

FINANCE AND POLICY COMMITTEE

MINUTES AND DECISION RECORD

12 DECEMBER 2022

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

Present:

Councillor Shane Moore (In the Chair)

Councillors: Moss Boddy, Bob Buchan, Brenda Harrison, Jim Lindridge, Sue Little, Andrew Martin-Wells and Melanie Morley.

Also Present: Councillor Peter Jackson as substitute for Councillor Tom Cassidy 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
Tony Hanson, Director of Neighbourhoods and Regulatory Services
Steve Hilton, Communications and Marketing Team
David Cosgrove, Democratic Services Team

70. Apologies for Absence

Councillors Jonathan Brash, Tom Cassidy and Mike Young.

71. Declarations of Interest

None.

72. Minutes of the meeting held on 21 November 2022

Received.

73. Council Tax Base 2023/24 *(Director of Resources and Development)*

Type of decision

Non Key Decision.

Purpose of report

The report sought approval, as required by statutory regulations, of the calculated Council Tax Base for 2023/24 which would be used for Council Tax billing purposes.

Issue(s) for consideration

The Assistant Director, Finance 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 2023. 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.

The proposed Tax Base for the Council area for 2023/24 was 25,342. This was an increase of 414 (1.7%) from the current base. The increase took into account a proposed reduction in the budgeted collection rate to 98.5% reflecting the current economic conditions.

Decision

1. That a Council Tax Base for 2023/24 of 25,342 as detailed in Appendix 1 to the report be approved for Hartlepool Borough Council.
2. That a Council Tax Base for 2023/24 for Parishes who may levy a precept upon the Council's Collection Fund be approved as follows:

Brierton	15.5	Hart	356.8
Claxton	14.9	Headland	773.1
Dalton Piercy	128.9	Newton Bewley	34.2
Elwick	240.1	Wynyard	856.3
Greatham	279.4		

74. Seaton Carew War Memorial *(Director of Neighbourhoods and Regulatory Services)*

Type of decision

Non-Key Decision.

Purpose of report

The report provided members with an update on the Seaton Carew War Memorial following a discussion at Full Council on 4th November 2021.

Issue(s) for consideration

The Director of Neighbourhoods and Regulatory Services reported that at Full Council on 4th November 2021, a Seaton Carew ward councillor highlighted the condition of the Seaton Carew War Memorial Site which they believed was in need of repair. It was agreed that this would be investigated further and update report provided as the legal position was complicated by the Council not owning the land on which the Memorial is located.

Officers carried detailed investigations into the land ownership, this confirmed that the area on which the Seaton Carew War Memorial stands was not Council owned land. However, further investigations also found that the land was unregistered and the ownership, therefore, was unknown. This meant that an application to the Secretary of State to undertake remedial works would not be required, and an application for adverse possession of the site to the Land Registry would be needed. This piece of work also confirmed that the War Memorial had the status of a listed structure meaning any works which were more than just maintenance would require planning permission and listed building consent because the setting of the listed building would potentially be impacted upon. Officers also undertook an inspection of the site and neither the footpath, nor surrounding areas, required any repairs or remedial action.

It was proposed that the Council approach the Land Registry to seek to register the land as Council owned, though it was highlighted that there was no certainty that the title would be transferred.

The Director also indicated that while the War Memorial and surrounding areas were currently in a good condition based on a recent inspection, the visit did highlight that repairs will be needed at some point in the near future. The estimated costs of those works were approximately £15,000. There was currently no budget provision for this and work would have to be done to identify a source of funding before any works can be undertaken.

A Member for Seaton Ward stated that she disagreed with the report when it stated that the war memorial was currently in good condition. Veterans visiting the site on Remembrance Sunday and at other times had stumbled due to a slight lip approx. 2-3cm and 3cm and the Councillor proposed that this be removed and that she had already gained support to the sum of £10,000 to complete the works.

The Chair stated that initially the Council needed to secure the site as one of its assets first, as without that initial step nothing further could be considered. Once that had gained, if the Land Registry approved, then the issue of any works could be considered at that time.

There was no dissent to the following decision.

Decision

1. That the Council approach the Land Registry to register the Seaton Carew War Memorial land as Council owned.
2. That subject to the site being registered as Council land, a formal estimate of the cost of the works necessary to improve the site's accessibility be undertaken with an exploration of the funding for such works.

75. Strategic Financial Management Report as 30 September 2022 *(Director of Resources and Development)*

Type of decision

For information.

Purpose of report

The purpose of the report was to inform Members of:

- i) 2022/23 Forecast General Fund Outturn;
- ii) Corporate Income Collection Performance; and
- iii) 2022/23 Capital Programme Monitoring.

Issue(s) for consideration

The Director of Resources and Development reported that the first quarter position report highlighted the emerging inflationary pressures that were impacting on the Council's budget. These pressures continued to exert a large degree of uncertainty on both the revenue and capital budgets and were anticipated to worsen. A significant degree of uncertainty remained and some of the inflationary costs would flow through later in the financial year and into 2023/24. In addition to the pressure on direct costs, the wider economic impact of inflation was likely to lead to an increased demand on council services as well as a likely detrimental impact on fees and charges income and Council Tax and Business Rate collection.

Officers continued to seek to mitigate the impact as far as possible. As the year progressed, greater certainty of the inflationary impact and the mitigation action required would become clearer and would be reported to Finance and Policy Committee as part of the third review.

The Director reported that as part of the "mini-budget" the Chancellor confirmed the reversal of the 1.25% National Insurance increase which had been introduced by Government in July 2022. The reversal would be for both the employee and employer elements of national insurance and would take effect from 6th November 2022. The in-year saving impact of this change for the Council was estimated to be £0.260m. This was reflected in the overall forecast overspend which will be funded from the Budget Support Fund to avoid in year budget cuts having to be made.

The Director highlighted the references in the report to the grants which had been approved at the previous meeting of the Committee.

The Chair wished to record his thanks to the Directors for tightly managing their budgets as this was reducing the risk of the in-year overspend assisting the Council's overall position.

Decision

That the report be noted.

76. Housing Advice and Homelessness Update *(Director of Children's and Joint Commissioning Services)*

Type of decision

For information.

Purpose of report

To update members on progress in relation to the Homelessness Reduction and Rough Sleeping Strategy 2021-24.

Issue(s) for consideration

The Director of Children's and Joint Commissioning Services reported that the Committee had approved the strategy in November 2021. The Director highlighted the work of the dedicated team of Housing Advice Officers who were available daily during office hours for enquiries and also offered an out of hours 'on call' service outside of office hours, including evenings, weekends and all Bank Holidays. Typically, the team undertake investigations to establish if someone is at risk of homelessness, were homeless and/ or were owed a 'prevention or relief' duty.

The Director commented that the biggest challenge for the team when undertaking homelessness functions was the lack of availability of temporary accommodation. For many reasons hotels and B&Bs did not want to accept our clients pending our assessments. Despite tireless efforts it had become extremely difficult to secure a suitable building to deliver temporary accommodation and support services. Potential buildings that had been identified had proven too costly to refurbish following feasibility studies and/ or were not in a 'suitable' location. For this reason it was necessary sometimes have to send people out of town to stay whilst their assessments were undertaken. This was not a preferred method of practice.

New Walk CiC has extensive experience of delivering temporary accommodation for homeless adults during their assessment period as well as longer term tenancies with support. They currently operate across the

Tees region they are growing their local footprint and will soon begin similar work in Hartlepool. They have located a potential suitable building and discussions are underway to secure this in order for the council to discharge its temporary accommodation duties.

Members welcomed the reports and the work of officers in helping the homeless in Hartlepool. Members were concerned at the provision of suitable accommodation for rough sleepers. The Director indicated that there were actually low numbers of rough sleepers in Hartlepool. Cornerstone worked with the Council in undertaking regular 'sweeps' around the town to identify rough sleepers and offer them accommodation and support but there were a small number that refused Council help.. One such individual was highlighted in discussion by Members.

Members expressed concerns around private landlords creating some of the 'homeless' issues that the Council had to address but commented that on positive experiences with the Homelessness Team in assisting people into new accommodation. The Director stated that officers did try to negotiate with housing providers to assist in the prevention of people becoming homeless in the first instance but this was not always possible with private landlords. Members also noted the support provided to those with mental health issues and drug and alcohol dependencies.

Members noted the high levels of incidents of homelessness among males in the 25 to 34 and 35 to 44 age groups. The Director stated that there were accommodation options available and it is anticipated more provision will be coming available in the new year.

Decision

That the report be noted.

77. Asylum Seekers and Refugees *(Director of Children's and Joint Commissioning Services)*

Type of decision

For information.

Purpose of report

To provide members with an update on the council's duties and support in relation to asylum seekers and refugees in Hartlepool.

Issue(s) for consideration

The Director of Children's and Joint Commissioning Services reported that following some contract changes by the Home Office, the Council had worked with Mears since September 2019 to ensure appropriate support is in place for those seeking asylum, especially if an asylum seeker was given

‘leave to remain’ by the Home Office and must leave their supported accommodation at short notice (within 28 days).

Hartlepool Borough Council had supported the safe arrival and resettlement of 57 families since May 2016 under the various schemes. 52 families currently remained in the town, indicating that they were settled in their local communities and were happy to live in Hartlepool.

In 2016 the Government introduced the National Transfer Scheme (NTS) protocol for unaccompanied asylum-seeker children (UASC) to expedite the transfer of children to the care of other local authorities and reduce the burden on arrival authorities. Hartlepool received and assumed responsibility for UASC under the NTS each year. Initially the NTS was a voluntary arrangement, however, in 2021 the NTS became a mandated scheme managed through the local migration partnerships where each local authority received an allocation that they would need to accept based on a population formula. A 0.1% threshold of our child population equated to 20 UASC.

Many of these children had missed several years of education or had not attended any schooling prior to moving to the UK. The Education Hub was set up in 2016/17 for newly arrived school age children allowing a bespoke approach for each child. The Education Hub allows children to begin their education in a nurturing environment. Specialist services such as Educational Psychology are able to observe the children in the setting. This approach had helped children and families access services and receive appropriate support in a timely manner. All children that start their education at the Education Hub were enrolled into mainstream primary and secondary schools. Transition into the mainstream school began when each child was ready and was supported by mainstream schools and was seen as an area of ‘Good Practice’ by the Home Office. In addition, children aged under 5 were supported with a childcare place in an appropriate registered setting.

The Director, however, highlighted that there were challenges particularly in securing suitable accommodation for unaccompanied asylum seeking children. For UASC in Hartlepool, as well as across the north east region and beyond, there was a shortage of placements for children in care with in house and independent foster care provision not having any capacity to offer placements. This meant that although HBC continued to receive UASC transferred to our care, it may be that their placements were not within Hartlepool.

The Chair of the Children’s Services Committee commented that the response to asylum seeking and refugees showed Hartlepool as a welcoming town and the issue around education provision becoming a Home Office example of good practice showed the commitment of the Council to provide for children.

Members expressed concern at the levels of funding being allocated by the Government to support UASCs and the consequential impact on local services. The Chair indicated that a further approach would be made to the Home Office directly, with a copy being sent to the Borough's MP.

Decision

1. That the report be noted.
2. That a letter be forwarded to the Home Secretary seeking improved funding for asylum seekers and refugees, and in particular unaccompanied asylum-seeker children, and that a similar letter be forwarded to the Hartlepool MP seeking her support for the Council's approach for improved funding.

78. Corporate Complaints Monitoring Report for 2021/22 (Monitoring Officer)

Type of decision

For information.

Purpose of report

The purpose of the report was to inform Finance and Policy Committee of the 2021/22 outturn position in relation to corporate complaints and those considered by the Local Government Social Care Ombudsman (LGSCO) and in accordance with s. 5 of the Local Government and Housing Act 1989 (LGHA 1989).

Issue(s) for consideration

The Chief Solicitor and Monitoring Officer reported that during 2021/22 12 formal complaints had been received with 4 being upheld or partially upheld. Appendices to the report set out further information on the individual corporate complaints.

During 2021/22 the Local Government and Social Care Ombudsman (LGSCO) had received 25 complaints or enquiries about Hartlepool Borough Council, an increase of 9 on the previous year. 15 of these were closed after initial enquiries, 5 referred back for local resolution with 4 receiving detailed investigation. Including a complaint from the previous year, 5 detailed investigations were carried out with only one complaint being upheld by the Ombudsman. Details were set out in the appendices to the report.

Decision

That the report be noted.

79. Council Plan 2021-2024 Progress Update *(Managing Director)*

Type of decision

For information.

Purpose of report

To provide an update to Finance and Policy Committee on the progress made on the delivery of the Council Plan so far this year and to share with the Committee the latest version of the Strategic Risk Register.

Issue(s) for consideration

The Managing Director provided a detailed update on the progress on the delivery of the Council Plan since the last update in July. An update on the strategic risk register was also included with a small number of the risks having been reviewed and reassessed.

The Chair welcomed the report as a good snapshot of the progress being made by the Council when it was often too easy to lose sight of where 'we' were and what had been achieved.

Members were concerned at the reported issues in recruiting to certain posts. The Managing Director stated that there were national recruitment issues in many skilled areas from fitters to social workers and accountants. Members discussed the issues regarding recruitment including the employment of apprentices to train young people to fill the trade gaps the council was experiencing. The Managing Director stated there were circa 21 apprentices within the council and the Council was discussing the future training needs and the introduction of the new T Levels with the Hartlepool College of Further Education.

There was particular concern expressed at the increased risks around safeguarding children and adult social care. The Director of Children's and Joint Commissioning Services commented that there were specific issues around the recruitment of social workers. There had been a regional memorandum of understanding on the recruitment and employment of social workers but in recent months several local authorities and stepped outside that agreement and offered enhanced rates in order to recruit social workers. The Director stated that the use of agency social workers had, so far, been kept to a minimum with only two such cases being used to backfill for long term sickness. In general, in both children's and adult services, Hartlepool had a very loyal and committed workforce.

Decision

That the report be noted.

80. Medium Term Financial Strategy (MTFS) 2023/24 to 2025/26 *(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 impact of the Chancellor's Autumn statement and to approve the savings proposals to be referred to individual Policy Committees.

Issue(s) for consideration

The Director of Resources and Development reported that the November report advised Members that over the next two years the deficit is £9.750m, which is net of the 1.9% Council Tax and 1% Adult Social Care precept approved by Council on 29th September 2022. As over 80% (£8.076m) of the deficit is in 2023/24, the recommended strategy is to manage the deficit more evenly over the next two financial years, with a small part of the deficit deferred to 2025/26. This will be achieved through a combination of one off resources from temporary investment income and use of reserves.

The Director made a presentation to the Committee which updated the Committee on aspects of the Autumn Statement that were unknown at the time of the previous report. These included social care funding, the Government's reference to 'make available' funding, the increase in the national minimum wage, energy costs and the forecast of resources for 2023/24. The Director stated that the government statement's referral to funds being made available to local authorities included an assumption that local authorities would make use of the increase in Council Tax flexibility. This was expected to be a core Council Tax limit of 3%, plus 2% for Adult Social Care (ASC) precept - i.e. a total limit of 5%, Compared to the previous indicative total limit of 3% announced last year for 2022/23 to 2024/25.

For Hartlepool the ASC precept provides recurring funding £4.6m in the current year (2022/23) – which is 14% of the budget for Adult Social Care. This highlights the existing reliance on this funding.

After reflecting the Council Tax flexibility announced by the Chancellor, the Council's forecast allocation of the net national increase in Government grant funding is £1.3 billion in 2023/24 the budget deficit for 2023/24 can be reduced. Effectively this funding would partly mitigate the significant inflation increase included in the MTFS for Adult Social Care and Children's Social Care. The Director highlighted the package of measures to balance the 2023/24, which includes reliance on one off funding which defers £3.043m of the deficit to 2024/25. Whilst this is a reduction in the use of

one off funding in 2023/24 the Council still needs to develop a robust strategy to address the deficit deferred to 2024/25.

The Director indicated that the increase in the national living wage to £10.42 in April 2023 would place a further pressure on the Council's budget as an 'allowance' for an increase to £10.32 had been budgeted for. While a small difference this would significantly increase the forecast Adult Social Care. Additionally, this increase would put pressure on the national pay spine and additional pressures of £0.6m had been reflected in the updated forecasts.

The Director also highlighted his robustness advice in the report. If the full Council Tax flexibility was not used the budget would be less robust as recurring income of £0.940m would be permanently lost and would have to be replaced by making additional budget cuts. This would mean the Council will have lost the opportunity to protect services.

Details of the proposed budget savings to be referred to the various policy committees were set out in appendices to the report. Appendix D to the report included 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.

The Chair proposed that the savings proposals be referred directly to the policy committees without discussion at this meeting so no interference or support for any particular proposal was shown. The Chair also proposed that the recommendation on the use of the Government's increased council tax flexibility be deferred to the meeting in January when the considerations of the policy committees would be reported back.

The following decisions were agreed without dissent.

Decision

1. That the report, including the Government's decision to provide increased Council Tax (up to 3%) and ASC precept (up to 2%) flexibility as part of their strategy for funding services be noted;
2. it was noted that these limits were year specific, which means any unused limit results in a permanent reductions in recurring income;
3. That consideration of the use of the increased Council Tax flexibility provided by the Government and an increase in Council Tax of 2.9% and the ASC precept of 2% be deferred to the next meeting of the Committee when the feedback from the policy committees was received;

4. It was noted that the 2023/24 budget can be balanced through the measures detailed in the report – including using one off reserves to defer a deficit of £3.043m from 2023/24 to 2024/25, which will require a robust savings plan to be developed by May 2023.
5. That the recommended 2023/24 savings detailed in Appendix C be referred to the Policy Committees for scrutiny / comment back to this Committee on 23th January, including suggesting alternative proposals if Members do not wish to implement those proposals.

81. Any Other Items which the Chairman Considers are Urgent

None.

The Chair highlighted that the next scheduled meeting of the Committee would be held on Monday 23 January 2023 commencing at 10.00 a.m. in the Civic Centre.

The meeting concluded at 11.20 a.m.

H MARTIN

CHIEF SOLICITOR

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