns Fund Prospectus and any subsequent Government guidance.

Issue(s) for consideration

The Director of Regeneration and Neighbourhoods reported that Hartlepool had been identified as one of 100 places that had been invited to develop proposals for a Town Deal, as part of the Government's £3.6bn Towns Fund programme. The Director outlined the main aspects of the Town Deal and the Towns Fund Programme including the Town Deal Board, which would include a number of Members of the Committee by virtue of position.

The Director reported that a town centre masterplan had been commissioned to renew and reshape Hartlepool Town Centre in a way that improves experience, drives growth and ensures future sustainability. The Town Centre Masterplan would be developed in consultation with local residents, businesses and stakeholders so it would become locally owned and adopted and would be used to inform a bid to the Government's Future High Street Fund which provided funding for transformational change in town centres. A strong strategic vision and evidence base would be a key requirement of the fund.

The Director also highlighted that Hartlepool had been invited to take part in the Pilot of the High Street Taskforce programme and was the only North East Local Authority to be included at this stage being one of the initial twenty locations in the country to be announced.

The Chair welcomed the report and commented that the Masterplan had the potential to unlock some of the problem areas around the town centre. Members welcomed the proposals in the report but also emphasised that

while £25m was a lot of money, with some of the problem sites and buildings that already existed, people would need to be realistic as to what could be achieved as it may not go as far as some may desire.

In debate there were some concerns around increased pedestrianisation and the impact of that on some sectors of the community. It was also suggested that the views and experiences of other towns that had gone through similar regeneration should be sought to inform Hartlepool's plans.

The following recommendations were agreed without dissent.

Decision

1. That the Town Deal Board Terms of Reference be endorsed as set out in Appendix 1 to the report.
2. That approval be given to the taking on the role of "Lead Council" for the Towns Fund which will involve being the accountable body for the capacity funding and future Town Deal, setting out and publishing how the capacity funding will be spent, convening the Town Deal Board and ensuring robust governance arrangements and compliance with the Towns Fund Prospectus and any subsequent Government guidance.
3. The Committee noted the £173,000 capacity funding allocated to Hartlepool and the commission for a multi-disciplinary team to develop a Town Investment Plan and Town Centre Masterplan.
4. The Committee noted Hartlepool's involvement in the High Street Taskforce.

12. Any Other Items which the Chairman Considers are Urgent

None.

13. 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 14 – Tees Valley Energy Recovery Facility – 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).

- 14. Tees Valley Energy Recovery Facility** (*Director for 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 Reference RN14/19. Key test (i) and (ii) apply.

Purpose of report

The report sought a series of actions relating to the Inter Authority Agreement relating to the Tees Valley Energy Recovery Facility and seeking authorisation for delegation to the incoming Managing Director in consultation with the Leader of the Council and Chief Solicitor to finalise and conclude the appropriate agreements. A series of updates for Members information were also detailed.

Issue(s) for consideration

Details of the Committee's considerations are set out in the Exempt section of the minutes.

Decision

Details of the Committee's decisions are set out in the Exempt section of the minutes.

The meeting concluded at 12.50 pm.

H MARTIN

CHIEF SOLICITOR

PUBLICATION DATE: 21 JULY 2020