

FINANCE AND POLICY COMMITTEE

MINUTES AND DECISION RECORD

13 December 2021

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

Present:

Councillor Shane Moore (In the Chair)

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

Also Present in accordance with Council Procedure Rule 4.2, Councillor Rachel Creevy as substitute for Councillor Jonathan Brash and Councillor Cranney as substitute for Councillor Mike Young

Officers: Denise McGuckin, Managing Director
Hayley Martin, Chief Solicitor
Chris Little, Director of Resources and Development
James Magog, Assistant Director, Finance
Claire McLaren, Assistant Director, Corporate Services
Sally Robinson, Director of Children's and Joint Commissioning Services
Jill Harrison, Director of Adult and Community Based Services
Tony Hanson, Director of Neighbourhoods and Regulatory Services
Steve Hilton, Communications and Marketing Team
Amanda Whitaker, Democratic Services Team

56. Apologies for Absence

Councillors Jonathan Brash and Mike Young

57. Declarations of Interest

Councillors Creevy and Prince declared an interest in agenda item 4.1.

58. Minutes of the meeting held on 15 November 2021

Received

59. Minutes of the meeting of the Health and Wellbeing Board held on 15 October 2021

Received.

Prior to consideration of agenda item 4.1 – Medium Term Financial Strategy 2022/23 to 2024/25 – the Chair referred to the appendices 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 (paragraph 1 – information relating to any individual and paragraph 2 – information which is likely to reveal the identity of an individual).

Elected members advised that they intended to raise issues included in the appendices and the Chair advised, therefore, that the agenda item would be considered following the other reports included on the agenda.

60. Community Safety Plan (2021-2024) *(Director of Neighbourhood and Regulatory Services)*

Type of decision

Budget and Policy Framework

Purpose of report

To consider referral of the Safer Hartlepool Partnership Community Safety Plan 2021-2024 to Full Council for adoption.

Issue(s) for consideration

Further to minute 13 of the meeting of the Committee meeting held on 13 September 2021, elected members were advised that at its meeting on 6th December 2021, the Safer Hartlepool Partnership had approved the Community Safety Plan 2021-2024 for publication. A copy of the Plan was appended to the report and provided an overview of some of the recent activities undertaken to improve community safety in Hartlepool, and key findings from the Safer Hartlepool Partnership's Annual Strategic Assessment and public consultation. The plan detailed also the Partnership's strategic objective for 2020/21 and the key priorities that the Partnership will focus on.

Decision

The Committee considered the content of the Community Safety Plan 2021-24 and in accordance with the Budget and Policy Framework, the Committee referred the Community Safety Plan 2021-24 to Full Council for adoption.

61. Brenda Road Housing Scheme – Proposed Acquisition by Housing Revenue Account of 84 Housing Units *(Director of Resources and Development)*

Type of decision

Key Decision (test (i) applies). General exception notice applies.

Purpose of report

To seek approval for the Housing Revenue Account's (HRA) proposed acquisition of 18 houses and bungalows at Brenda Road East from Keepmoat Homes Limited.

Issue(s) for consideration

The report set out the background and detail relating to discussions which had taken place regarding the Authority being the Registered Provider partner of Keepmoat Homes Limited on their 234 unit housing scheme on the east side of Brenda Road, shown on the plan appended to the report. Keepmoat Homes Limited had secured control of the site and the intention was for 84 homes (shown in years 1-4 on the plans appended to the report and set out in a table in the report) to be built and sold to the Council .The Council's stock would be the affordable element of the scheme with Keepmoat selling the remainder for market sale. The houses constructed and transferred to the Council would be held in the Council's Housing Revenue Account (HRA) for affordable rent in the main with a small pilot of rent to buy units, the number of which to be determined from negotiations with Homes England regarding need. It was noted that a full planning application H/2021/0498 had been submitted.

Whilst presenting the report, the Director of Resources and Development referred to the recommendation included in the report to seek approval from Full Council for the necessary borrowing to progress with the first tranche deal. Having checked, the Director advised that the HRA could accommodate tranche 1 development from the existing approved Prudential Borrowing limit and there was, therefore, no requirement to refer to Full Council.

The Chair expressed his appreciation to the Team who had been working on the proposal. Elected members noted that demand for bungalows outstripped supply across the Borough and demand for 3 bedroom properties in this locality is strong (evidenced through the Strategic Housing Market Assessment). Whilst expressing support for the proposal, elected members sought clarification whether it was possible to increase the number of 3 bedroom properties to meet the demand for such properties. The Director undertook to check if there was any flexibility to allow the requested change in the number of 3 bedroom properties and to provide

further information to the Committee relating to the breakdown of the Authority housing stock/housing schemes.

Decisions

1. The Committee approved the principle of the Council's overall acquisition of the 84 units on a tranche by tranche basis and in particular the first 18 units as set out in the exempt appendix.
2. Authority was delegated for negotiation and approval of final heads of terms to the Managing Director in consultation with the Director of Resources and Development and the Chair of Finance and Policy Committee.
3. It was agreed that further information would be provided relating to the breakdown of the Authority housing stock/housing schemes.

62. Council Tax Base 2022/23 *(Director of Resources and Development)*

Type of decision

Non Key Decision

Purpose of report

The report sought approval, as required by statutory regulations, of a calculated Council Tax Base for 2022/23 to be used for Council Tax billing purposes.

Issue(s) for consideration

The Director of Resources and Development reported that the Council was required by law to calculate its Council Tax Base for the forthcoming year, and inform the major precepting authorities, Police and Crime Commissioner for Cleveland and Cleveland Fire Authority, and local precepting authorities (Parish Councils), before 31 January 2022. The Council Tax Base is expressed as the number of Band D equivalent properties. Appendices to the report set out the necessary statutory calculations together with those for each of the precepting parish councils.

It was noted that the proposed Tax Base for the Council area for 2022/23 is 24,928. This was an increase of 544 (2.2%) from the current base. This increase reflected the recovery from the Covid-19 pandemic, including the proposed increase in the long term collection rate from 98.5% to 99%, which it was highlighted would be challenging to achieve. The forecasts included a reduction in the anticipated number of households eligible for the Local Council Tax Support Scheme. It was noted that the proposed Council Tax Base had been reflected within the Medium Term Financial Strategy report to be considered later in the meeting.

Decision

The Committee agreed, with no dissent:

- a) Approved a Hartlepool BC Council Tax Base for 2022/23 of 24,928 as detailed in Appendix 1.
- b) Approved a Council Tax Base for 2022/23 for Parishes who may levy a precept upon the Council's Collection Fund as detailed in Appendix 2:

Brierton	15.1	Hart	349.3
Claxton	15.3	Headland	736.2
Dalton Piercy	117.0	Newton Bewley	33.0
Elwick	255.9	Wynyard	675.7
Greatham	587.4		

63. Net Zero and Climate Change Strategy *(Assistant Director, Development and Growth)*

Type of decision

For information

Purpose of report

To update the Committee on the international and UK response to climate change, and propose a timetable for the Council's roadmap to achieve its commitment to reach Net Zero emissions by 2030.

Issue(s) for consideration

The report set out comprehensive background to the international and UK response to climate change. It was noted that the UK Net Zero Strategy had been published in October 2021. The Strategy set out policies and proposals for meeting the UK's Carbon Budgets and the ambitious Nationally Determined Contribution and also detailed the UK's vision for a decarbonised economy in 2050. The ambitions of both the Tees Valley and for Hartlepool as a town were also set out together with the associated significant challenges.

Elected Members were advised of the terms of a Motion considered by Full Council on 30 July 2020 which had been referred to this Committee for consideration. In order to achieve the shift to a 'Net Zero Local Authority' by 2030, the Council was going to need to deliver a far reaching, robust, detailed and costed strategy and action plan, which would need to be developed in partnership with wide ranging stakeholders. Set out in the report was a proposed timetable between now and September 2022 which would see the development of the Council's first Net Zero Plan and the commitments identified as 'early wins' to be implemented. Others would

take much longer to develop with considerable staff resource required from across Directorates.

Referring to the timetable set out in the report, elected members expressed concern at the potential implications of the number of Partnerships and Assemblies proposed to be convened. The Committee discussed the proposed Declaration of a 'Climate Emergency'. Whilst support was expressed for such a Declaration, the majority of Committee members agreed it would be more appropriate for the Communications Team to consider a suitable wording for a local launch initiative in January 2022.

It was highlighted that the reference to this Committee considering climate change issues when reviewing policies, should be included in the remit of all Policy Committees. The Managing Director advised that the issue would be referred to the Constitution Committee for consideration.

With regard to the commitment to making the Council's activities net-zero by 2030, the Committee agreed that the target date should not be set until the Net Zero and Climate Plan had been approved.

Decision

The Committee approved the proposal to develop a Net Zero and Climate Plan by September 2022.

64. Strategic Financial Management Report at 31 October 2021 *(Director of Resources and Development)*

Type of decision

Budget and Policy Framework

Purpose of report

To inform the Committee of 2021/22 Forecast General Fund Outturn, the Corporate Income Collection Performance and the 2021/22 Capital Programme Monitoring.

Issue(s) for consideration

The Director of Resources and Development provided the Committee with a detailed strategic financial management report at 31 October 2021. The Director highlighted the salient issues included in the report and elected members were advised of the continuing implications of Covid together with changes in external factors which meant that the whole of the £3.178 million Covid grant would be committed in the current year.

Decision

The Committee approved the allocation of the uncommitted 2021/22 COVID grant to fund the following issues noting this will fully commit this one off funding.

- The forecast General Fund overspend of £2.166m, which will protect services and avoid the need for in year budget cuts.
- To allocate £1m to fund increased gas and electricity costs over the period 2021/22 to 2023/24, which will minimise the recurring budget pressure that needs to be included in the 2022/23 base budget and provide temporary funding whilst energy markets remain volatile.
- To earmark £12,000 to support the Shop Hartlepool initiative.

65. 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.
- Receiving and examining reports on any exemptions granted in respect of the Council's Contract Procedure Rules.

Issue(s) for consideration

The Chief Solicitor reported on the Contracts awarded by the Council, since submission of the last quarterly report, in accordance with Contract Procedure Rules. Appended to the report were details for each procurement tender awarded since the last quarterly report together with the social value percentage weighting that was incorporated at the application stage. With regard to Exemption information, an appendix to the report provided details of the required information in relation to Contract Procedure Rules exemptions granted since the last Corporate Procurement Quarterly Report on Contracts. Also circulated by way of an exempt appendix was commercial information in respect of the tenders received and any confidential information relating to Contract Procedure Rule exemptions or contract extensions.

Elected Members debated issues arising from the report.

Decision

The report was noted.

Following a brief adjournment the meeting was reconvened to consider the following agenda item.

66. 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 report provided details of the impact of the Government's Spending Review and provided feedback on the proposed savings referred to individual Policy Committees to enable the Committee to then approve the savings proposals to be referred to Council on 16th December 2021.

Issue(s) for consideration

Further to minute 24 of the meeting of the Committee held on 13 September 2021, a detailed report was presented to the Committee which set out the financial position facing the Council over the period 2022/23 to 2024/25. The report highlighted the previous decisions made by the Committee and Full Council to address the implications of the issues highlighted in the report. It was noted that the main purposes of the report was to approve the saving proposals to be referred to Full Council which had been considered in detail by this Committee and individual policy Committees.

The Director highlighted the additional documentation tabled at the meeting outlining an alternative proposal put forward by Trade Unions - R&D10 – Trade Union Facility Time. The alternative saving proposal would provide a recurring saving of £48,000. Support was expressed for the proposal that helped balance the budget, whilst retaining a sound basis for working with the Trade Unions.

67. 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 33 – (Medium Term Financial Strategy 2022/23 to 2024/25) – 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 (paragraph 1 – information relating to any individual and paragraph 2 – information which is likely to reveal the identity of an individual)

- 68. Medium Term Financial Strategy 2022/23 to 2024/25**
(*Director of Resources and Development*) 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 (paragraph 1 – information relating to any individual and paragraph 2 – information which is likely to reveal the identity of an individual)

Issue(s) for consideration

The Committee debated issues arising from the exempt documentation circulated with the report. Whilst appreciating the financial position of the Authority and expressing support for the majority of the savings proposals, some elected members expressed their opposition and concern at the implications of some of the proposals.

At the conclusion of that debate, the meeting returned to open session.

Decision

The Committee agreed the recommendations set out in the report subject to the following revisions:-

- Recommendation (iv) - the saving proposals were approved with the following amendments:
 - Recurring Trade Union Facility Time saving of £48,000 from 2023/24, with £36,000 being achieved in 2022/23 to provide phased implementation;
 - Reduction in Neighbourhood Investment Plan capital budget from £1m to £0.6m, to focus on the priorities detailed in the report, which provides revenue saving of £16,000.

Recommendation (v) – not to implement additional 1% Adult Social Care precept in 2022/23 – which would have been be additional to increase previously approved by Council and noted this meant additional potential income of £420,000 would not be secured.

The meeting concluded at 12.55 p.m.

H MARTIN

CHIEF SOLICITOR

PUBLICATION DATE: 21 DECEMBER 2021