

FINANCE AND POLICY COMMITTEE

MINUTES AND DECISION RECORD

13 SEPTEMBER 2021

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

Present:

Councillor Shane Moore (In the Chair)

Councillors: Tim Fleming, Brenda Harrison, Jim Lindridge, Sue Little,
David Nicholson, Amy Prince and Cameron Stokell.

Also Present: Councillor Brian Cowie as substitute for Councillor Paddy Brown in
accordance with Council Procedure Rule 4.2.
Councillor Pamela Hargreaves as substitute for Councillor Jonathan
Brash in accordance with Council Procedure Rule 4.2.

Officers: Denise McGuckin, Managing Director
Hayley Martin, Chief Solicitor
Chris Little, Director of Resources and Development
James Magog, Assistant Director, Finance
Sally Robinson, Director of Children's and Joint Commissioning Services
Craig Blundred, Director of Public Health
Danielle Swainston, Assistant Director, Joint Commissioning
Jill Harrison, Director of Adult and Community Based Services
Tony Hanson, Director of Neighbourhoods and Regulatory Services
Steve Hilton, Communications and Marketing Team
David Cosgrove, Democratic Services Team

19. Apologies for Absence

Councillors Jonathan Brash, Paddy Brown and Mike Young.

20. Declarations of Interest

Councillor Prince declared a personal interest in Minute No. 25.

21. Minutes of the meeting held on 12 July 2021

Received.

22. Minutes of the meeting of the Safer Hartlepool Partnership held on 24 February 2021

Received.

23. Minutes of the meeting of the Health and Wellbeing Board held on 1 March 2021

Received.

24. Medium Term Financial Strategy (MTFS) 2022/23 to 2024/25 *(Director of Resources and Development)*

Type of decision

Budget and Policy Framework.

Purpose of report

The purpose of the report was to provide an update on the Council's financial position and enable Members to approve a strategic direction for the MTFS, including the 2022/23 recommended Council Tax level to be referred to Council.

Issue(s) for consideration

The Director of Resources and Development gave a presentation to Members in support of his detailed report setting out the financial position and challenges facing the Council over the period 2022/23 to 2024/25. The Director particularly highlighted that his robustness advice was very dependent on the level of Council Tax increase elected Members supported. Over the period 2022/23 to 2024/25 the Council had to address a budget deficit of £11.435m which could be reduced by £3.912m if Members supported a Council Tax increase in line with Government referendum limits (1.9%) and the 3% Adult Social Care Precept deferred from last year.

The Director highlighted the additional appendix circulated to Members outlining the Health and Social Care Funding announcement made by government on 7 September relating to the 1.25% National Insurance increase. The Director also highlighted the discussions on the national pay offer effective from 1 April, where an offer of 1.75% had been made to Trade Unions. One-off resources could meet the additional costs this financial year but for future years this would increase the future budget deficit by £875,000.

The Chair noted the shift in Council funding from central government to Council Tax payers. The Council was faced with a simple decision and he

considered that there was no option other than to increase Council Tax. The Chair did also propose that the Committee write to the Member of Parliament for Hartlepool sharing the financial situation facing the Council and seeking fairer funding for the town.

The proposal to write to the MP was supported by Councillors and it was proposed that she should be invited to a meeting with the Committee, preferably before the next Council meeting, as this report was to be referred to the meeting on 30 September, to discuss the Council's position with the MP and what support she could provide and where her campaign for fairer funding for Hartlepool had reached.

There was also wider discussion around the impact of the proposed Council Tax increase on already stretched households in the town. Members were concerned that many households could be hit by unemployment once the furlough scheme ended. There was also comment that constantly increasing the number of new homes in the town, while bringing new Council Tax income, was also placing additional strain on community services.

A Member also referred to the comments within the report around the 'transformation' of services in a report that essentially looked to balancing the budget. The Member also referred to the previous 'transformation' of services that had been undertaken and if that had delivered the required results. The Managing Director commented that the previous service transformation process had delivered the savings required as could be seen through the changing balance in council funding from central government and the significant reduction in overall budget over the past decade. Officers were working extremely hard behind the scenes to deliver the savings. Officers did, however, need some direction from Members as to the level of savings required, hence this report. Reaching a savings target of £7.523m was going to be extremely challenging and would require some very difficult decisions. A target of £11.435m was almost impossible.

The Director of Resources and Development stated that the Council had written to the Ministry of Housing, Communities and Local Government. The government spending review was not due until October so it was likely that the strategic decisions on spending had already been made. To cover the deficit a huge percentage increase in Hartlepool's grant would be required and one every other Council with deprived communities would also want. There was nothing on the horizon, no new or increased funding, that was going to come to our rescue.

The Chair proposed the recommendations as set out in the report with the addition of writing to the MP and seeking her attendance at a meeting of the Committee before Council on 30 September so the results of the discussions could be fed into Council's considerations.

The following decisions were agreed by a majority of 7 votes for to 3 against.

Decision

1. The Committee noted the report;
2. The Committee noted a national pay offer of 1.75% effective from 1st April 2021 has been made which would require funding from in-year savings / use of one off resources in 2021/22 and would increase the 2022/23 budget deficit by £875,000. This offer has not been accepted and if an increased offer is made this would increase the budget deficit.
3. The Committee noted the initial robustness advice detailed in the report and if this advice was ignored it would be required to record the reasons for such decision.
4. That Council be recommended to approve a 2022/23 Core Council Tax increase of 1.9% (subject to confirmation of a 2% referendum limit by the Government) and a 3% Adult Social Care precept (approved Government limit that could either have been applied in 2021/22 or deferred to 2022/23);
5. That Council be recommended to support an indicative 2023/24 and 2024/25 Core Council Tax increase of 1.9% (subject to confirmation of a 2% referendum limit by the Government);
6. That Council notes that decisions 4 and 5 above secure recurring Council Tax income of £3.912m and reduce, therefore, the budget deficit from £11.435m to £7.523m;
7. That Council notes that the phased use of the Budget Support Fund to support the budget and meet redundancy / early retirement would enable the deficit of £7.523m to be phased over three years. The Corporate Management Team will develop a draft savings plan and report these proposals to a future meeting to deliver the following annual savings:
 - 2022/23 £2.654m
 - 2023/24 £2.412m
 - 2024/25 £2.457m
8. The Committee noted the financial risks detailed in Appendix D to the report which could potentially increase the forecast deficits detailed in the report.
9. That the budget timetable detailed in section 10 of the report be approved, which includes the development of a detailed savings plan.
10. That Hartlepool MP, Jill Mortimer, be invited to meet the Committee ahead of the next Council meeting on 30 September to discuss the Council's financial situation and seek her support to bring additional money to Hartlepool.

25. **Local Council Tax Support 2022/23** (*Director of Resources and Development*)

Type of decision

Budget and Policy Framework Decision.

Purpose of report

The purpose of the report was to update Members on the operation of the Local Council Tax Support (LCTS) scheme; and set out options for consideration for the operation of the LCTS scheme for 2022/23.

Issue(s) for consideration

The Assistant Director, Finance reported on the options for the operation of the LCTS scheme for 2022/23 showing the increase in income from any change in the level of support and the impact this may have on collection and debt levels.

The report proposed that the current 12% scheme should be maintained to provide a level of certainty and stability for households that could be affected by the current economic uncertainty and the ending of the furlough scheme.

The following decision was supported unanimously.

Decision

1. That the current costs and administration impact/risks associated with the LCTS scheme be noted.
2. That full Council be recommended to support the continuation of the Local Council Tax Support scheme at 12% for the 2022/23 financial year.

26. Youth Justice Strategic Plan (*Director of Children's and Joint Commissioning Services*)

Type of decision

Budget and Policy Framework.

Purpose of report

To outline the process for the development of the draft Youth Justice Strategic Plan 2021-2023, as submitted, and approve the draft Plan for consultation.

Issue(s) for consideration

The Director of Children's and Joint Commissioning Services reported that the draft Youth Justice Strategic Plan 2021-2023 was currently in its consultation phase and was submitted to this committee as part of that process. It was anticipated that once the consultation process had concluded and all the comments incorporated the final draft would be submitted to the Children's Services Committee prior to submission to full Council in November for adoption.

Members indicated their support for the proposed plan and suggested that some positive publicity be undertaken to show the significant work undertaken in this important service and also highlighting that young people were not the principle causes of anti-social behaviour.

Decision

The Committee noted the progress made against the local Youth Justice Plan (2019/2021) and supported the draft 2021/2023 plan.

There was a short break at this point in the proceedings.

27. Draft Community Safety Plan 2021-24 *(Director of Neighbourhood and Regulatory Services)*

Type of decision

Budget and Policy Framework.

Purpose of report

To consider and comment on the Safer Hartlepool Partnership Draft Community Safety Plan 2021-24.

Issue(s) for consideration

The Director of Neighbourhood and Regulatory Services reported that the submitted draft plan had been approved for consultation by the Safer Hartlepool Partnership at its meeting on 19 July 2021 and the eight-week consultation period commenced on 13 September 2021.

The Chair indicated his support for the draft plan and considered the priorities included struck the right balance. Members commented that early interventions, particularly with young people, were much more successful and the ASBAD scheme was referred to as being of great value in this regard. Members also referred to some of the reluctance in the community to report anti-social behaviour problems. The Chair indicated that people could always make reports anonymously, though Members considered that this needed to be more proactively advertised and people advised of this when they did call. Members also commented that some way of feeding back to people needed to be incorporated as many people felt their reports were simply being ignored.

Members also suggested some means of testing the improvement of public confidence should be considered as well as some information gathering on what effect poverty was playing in crime and anti-social behaviour incidents.

Decision

That Members comments be noted as the Committee's response to the consultation process for the development of the Community Safety Plan 2021-24.

28. COVID Recovery Support for Adult Social Care Providers *(Director of Adult and Community Based Services)*

Type of decision

Key decision – General Exception Notice issued.

Purpose of report

To seek agreement from the Finance and Policy Committee regarding COVID recovery support for adult social care providers for the remainder of the 2021/22 financial year.

Issue(s) for consideration

The Director of Adult and Community Based Services reported that during the COVID-19 pandemic in addition to supporting providers with supplies of PPE, advice and guidance, daily calls and staff to manage crises, the Council paid COVID premiums to providers in 2020/21 as had been reported previously. The Council paid providers premiums based on a percentage of their usual contract payments (varying from 2.5% to 10% at different stages of the pandemic response) and national grants were also made available to providers via the Council, through the Infection Control Grant (Tranches 1 and 2), Workforce Capacity Fund and Rapid Testing Fund.

The Director reported that following a review of payments made to date and the ongoing support requirements of the sector a proposal has been developed for the remainder of the financial year. The COVID Recovery Support Payment made to care homes for older people and providers of home care / extra care for older people would be based on a reduced percentage of an additional 1% of their usual four weekly payment for a further three payment periods (ending 5 December 2021). The Occupancy Support Scheme would continue with additional payments to care homes (remaining at 75% of the difference) where occupancy has fallen but with increasing thresholds of 10% for 2 payment periods, then 15% for a further two payment periods (ending 2 January 2022).

Members indicated their support for the proposals and the following decision was approved without dissent.

Decision

That the proposals for continued COVID Recovery Support to adult social care providers as reported be approved.

29. Homelessness Reduction and Rough Sleeping Strategy *(Director of Children's and Joint Commissioning Services)*

Type of decision

Key decision – test (ii). Forward Plan ref. CJCS 110/21

Purpose of report

To present the first draft 'Homelessness Reduction and Rough Sleeping Strategy 2021-24' to Finance and Policy Committee for comment and to advise Members of the consultation process.

Issue(s) for consideration

The Director of Children's and Joint Commissioning Services reported that the Council had historically included homelessness and rough sleeping within the council's approved Housing Strategy, however, advice from The Ministry for Housing, Communities and Local Government (MHCLG) was that this does not adequately address the strategy for homelessness and rough sleeping and a stand-alone strategy was required.

A draft strategy had been produced and was submitted for consideration. The draft had been prepared using officer knowledge and experience and with support from the Homelessness Prevention Partnership (HPP). Public consultation opened on the 23 July 2021 and was open throughout July and August.

Members were concerned that it wasn't always possible to identify the numbers of rough sleepers in the town. The Director and the Assistant Director, Joint Commissioning indicated that there was a difference between rough sleepers and those classified as homeless. There were regular 'sweeps' undertaken by Cornerstone to identify rough sleepers and to try and work with them in understanding their needs and providing support. Those homeless would also include the numbers of people that may have been evicted from rental property and those 'sofa surfing'.

A Member was also concerned at the standard of private rented accommodation in the town and questioned if a landlord registration system could be a tool to drive up standards. The Assistant Director stated that there had been two selective licensing areas and neither had had any impact at all on the standards of private rented property. Registration schemes had been explored but there was no legislative requirement for private landlords to partake.

Decision

That Members comments be noted as the Committee's response to the consultation process for the development of the Homelessness Reduction and Rough Sleeping Strategy 2021-24.

30. Development of Domestic Abuse Strategy and re-procurement of recommissioning of Domestic Abuse Service including new accommodation duties *(Director of Children's and Joint Commissioning Services)*

Type of decision

Key decision – test (ii). Forward Plan ref. CJCS 113/21

Purpose of report

To update members on changes to the domestic abuse duties through the introduction of the Domestic Abuse Act 2021. To seek approval to develop a domestic abuse strategy and consult on the draft strategy. To seek approval to recommission domestic abuse support services including the accommodation requirements as set out in the Domestic Abuse Act 2021.

Issue(s) for consideration

The Director of Children's and Joint Commissioning Services reported that the Domestic Abuse Act 2021 received Royal Assent on 29 April 2021 and it was anticipated that most of the provisions in the Act would come into force in 2021/22. The Domestic Abuse Act required local areas to review their strategies to ensure that they were meeting all the duties. All strategies need to be reviewed by 31 October 2021.

The current contract with Harbour ends on 31st March 2022. A commissioning process needs to be undertaken to develop a service specification taking into account the findings from the needs assessment and the priorities within the new Strategy. It was proposed that the contract length would be three years with two additional years available to extend dependent on performance of the provider. The procurement process would begin in October 2021 to ensure that a provider was in place for 1st April 2022.

The Chair stated his support for the proposed strategy but was concerned that the authority had to have a strategy in place by the end of October with no indication of the funding that would be available to support it.

Decision

1. The Committee noted the changes to the domestic abuse duties through the introduction of the Domestic Abuse Act 2021

2. The Committee approved the development and production of a domestic abuse strategy and consultation on the draft strategy.
3. The Committee approved the recommissioning of domestic abuse support services, including the accommodation requirements as set out in the Domestic Abuse Act 2021.

31. Corporate Procurement Quarterly Report on Contracts *(Chief Solicitor)*

Type of decision

For information.

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 Chief Solicitor submitted the quarterly report updating Members on the procurement activity within the Council and highlighted that this quarter's report included the additional information requested by Members on the social value rating in any tender evaluation process and the involvement of local companies in the tender process.

Decision

That the report be noted.

32. Any Other Items which the Chairman Considers are Urgent

No items.

The meeting concluded at 12.10 pm.

H MARTIN

CHIEF SOLICITOR

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