

# CABINET AGENDA



**Monday, 23 February 2009**

**at 9.00 am**

**in Committee Room B**

MEMBERS: CABINET:

The Mayor, Stuart Drummond

Councillors Hall, Hargreaves, Hill, Jackson, Payne, and Tumilty

**1. APOLOGIES FOR ABSENCE**

**2. TO RECEIVE ANY DECLARATIONS OF INTEREST BY MEMBERS**

**3. MINUTES**

- 3.1 To receive the Record of Decision in respect of the meeting held on 9 February 2009 (Previously Circulated)

**4. BUDGET AND POLICY FRAMEWORK**

No items

**5. KEY DECISIONS**

- 5.1 Primary Capital Programme Stage 3 Consultation – *Director of Children's Services*

## **6. OTHER ITEMS REQUIRING DECISION**

- 6.1 Developing a Strategic Approach to the Voluntary and Community Sector in Hartlepool – *Director of Adult and Community Services and Director of Regeneration and Planning Services*
- 6.2 Quarter 3 – Corporate Plan and Revenue Financial Management Report 2008/2009 – *Corporate Management Team*
- 6.3 Pre Budget Report – Devolving Responsibilities to City Regions – *Chief Executive*

## **7. ITEMS FOR DISCUSSION / INFORMATION**

- 7.1 Annual Performance Assessment of Services for Children and Young People in Hartlepool 2008 – *Director of Children's Services*
- 7.2 Quarterly Review of Strategic Risk Register – *Assistant Chief Executive*
- 7.3 Tees Valley Strategic Housing Market Assessment – *Director of Regeneration and Planning Services*
- 7.4 Quarter 3 – Capital and Accountable Body Programme Monitoring Report 2008/2009 – *Chief Financial Officer*

## **8. REPORTS FROM OVERVIEW OF SCRUTINY FORUMS**

- 8.1 Final Report – The Condition of the Highways in Hartlepool – *Neighbourhood Services Scrutiny Forum*
- 8.2 Scrutiny Investigation into the Condition of the Highways in Hartlepool – Action Plan – *Director of Neighbourhood Services*

## **CABINET**

23<sup>rd</sup> February 2009



**Report of:** Director of Children's Services

**Subject:** PRIMARY CAPITAL PROGRAMME  
STAGE THREE CONSULTATION

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### **SUMMARY**

#### **1. PURPOSE OF REPORT**

To provide members with an update on progress of the third stage of consultation in preparation for the Primary Capital Programme.

To seek approval to prepare further schemes for potential funding.

#### **2. SUMMARY OF CONTENTS**

This report provides a summary of progress of the third stage consultation process in preparation for the Primary Capital Programme, outcomes of discussion at Project Board and Stakeholder Board meetings and recommends the preparation of further schemes for potential funding.

#### **3. RELEVANCE TO CABINET**

The Primary Capital Programme will have a significant impact on the future provision of education in Hartlepool.

#### **4. TYPE OF DECISION**

Key Decision, both test 1 and test 2 apply.

#### **5. DECISION(S) REQUIRED**

Cabinet is requested to:

- a) note the progress of the third stage of consultation in preparation for the Primary Capital Programme;

- b) authorise the development of proposals to reduce future school capacity at Jesmond Road, Rossmere, Owton Manor, St Aidan's and St Cuthbert's;
- c) consider recommendations from the Schools Transformation Project Board in relation to the identification and preparation of further schemes for potential funding and determine either:
  - i. to authorise the replacement of Barnard Grove Primary School; or
  - ii. to authorise the remodelling of Rossmere Primary School.
- d) request a further report on remaining issues in the summer term 2009.



**Report of:** Director of Children's Services

**Subject:** PRIMARY CAPITAL PROGRAMME  
STAGE THREE CONSULTATION

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## **1. PURPOSE OF REPORT**

To provide members with an update on progress of the third stage of consultation in preparation for the Primary Capital Programme.

To seek approval to prepare further schemes for potential funding.

## **2. BACKGROUND**

Government has introduced its Primary Capital Programme with the intention that all authorities will receive an annual capital allocation beginning in 2009/10. Hartlepool's initial allocations were:

- 2009/10: £3 million
- 2010/11: £5.4 million

Hartlepool fulfilled the requirement to submit a Primary Strategy for Change document by 16<sup>th</sup> June 2008 and Hartlepool's Strategy has since been fully approved and the £8.4 million available within the current government spending period (2008 – 2011). Future annual allocations will be dependent on future government spending decisions.

The key purpose of the Primary Capital Programme is to provide an opportunity, through significant capital investment, to transform teaching and learning opportunities for all of Hartlepool's current and future primary school age population. The Primary Capital Programme is intended to fund the transformation of approximately 50% of primary school buildings; the transformation of all primary schools will rely on the joining together of all available capital streams, requiring significant collaboration between the Authority, schools and the dioceses.

## **3. STAGE ONE CONSULTATION**

Stage One consultation took place between 11<sup>th</sup> February 2008 and 21<sup>st</sup> March 2008. Stage One consultation focused on seven key issues:

- i) Vision;
- ii) Extended Services;
- iii) Priorities;
- iv) Removal of surplus places;
- v) Options on use of spare capacity;

- vi) Future consultations;
- vii) Other general comments.

A range of views was expressed by those who responded to Stage One consultation. These views were analysed and reported to Project Board and Cabinet. The outcome of Stage One consultation was approval to undertake a second stage of consultation.

#### 4. STAGE TWO CONSULTATION

Stage Two consultation took place in June and July 2008. Stage Two focused on ensuring that primary education in Hartlepool is transformed through Primary Capital Programme investment while meeting key government challenges in relation to:

- Addressing standards of performance in English and maths;
- Removal of excess surplus places;
- Rebuilding or taking out of use schools in the worst condition;
- Prioritising areas of deprivation.

Stage Two consultation documents provided a range of options for the future organisation of primary schools in Hartlepool in response to the challenges listed above.

The outcomes of Stage Two consultation were reported to Cabinet on 13<sup>th</sup> October 2008. Cabinet agreed:

- to withdraw options that would result in the closure of any primary school;
- to approve a shortlist of six schools for potential early investment;
- to identify the replacement of the Jesmond Road Primary buildings as the first scheme to be undertaken under the Primary Capital Programme;
- that there was a need to explore further the issues surrounding early years provision in Seaton Carew;
- to authorise a third stage of consultation to make further progress on shortlisted schools.

The schools that were shortlisted for potential early investment were:

- Barnard Grove Primary School;
- Jesmond Road Primary School;
- Rossmere Primary School;
- St Aidan's Church of England Primary School;
- St Cuthbert's Roman Catholic Primary School;
- West View Primary School.

As previously indicated Jesmond Road Primary School was identified as the first school for investment; no other prioritisation of potential schemes was undertaken at this time.

## 5. THE STAGE THREE CONSULTATION PROCESS

Stage Three consultation has focused on ten schools, the six shortlisted schools named in Section 4 above and:

- Holy Trinity Church of England Primary School;
- Owton Manor Primary School;
- Sacred Heart Roman Catholic Primary School;
- Seaton Carew Nursery School.

The additional four schools had been identified for further consideration and consultation at the Cabinet meeting on 13<sup>th</sup> October 2008.

## 6. OUTCOMES OF STAGE THREE CONSULTATION – INTERIM REPORT

Since 13<sup>th</sup> October 2008 progress has been made in relation to all ten schools listed in Section 5 above.

- a) Barnard Grove Primary School – The governing body has formally resolved to support a new build within the existing site as soon as funding can be made available. The governing body also agreed to the reduction of the capacity of the school to from 351 places plus nursery to 315 places plus nursery. Further detailed consultation with staff, parents and pupils will take place once resources and a timeline for the project have been agreed. The Schools Transformation Project Board recommended that Barnard Grove Primary School should be the next project to be identified for new build and the next project to be initiated, if sufficient funding is made available.
- b) Jesmond Road Primary School – A number of meetings have taken place involving governors, staff, parents and public. The governing body has formally agreed to the reduction of the capacity of the school from 482 places plus nursery to 315 places plus nursery and the move of the school to a new build on the reserved site. Consultation with parents and public indicated broad support for the project, although there were some concerns expressed about how the site would be accessed by vehicles and pedestrians. These issues would be addressed through further consultation at the time the detailed scheme is being prepared for planning approval. There was an aspiration that the location of a new school building on the reserved site would enhance the general security of the area. All members of the teaching and support staff of the school were enabled to attend Hartlepool's Transforming Primary Education Conference on 9<sup>th</sup> February 2009 and staff are working with an architect on the design brief for the new school building. It is anticipated that, once the new-build is fully designed and specified, a competitive tendering process will take place in order to select an appropriate construction company. It is hoped that construction will begin on site before the end of 2009.
- c) Owton Manor Primary School – Meetings have taken place involving the chair of the governing body and the acting headteacher. The acting

headteacher will meet with a consultant headteacher and an architect to discuss the possible reduction of the capacity of the school from 279 places plus nursery to 210 places plus nursery and the transformation of the school through capital investment. Those involved in meetings were of the opinion that there was a significant excess of buildings on the site to meet the future needs of the school. Further consultation will take place involving staff, parents and public and a further report will be submitted to Cabinet in the summer term.

- d) Rossmere Primary School – A number of meetings have taken place involving governors and staff. The governing body has formally agreed to the reduction of the capacity of the school from 385 places plus nursery to 315 places plus nursery. There was strong support for the development of an integrated foundation stage unit, working in close collaboration with the nearby children's centre. Teaching and support staff at the school were entirely supportive of the transformation of the existing school buildings and had many ideas about how this could be achieved. The Schools Transformation Project Board recommended that Rossmere Primary School should be the first project to be identified for major remodelling and the next project to be initiated, if there was not sufficient funding available to initiate the replacement of the Barnard Grove Primary School buildings.
- e) St Aidan's Church of England Primary School – Meetings have taken place involving the governing body and the Church of England diocese. Governors agreed that their preferred option was the construction of a new building for St Aidan's on their existing site, but that they were willing to pursue the possibility of a co-location with St Cuthbert's Roman Catholic Primary School in a new build on the St Aidan's site. A joint meeting between governors of St Aidan's and St Cuthbert's, diocesan directors of education and local authority officers took place on 2<sup>nd</sup> February 2009; those present indicated a willingness to explore co-location further, subject to formal agreement by each individual governing body before Easter 2009. Further formal consultation is required regarding the possible reduction of the capacity of St Aidan's School from 405 places plus nursery to 315 places plus nursery.
- f) St Cuthbert's Roman Catholic Primary School – Meetings have taken place involving the governing body and the Roman Catholic diocese. Governors agreed that their preferred option was the construction of a new building for St Cuthbert's on their existing site, but that they were willing to pursue the possibility of a co-location with St Aidan's Church of England Primary School in a new build on the St Aidan's site. A joint meeting between governors of St Aidan's and St Cuthbert's, diocesan directors of education and local authority officers took place on 2<sup>nd</sup> February 2009; those present indicated a willingness to explore co-location further, subject to formal agreement by each individual governing body before Easter 2009. The governing body of St Cuthbert's has formally agreed to the reduction of the capacity of the school from 308 places plus nursery to 210 places plus nursery.
- g) Sacred Heart Roman Catholic Primary School – A meeting has taken place involving the vice chair of the governing body and the headteacher.

It was agreed to explore the possibility of redeveloping the existing school site to provide a new build school with a capacity of 420 plus nursery alongside appropriate recreational space and playing field. It was acknowledged that such a redevelopment would require staff and pupils to decant from the existing site, possibly into Jesmond Road Primary School's current premises, throughout the redevelopment process.

- h) Seaton Carew Schools – Meetings have taken place to try to identify an optimum solution for the provision of early years education in the Seaton Carew area.

Holy Trinity Primary School – Meetings have taken place involving governors staff and the Church of England diocese. The governing body has formally resolved to request an increase in the capacity of the school from 210 places to 315 places; the establishment of a maintained nursery unit of 13 full time equivalent places (26 half time places each day); replacement of the existing buildings within the sites occupied by school and local parish. Submissions from Holy Trinity Primary School are attached to this report as **Appendix 1**, at the request of the school.

Seaton Carew Nursery School - Meetings have taken place involving governors and staff. Strong support has been expressed for the retention of the school with its 39 full time equivalent places (78 half time places each day), its wrap around care and its development to serve a town wide role in early education. Support in principle has been expressed for the development of a maintained nursery unit at Holy Trinity Church of England Primary School. Submissions from Seaton Carew Nursery School are attached to this report as **Appendix 2**, at the request of the school.

- i) West View Primary School – Meetings have taken place involving the chair of the governing body, the joint headteachers and the Church of England diocese. Consideration of the potential transformation of the school and its optimum size are taking place and significant progress is expected by Easter 2009, resulting in discussion at a formal governing body meeting. Further consultation will take place involving staff, parents and public and a further report will be submitted to Cabinet in the summer term.
- j) Conclusions – Where decisions will be needed to make a prescribed alteration to a school, for example a reduction in the number of pupils to be admitted, a formal proposal will need to be published and appropriate consultation will take place with all relevant stakeholders, especially parents and members of the public.

Notes of all consultation meetings will be placed on the Council's dedicated area, [www.hartlepool.gov.uk/pcp](http://www.hartlepool.gov.uk/pcp)

## 7. ACCELERATION OF SCHOOLS' CAPITAL FUNDING ALLOCATIONS

In November 2008, in an attempt to stimulate the construction industry and in light of the national economic situation, all local authorities received an invitation from government to request an early draw down of capital funding

allocations from the 2010-11 financial year into the 2009-10 financial year. The impact would be to re-profile expenditure from allocations already confirmed, within the current Comprehensive Spending Review period. No new money was allocated.

The existing profiling of Primary Capital allocations for Hartlepool was:

- 2009/10: £3 million
- 2010/11: £5.4 million

After consideration of the potential to prepare and initiate projects and achieve spending by 31<sup>st</sup> March 2010 within an overall limit of £8.4 million, Hartlepool requested acceleration of £2 million from 2010-11 into 2009-10. This was subsequently approved, resulting in a re-profiling of the allocations to become:

- 2009/10: £5 million
- 2010/11: £3.4 million

Following discussions at the Schools Transformation Project Board meeting on 22<sup>nd</sup> January 2009, senior officials of the Department for Children Schools and Families were asked about the possibility of increasing the overall £8.4 million allocation in order to facilitate the initiation of a second new build project. The Authority has received written confirmation that any firm funding commitment beyond the current Comprehensive Spending Review period would not be possible.

## **8. PROJECT BOARD MEETING 22<sup>ND</sup> JANUARY 2009**

The Schools Transformation Project Board met on 22<sup>nd</sup> January 2009 to receive an interim report on the outcomes of Stage Three consultation. The Project Board discussed progress of consultation in relation to the ten schools identified in Section 6 above. The Board also considered the opportunities presented by the government's invitation to accelerate capital spending within the current Comprehensive Spending Review period. Officers were requested to explore the possibility of securing additional funding from the Primary Capital Programme, in excess of the £8.4 million already allocated. Depending on the outcomes of such a request to be made through the Department for Children, Schools and Families, the Project Board agreed to recommend to Cabinet that the next project to be identified by Cabinet for investment should be:

- the replacement of the buildings at Barnard Grove Primary School if sufficient capital funding is made available to allow a start on site in 2009-10 and the completion of the project within resources allocated;
- the re-modelling and refurbishment of Rossmere Primary School, beginning in 2009-10, if there is insufficient capital funding to complete the replacement of Barnard Grove Primary School within resources allocated.

It is expected that the cost of a new, transformed primary school would be in the region of £5 million to £7 million, depending on the size of the school and

particular site issues. In light of the outcomes of discussions with the Department for Children, Schools and Families outlined in Section 7 above, there would be insufficient Primary Capital Programme funding available to fully fund two new build programmes in the current government spending period.

## **9. STAKEHOLDER BOARD MEETING 4<sup>TH</sup> FEBRUARY 2009**

An extraordinary meeting of the Schools Transformation Stakeholder Board was arranged for 4<sup>th</sup> February 2009, at the request of the Project Board. The Stakeholder Board received an interim report on the outcomes of Stage Three consultation.

The Board discussed at length progress towards a transformational solution for Sacred Heart Roman Catholic Primary School, with significant concerns expressed about the suitability of the current site. Stakeholder Board members expressed disappointment that Sacred Heart Primary School appeared unwilling to consider further a potential co-location with Jesmond Road Primary School. One of the issues raised by Sacred Heart Primary School during Stage Two consultation and re-emphasised by the headteacher and vice chair of governing body during recent discussions was a particular concern about two relatively large schools (420 places + 315 places = 735 children plus nurseries) accessing the same site. Further consultation will take place with Sacred Heart Primary School and its community and a further report will be submitted to Cabinet in the summer term.

The Board received written submissions from Holy Trinity Church of England Primary School and Seaton Carew Nursery School. The provision of early years education and primary education in Seaton Carew were discussed in significant detail. The Board wished to recommend that further detailed work be undertaken to examine the potential impact of the provision of a nursery unit at Holy Trinity School and the potential expansion of the capacity of the school on other primary schools in Hartlepool.

## **10. RISK IMPLICATIONS**

In considering their response to the recommendations of the Project Board and the views of Stakeholder Board members, Cabinet may wish to consider the following risks:

- Failure to expend the £8.4 million allocated within the current Comprehensive Spending Review period;
- Failure to expend the allocation within the agreed re-profiling of expenditure:
  - 2009-10 £5 million;
  - 2010-11 £3.4 million.

Unless any unforeseen obstacles prevent the optimum delivery of the project to replace the Jesmond Road Primary School buildings, officers are confident that this project can be fully delivered within the period 2009-2011.

A significant delay in identifying the second project would risk failure to achieve the total and profiled expenditure.

If a further new build project is commissioned, there is no guarantee that sufficient government funding will be made available to finish the project and this would place a significant risk on the Council's budget.

## **11. FINANCIAL CONSIDERATIONS**

This report assumes that any potential major investment in primary schools in the period 2009-2011 will be limited to guaranteed allocations from government sources.

## **12. DECISIONS REQUIRED**

Cabinet is requested to:

- a) note the progress of the third stage of consultation in preparation for the Primary Capital Programme;
- b) authorise the development of proposals to reduce future school capacity at Jesmond Road, Rossmere, Owton Manor, St Aidan's and St Cuthbert's;
- c) consider recommendations from the Schools Transformation Project Board in relation to the identification and preparation of further schemes for potential funding and determine either:
  - i. to authorise the replacement of Barnard Grove Primary School; or
  - ii. to authorise the remodelling of Rossmere Primary School.
- c) request a further report on remaining issues in the summer term 2009.

### **Contact Officer**

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## Holy Trinity C of E (Aided) Primary Seaton Carew

Crawford Street  
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Hartlepool  
TS25 1BZ

Phone: 01429 266214  
Fax: 01429 280066

Headteacher: Mrs A E Baines B.Ed(hons) NPQH

[www.holytrinitycofeseatoncarew.co.uk](http://www.holytrinitycofeseatoncarew.co.uk)



2.2.08

Please find enclosed a consultation paper which our Governing Body and staff would like you to consider carefully.

The Primary Capital Programme is a once in life time opportunity for real transformation of learning opportunities for young people in Hartlepool now and in the future.

As a decision has not yet been made regarding our school in terms of rebuild / refurbishment due to the Early Years Foundation Stage issue in Seaton Carew, we would ask that you consider our consultation document.

We would appreciate consultation at Stakeholder Board, Project Board and Cabinet levels in the process before any decisions are made.

If you would like to discuss any of the issues further do not hesitate to contact myself or the Headteacher, Mrs. Baines.

Thank you for your time.

Yours faithfully

Mr. J. Cole  
Chair of Governors

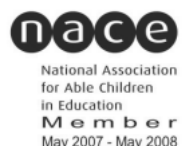


***Excellent Education in a Christian Environment***

e-mail: [admin.holytrinity@school.Hartlepool.gov.uk](mailto:admin.holytrinity@school.Hartlepool.gov.uk)



committed to  
inclusive staff  
development



National Association  
for Able Children  
in Education  
Member  
May 2007 - May 2008



## **Holy Trinity C of E (Aided) Primary Seaton Carew**

Crawford Street  
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Hartlepool  
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Phone: 01429 266214  
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Headteacher: Mrs A E Baines B.Ed(hons) NPQH

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### **Holy Trinity C of E VA Primary School Governor and Staff Response to Primary Capital Programme and Early Years Consultation. 22<sup>nd</sup> January 2009.**

Our Group response is that we firmly believe that the transformation of learning within the geographical area of Seaton Carew, for the immediate future and also the next fifty years, would be best served by applying the following criteria to Holy Trinity Church of England Voluntary Aided Primary School:

1. **A new school building.**
2. **An admission number of 315.**
3. **An Early Years Foundation Stage Provision including 13 full time equivalent places for 3 and 4 year olds (nursery age).**

### **A New School Building**

- After the Local Authority Condition Survey report of 2007 stated that further investigation was needed to the condition of the cellar and school foundations, the Governing Body and Diocese took the decision to have a detailed, independent condition survey undertaken. Please see Appendix 1.
- The suitability survey of our school shows that there are a number of issues which cause barriers to learning for pupils within the school: 6 areas where 'Teaching methods are inhibited'; 8 areas where 'management and organisation of school affected adversely'; 2 areas where 'Pupil or staff morale or pupil behaviour affected adversely'.
- Net capacity shows that our number of pupils should be 210. We currently have 220 and are therefore over capacity.
- The building is not suitable for a 21<sup>st</sup> Century curriculum and inhibits the Foundation Stage curriculum immensely both indoors and outdoors. Pupils in Key Stage 1 and 2 are also greatly disadvantaged by the building. Practical activities including Art, DT, Music and PE are limited due to lack of space. There are no 'breakout' spaces for pupils to work in small groups or individually which inhibits delivery of the curriculum including SEN / GAT opportunities. There are no rooms for private meetings or individual assessments (such as with the educational psychologist / school nurse) to take place. We cannot provide a 'fit for purpose' room for staff to use for PPA time and we cannot offer after school sports clubs during wet or dark evenings due to lack of hall space. Lack of storage is a huge concern: PE equipment is stored around the perimeter of the multi purpose hall, taking away valuable space from this

area. The current ICT infrastructure and basic electric infrastructure is insufficient to deliver 21<sup>st</sup> century education.

- It is not viable to provide extended community services such as school nurse / police / adult learning as there is not a suitable space. The oil boiler and heating system is also inefficient and does not enable us to be energy efficient.
- Our devolved formula capital money and LCVAP money has been used as a sticking plaster over the last 4 years to cover emergency or essential works.
- Our asset management plan has stood still for 4 years as our funding has been used to fund emergency works such as roof repairs.
- It is evident that the age, condition and suitability of our building dictate that a rebuild is the only cost effective option. This would provide the opportunity to build a school that would meet the demand for places in the area, allow for the development of best practice in the provision of Early Years Foundation Stage education and offer a greater range of extended services and facilities for the local community use. Such a building would allow the school to respond fully and flexibly to the learning opportunities afforded by the best of modern technology and provide us with facilities for community to use, whilst supporting the present and proposed investments in the economic and social regeneration of Seaton Carew.
- It is important that our Church school should remain close to the church to enable us to build upon strong established links.
- Primary Capital funding offers a 'once in a lifetime' opportunity for the Local Authority, in partnership with the Diocese, to transform the educational opportunities and extended services, through the provision of a new building for the whole community.

### **An Admission Number of 315:**

- Seaton Carew is a large village with its own community needs. There is not another community school within the geographical area of Seaton Carew (starting at the railway line cutting across Seaton Lane). We understand that Seaton Carew represents the biggest ward in the town. Children from Seaton Carew do attend a number (24) of other schools across the town. The closest school to Holy Trinity is Golden Flatts.
- Since our school was built (over a hundred years ago) Seaton Carew has seen extensive building programmes around Elizabeth Way, Warrior Park, The Haven, Drakes Park and Crawford Street. Building still continues and Seaton Carew is currently undergoing a regeneration project.
- All children living within Seaton Carew should be able to access their local school. It is not equitable that a high proportion have to travel out of their locality to other schools such as Golden Flatts, St. Teresa's, Fens, St. Aidan's or Kingsley.
- It is true that we have asked to reduce our admission number from 32 to 30 for intake 2009. This is not because of the demand for places but the constraints and incapacity of the existing building to cope with the physical needs of the pupils, staff and curriculum demands.

- In the admission round for 2008/9 we had 54 applicants for 32 places. All 32 places were allocated to children living within Seaton Carew, but only 5 pupils were admitted using the tiebreak criterion of proximity to the school.

**15 children** were admitted under Criteria 3: Siblings of children currently in the school.

**11 children** were admitted under Criteria 4: Children of parents who are practising members of the Church of England and attend Holy Trinity Church within the Parish of Seaton Carew.

**1 child** was admitted under Criteria 5: Children of parents who are practising members of other Christian denominations (affiliated to Churches Together in England) who attend church and live within the geographical area, of the parish of, Seaton Carew.

**5 children** were admitted under Criteria 6: Children whose parents wish them to be educated at Holy Trinity Church of England Primary School (using the tie breaker of proximity to the school). 22 pupils could not be offered a place.

- The school has attended 4 appeal panels for pupils wanting places within our school community in 2008/2009.
- We are a Church of England School and in 2008, 37.5% of those pupils admitted to Reception were children of parents who are practising members of the church, all of whom live in Seaton Carew. We are an inclusive school with a distinctive ethos, at the heart of our local community. We want to serve all the members of our community who choose to access the opportunities that we offer to our pupils.
- The table in Appendix 2 clearly shows the number of primary age children living in the geographical location of Seaton Carew (475). Only 47% of these children can attend school within Seaton Carew as our admission number is 224. In January 2009 our number on roll was 221. Using the figures on the chart for June 2008 - 268 children travel out of their locality for schooling. Between them they attend a staggering 24 schools across the town.
- Of the remaining 268 pupils who live within Seaton Carew, only 17% (45) attend school at Golden Flatts (the nearest community school to Seaton Carew). Pupils attend other 'Outstanding' community schools such as Fens (15% / 40 pupils) and Kingsley (4% / 11 pupils). 142 pupils attend other Church schools: St. Aidan's Memorial School (8% / 22 pupils), Greatham C of E VC (3% / 7 pupils), St. Teresa's RC (26% / 71 pupils), St. Joseph's RC (6% / 15 pupils), St. Cuthbert's RC (6% / 16 pupils), St. John Vianney RC (0.5% / 1 pupil), St. Bega's RC (0.5% / 2 pupils), Sacred Heart RC (3% / 8 pupils). The other 30 pupils (11%) attend 17 other community schools across the town.
- Many non-church families who live in Seaton Carew do not even express a preference for our school in the application process. They choose to apply for other schools out of catchment such as St. Teresa's and Fens as their children can attend an 'Outstanding' provider from Nursery through to Y6. Christian families often choose a Roman Catholic education at the nearest 'outstanding' provider (St. Teresa's) to ensure a Christian based education with a Early Years Foundation Stage provision from 3yrs old.
- Primary Capital Programme has the opportunity to increase the size of the school in line with demand within the locality, thus transforming learning for the current and future generations living within the geographical location of Seaton Carew. Importantly the figures show that increasing the size of Holy Trinity would not create a significant impact on any other particular local provision. This is also an opportunity to increase parental preference and

choice of Early Years Foundation Stage and Primary age education within the locality of Seaton Carew.

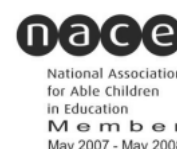
- We recognise that this admission number would lead to mixed age teaching. We have always worked in this way in Holy Trinity and have been recognised as: 'Excellent' Ofsted 2001 and 'Outstanding' Ofsted 2007. As a school we provide personalised learning opportunities for all our pupils and mixed age group teaching or single age group teaching has exactly the same demands in this respect. Pupils in a single age class have the same range of needs and abilities as a mixed year group class.

**An Early Years Foundation Stage Provision, including a 13 full time equivalent place unit for 3 and 4 year olds – nursery age.**

- The formative years of early education set the pattern for the whole of a child's school life and are crucial in determining life chances into the future. It is now widely recognised that the Early Years Foundation Stage should be one seamless stage in a child's education. The whole of the Government's Early Years Foundation Stage curriculum is structured to enable this to happen. Current provision at Holy Trinity can only influence the final year of the Early Years Foundation Stage (Reception). Children flourish emotionally, socially and academically in a stable environment with a minimum of transitions, continuing through into Key Stages One and Two on the same site. This enables consistent standards in teaching, learning, assessment, spiritual, moral, cultural and social education. In this setting children and parents would have access to a wider range of facilities. The children will be an integral part of the school community from the age of 3 yrs onwards. The Primary Capital Programme is an ideal time to make this opportunity available locally in Seaton Carew, alongside the existing Local Authority Early Years provision. It would be a missed opportunity not to use the chance of a 'new build' to provide the Early Years Foundation Stage facility now and enhance flexibility of community facilities into the future.
- At present parents in Seaton Carew do not have the option of an integrated Early Years Foundation Stage provision in their locality. All other parents in the town have the choice of Early Years Foundation Stage provision at their local school or alternative provision through private providers. Admission into an Early Years Foundation Stage unit at Holy Trinity would be fully inclusive (a 'faith criteria' would not be part of the Admission Policy). Flexible provision would be fully integrated into the school. Early Years Foundation Stage continues to be a priority for the Government and will remain a priority into the future. Developing an Early Years Foundation Stage unit at Holy Trinity would ensure that Seaton Carew was at the forefront of Early Years Foundation Stage education within Hartlepool, offering a full choice of provision for parents, including a Local Authority Nursery Provision, thus enhancing community facilities.
- Pupils attending Holy Trinity Primary School cannot be offered the full opportunities of seamless Early Years Foundation Stage provision, accepted and promoted as best practice by the Government. A seamless Early Years Foundation Stage gives greater opportunities for pupils to develop their social, emotional and academic skills in a flexible, mixed age setting and provides the supportive environment that can minimise the negative effect transition can have on children's emotional, social and academic wellbeing and development.
- Local data generated by Hartlepool Admissions Team, based on information collected in June 2008, clearly shows that there are 75 nursery age children living within the geographical area of Seaton Carew who attend a Private or Local Authority nursery (those who do not attend a

setting or who attend childminders are not included in the figures). Of the 75 children known 26 children attend provision outside of Seaton Carew.

- The Government insists that Every Child Matters and every parent should be able to choose the education provider they feel is suitable for their child. In an area such as Seaton Carew, with a significant and continuing demand for nursery and primary school education, it is inequitable that the full choice of provision is not available to parents. Primary Capital Programme funding can be used transform learning opportunities and ensure every child in Hartlepool does matter.
- We welcome this once in a lifetime opportunity to work closely with the Local Authority and the Diocese to make this vision a reality.



***Excellent Education in a Christian Environment***

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**BUILDING CONDITION**  
**AND**  
**SUITABILITY SUMMARY REPORT**

**FOR**  
  
**HOLY TRINITY CE PRIMARY SCHOOL**  
**SEATON CAREW, HARTLEPOOL**

Prepared By:

Andrew M. Crosby - Building Manager

21<sup>st</sup> January 2009



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**Holy Trinity CE Primary School, Seaton Carew**  
**Summary Report regarding Building Condition and Suitability**

**Condition Summary**

An independent building survey was commissioned to enable a better understanding of the challenges involved in the continued capital management of the school buildings and estate. The survey, carried out by RICS Building Surveyors from the Howarth Litchfield Partnership, noted the following significant issues. *(It should be noted that at the time of writing an initial draft of the document has been used as timescales precluded completion of the full and complete surveyors report).*

Additional information has been included, where available, from the school's capital project history and Diocesan Surveyor's notes. Estimates of likely future Capital Cost have been made with reference to other similar schemes of work carried out within the last 3 years and include an allowance for professional fees and VAT. Assumptions have been made as to the nature and scope of any repair works.

**1. Roofs**

- a) Numerous extensions have created an abundance of roof intersections and poorly detailed flat roof elements with an associated multitude of flashings
- b) Dormers and other high level windows which are in need of urgent replacement
- c) Extensive lead thefts during 2008 and continued maintenance access have left the roof in a state of patched repair with a multitude of 'difficult to trace' leaks. This is likely to shorten the lifespan of the roof significantly and make wholesale replacement necessary within the next five years.
- d) No evidence of insulation in any but the most recent extension roofs.

Cost Years 1 to 2 **£50,000** (assumes that ongoing short-term repair work is successful)

Cost Years 3 to 5 **£280,000** (re-roof, redesigning where possible to eliminate poor details)

**2. Walls (externally) , Windows and Doors**

- a) Areas of the building which have been rendered at some time in the past (presumably to cover up brickwork in need of remedial attention in the first instance) again require attention, the solution being to hack off and re-render the affected areas.
- b) Many windows noted as beyond economical repair and should be replaced immediately, some doors also require attention.
- c) The timber framed Reception and Year 1 class bases are in urgent need of attention. A structural report has been commissioned to determine the extent of the works required. Initial inspections suggest that this extension will need to be demolished and rebuilt as the design of the existing structure appears to prohibit refurbishment under current Building Regulations.
- d) Diocesan surveyors note that due to numerous yard resurfacing projects over many years, the height to Damp Proof Course is now reduced from the requisite 150mm to 50mm in some areas.
- e) No evidence of insulation in any brickwork cavity walls

Costs Years 1-2 **£35,000** (assuming that the replacement of timber framed elements can be delayed)



Costs Years 3-5 **£320,000** (rebuild Reception and Year 1 class bases)

### **3. Walls and Internal Spaces**

- a) There is extensive rising damp to most internal walls. This is rising from under-floor voids which, the survey identifies, are likely to be present under much of the school. One such void, accessible through a floor hatch, has standing water in it for much of the year which also creates an unpleasant foul smell within the building. The survey notes that the walls beneath the floor are saturated. This defect is difficult if not impossible to treat in a live school environment, requiring the injection of a chemical damp proof course and associated re-plastering to every affected internal wall, however inaccessible. This would not solve the issue of the standing water beneath, nor the saturation and resultant continued deterioration of the supporting walls. Whatever the past history of ground water in this local coastal vicinity, a consistently high water table is now present, for which the design of the sub-structures is not suitable.
- b) Ceilings are of original lath & plaster construction and show signs of extensive cracking and deterioration. The survey recommends removal or over-boarding within the next six months to prevent this deteriorating to a potentially unsafe condition in the future.
- c) Internally the decoration and fittings are dated and ageing, doors do not latch due to continuous building movement and show excessive signs of wear and tear.
- d) WC provision is noted as poor, with a lack of serviceable facilities and compliant accessible provision.

Costs Years 1-2 **£100,000** (Replace internal fittings, including WC's, and repair/replace ceilings)

Costs Years 3-5 **£?** (No cost effective solution to damp and standing water)

### **4. Mechanical and Electrical Services**

- a) The LTHW heating installation relies upon a single, oil fired, boiler which has no backup.
- b) LTHW heating pipe-work is aged and is in general an exposed installation. Pipes and radiators have a mean surface temperature in excess of the current design recommendations for Primary Schools.
- c) Diocesan surveyors note that the LTHW system pipe-work is un-insulated and badly corroded where it is suspended beneath the floor slab and is therefore prone to sudden failure. Repairs to this would be very difficult, and bursts would likely necessitate installation of an entirely new distribution system as many areas of the existing system are inaccessible for repair purposes.
- d) There is insufficient separation of Domestic cold water supplies from LTHW heating mains, resulting in a potential increase in the risk of Legionella.
- e) Due simply to the age of the existing system, the electrical installation is likely to require complete replacement within the next 5 years. However the survey information published to date does not currently identify this. Emergency lighting is inadequate.
- f) Reference is made to the energy efficiency of the systems installed being Medium to Low. This coupled with the poor insulation standards of the existing

building fabric tend to suggest that the overall building energy efficiency is Low to Very Low .

Costs Years 1-2 **£10,000** (ongoing replacement maintenance)

Costs Years 3-5 **£200,000** (rewire/install emergency lighting, renew LTHW heating system, Insulate)

## **5. Conclusions**

### **Condition**

The survey report makes a number of recommendations for future repair and maintenance of the building. Most repairs are suggested as being necessary within the next six months, some within six to eighteen months and windows are highlighted as requiring replacement immediately.

The repairs suggested in the report are continued patch and mend, which is proving an extremely costly and unsatisfactory strategy. This is because as one building element is repaired, the adjacent elements prejudice the integrity of the new work, particularly in the case of roofing.

Summary of major building concerns

- a) Age of the building and of major elements and fittings
- b) Poor existing roof condition exacerbated by multitude of details to extensions and flat roofs.
- c) Retained groundwater floor-voids and extensive dampness to walls
- d) Dilapidated Reception and Year 1 class-bases requiring urgent replacement
- e) Poor condition and non-compliant LTHW heating distribution system
- f) Low / Very Low overall building energy efficiency

### **Suitability**

The suitability of the building for the continued delivery of education in coming years should also be questioned as this could lead to proposals for further extension and alteration.

- a) Insufficient group teaching spaces available
- b) Heating and controls are ineffective
- c) Fire exits not DDA compliant (heating pipes run across doorways)
- d) Lack of suitable toilet provision
- e) Inadequate spaces for teachers preparation needs
- f) Main hall is too small, dissects the school and is the only route to most classrooms
- g) Layout is now contrived due to the multitude of extensions
- h) No medical inspection / hygiene room available
- i) Existing spaces are not generally in compliance with current DCSF BB99 guidance.

### **Summary of Costs**

Years 1-2 **£195,000**

Years 3-5 **£480,000** (not including the issues of damp and standing water)

A Local Authority Condition Report (dated 13/12/2007) estimates expenditure as follows:

Priority 1&2 items at **£123,385**

Priority 3&4 items at **£185,355**

The differing estimates of works required in total may be due to the following:

Costs appear to reflect a continued patch and mend approach to the roof. No inclusion for addressing the condition of the Reception and Year 1 class bases. Professional fee costs of up to 15% may not be included. VAT does not appear to be included (this would represent an effective 17.5% increase in cost for a Voluntary Aided School, Local Authority schools are exempt from this charge).

The costs do include sums in relation to the treatment of damp and standing water, but also state '*Potential more costs but unable to survey*'. The nature of this building defect and the existing basement construction is such that remedial work would be extremely difficult to carry out and impossible to guarantee the degree of success. The works proposed do not include the removal of standing water from the basement area. It could be suggested therefore, that the works necessary to tackle the problem effectively may not be cost effective or achievable in a working school environment without excessive disruption.

None of the costs presented here include for building suitability improvements which may be linked to the transformation of education. This may be particularly important to consider with regard to the future cost of providing integrated ICT facilities throughout the school.

### **Recommendations**

The building is clearly in need of a high degree of repair and remodelling. The works required are difficult to carry out in an operational school as they require serious interventions into the building fabric. It is therefore suggested that as such a high proportion of the building is effectively beyond the end of its useful lifespan and as continued repair is proving to be both costly and unsuccessful, that serious consideration be given to complete demolition and rebuild.

# Reception - Year 6 children who live at Seaton Carew and the school attending as at June 2008

APPENDIX 1.1

Number of children (Reception - Year 6) living in the Seaton Carew area and which school they are attending.

(Please note this information was collected in June 2008)

Year Group	School Attending																								Total	
	Barnard Grove Primary School	Clavering Primary School	Eldon Grove Primary School	Fens Primary School	Golden Flatts Primary School	Grange Primary School	Greatham Primary School	Holy Trinity CE Primary School	Jesmond Road Primary School	Kingsley Primary School	Lynnfield Primary School	Owton Manor Primary School	Rift House Primary School	Rossmere Primary School	Sacred Heart RC Primary School	St Aidan's CE Primary School	St Bega's RC Primary School	St Cuthbert's RC Primary School	St John Vianney RC Primary School	St Joseph's RC Primary School	St Teresa's RC Primary School	Stranton Primary School	Throston Primary School	Ward Jackson Primary School		West Park Primary School
R				6	4			29		2	1	1		1	2	1		2		2	3					54
1	1	1		6	4		3	31		1				1	2	2		3		1	11			1		68
2				5	4		1	28		2					2	1				1	12				1	57
3	1		1	6	4			31	1		1					3	1	1		3	8					61
4				8	17	1	2	30		3					1	7		3		1	11	2				86
5		2	1	6	8			27			1	1	1		1	7	1	3	1	1	9		1			71
6			1	3	4		1	31		3			2	1		1		4		6	17	3		1		78
Total	2	3	3	40	45	1	7	207	1	11	3	2	3	3	8	22	2	16	1	15	71	5	1	2	1	475

## 2008 Applications (equal preferences) for a place at Holy Trinity

Number of children living in the Seaton Carew area 45

Number of children living elsewhere in Hartlepool 9

## 2008 Allocations for Holy Trinity

Number of children living in the Seaton Carew area 32

## Reception - Year 6 children who live at Seaton Carew and the school attending as at June 2008

APPENDIX 1.1

### Number of nursery aged children living in the Seaton Carew area and which nursery school they are attending.

(Please note that the data includes children ONLY enrolled at a private/school nursery therefore children not attending nursery (ie with relatives or childminders) are not included.

Fens Primary School	3
Golden Flatts Primary School	2
Greatham Primary School	1
Kingsley Primary School	3
Lonsdale Private Nursery	2
Sacred Heart RC Primary School	2
Seaton Carew Nursery School	49
St Aidan's CE Primary School	2
St Cuthbert's RC Primary School	1
St Joseph's RC Primary School	1
St Teresa's RC Primary School	7
Throston Primary School	1
West View Primary School	1
<b>Total</b>	<b>75</b>

NB The Seaton Carew area used for the above purposes starts from the Railway Line cutting across Seaton Lane, ie the data doesn't include the following addresses: Seaton Lane (88-204), Woburn Grove, Leaholm Road, Newholm Court, Ormesby Road, Pickering Grove, Queensland Road, Ross Grove, Selby Grove, Jutland Road, Ilkley Grove, Harwich Grove, Garston Grove, Freemantle Grove, Edinburgh Grove.

## 5.1 Appendix 2



### The Collective Staff Team response about Early Years Provision in Seaton Carew 2009

The staff team at Seaton Carew Nursery School believe that the school should be kept as a 39 FTE stand alone nursery school that caters for the needs of all the children in Seaton Carew. With a longer term vision that would increase numbers to include places for 2 year olds. We would want to continue to be responsive to the needs of the young working families in Seaton Carew and the wider community and to develop as a resource for the children and young families of Seaton Carew and for the Early Years Educators across Hartlepool. This facility would be co- located with Early Years Training facilities and a Well Being and Fitness centre in buildings that promote sustainable 21<sup>st</sup> century living.

Most of all we would want Seaton Carew Nursery School to remain an independent stand alone Nursery School meeting the needs of the growing multi ethnic 21<sup>st</sup> Century community in Seaton Carew and Hartlepool, promoting community cohesion in the broadest sense whilst continuing to develop a working partnership with all the local feeder Primary Schools. We feel that it is important that the school remains independent and is non-denominational. And continues to meet the needs of the community by developing all year round fully flexible Nursery Education and care. Any thing less than this, we feel would be divisive to the community as a whole.

## **5.1 Appendix 2**

We hope that you will take seriously the sentiments expressed in this letter when you make your decision about Early Years provision in Seaton Carew and Hartlepool.

We would urge you to follow the original guidelines in the decision making process, that at each stage of the consultation process, ALL members of the community are consulted. Thank you for taking the time to consider this statement.

**The Staff Team**



## 5.1 Appendix 2

How should Early Years Education and Care Be Accessed by the Local Community in Seaton Carew?

**A collective response from the governing body of Seaton Carew Nursery School to the stage three consultation - February 2009.**

The Governing Body of Seaton Carew Nursery School are fully committed to continue to deliver outstanding Education and care to 39 FTE (78 in total) with 20 children accessing additional day care on the existing site. With a future view of implementing the Government policy of admitting 2 year olds into Early Years Education. This vision can best be achieved in a setting dedicated to Early Years.

Reminders about Seaton Carew Nursery School

- 1 To provide new and better teaching and learning facilities for pupils and teachers:

**Seaton Carew Nursery School's building is in excellent repair with an exceptional outdoor learning environment. The school is adept at responding to the needs of every child and reducing barriers to learning and other inequalities that might otherwise hold children back.**

**The school provides a well established learning environment which meets the needs of each child and the training needs of post 16 learners from within the local authority. The school is also supporting early years provision within primary schools across the town.**

- 2 Make sure that every school is as good as it could possibly be:

**Seaton Carew Nursery School is already an excellent school with high standards of teaching and learning as a result of the high standards in the curriculum, the curriculum has been judged by Ofsted to be Outstanding. [It is based upon a very good understanding of how young children learn and is planned to meet the needs of all children, May 2007 OFSTED].**

- 3 Remove excess spare places in schools:

**Seaton Carew Nursery School is oversubscribed and is a popular school in**

## **5.1 Appendix 2**

**the heart of the community. There are 70 children on role with numbers set to rise to 78 by the end of Spring 2009. The school has responded to the social and economic needs of the local community by providing a fully integrated day care service of education and care. This has resulted in a significant increase in demand for places from the wider community. With the majority coming from Seaton Carew**

**4 Modernise or replace schools in the worst condition:**

**Seaton Carew Nursery School's building is in an excellent state of repair- the school has undergone some transformational modernisation during the last 3 years and the school has on-going plans to further transform this unique learning environment to accommodate excellent integrated services for the benefit of the children and their families**

**The governors of Seaton Carew Nursery School fully endorse the vision of Hartlepool which is:**

**'That Hartlepool will be the best place in the world for our children and young people to grow up'**

**It is for that reason that we would like to propose the following**

**The governing body of Seaton Carew Nursery School would prefer**

**To play a new role at the heart of the community by**

- 5 Developing extended all year round education and care facilities for children from birth to 4 years old. The school would be a place of learning for children young people and adults, where families would be inspired to live healthier lifestyles. Families would be able to access support training matched to the needs of the local community these would include ICT, pre and post natal and healthcare facilities some of which are already being provided.**

## **5.1 Appendix 2**

### **Offer 21<sup>st</sup> Century learning facilities, making the most of new technologies by**

- 6 Further developing personalised learning and the role of ICT within the school community and to further develop electronic profiling. Thus enabling this school to provide a quality learning environment harnessing technology and raising standards. The school would become a hub, providing facilities for teaching, learning and training tailored to meet the needs of the local and national early years communities.

### **Provide quality school environments which provide better personalised learning opportunities and deliver world class standards by**

- 7 Continuing to provide and further develop an outstanding indoor and outdoor teaching and learning environment supported by specialist early years practitioners.

To provide opportunities for families and young children to experience enriched personalised learning opportunities within spacious, child centred facilities that also has the capacity to offer unique learning experiences such as the already successful Forest School programme

### **Place families at the centre of excellent integrated services for the benefits of their children by**

- 8 Providing a fully integrated service of education and care in response to the needs of the local community.

The school would be a place of learning where families would be inspired to live healthy lifestyles, as part of a healthy living complex. The school would be co located on the existing site with a Fitness and Wellbeing Centre providing a hub for other local amenities and services including, child welfare and associated services, community police, health services, family learning and support, community venue space and a safe play space for young children and their families.

## 5.1 Appendix 2

In summary;

The governing body believe that Seaton Carew Nursery School should continue to provide a world class standard of service on it's existing site with the stipulation that the school will be developed to become a centre of excellent practice for early years education, in an environment that promotes healthy life styles and sustainability.

The school will continue to meet the needs of the local community by remaining truly independent from any religious affiliation promoting diversity and community cohesion, continuing to develop and working in partnership with the local feeder primary schools .

Seaton Carew Nursery School will continue to offer extended services and develop others to cater for the needs of the local and wider community.

The Governing Body of Seaton Carew Nursery School are in agreement with the principal that Holy Trinity C of E Primary School should have Provision for a Nursery/ Foundation Stage Unit, although we passionately feel that this should not be exclusive and become divisive in this small community. Any Early Years provision in our community of Seaton Carew must be inclusive and available to all of the young families regardless of religious beliefs.

We would urge you to consider what the effects of selection would have upon the community of Seaton Carew.

It is the opinion of the Governing Body that stage 3 of the consultation process should include thoughts and opinions from the whole community in Hartlepool as we see this decision affecting Hartlepool and not just the staff and Governors of both schools.

**Thank you for taking the time to consider this response as part of your deliberations.**

**regards**

**The Governing Body of Seaton Carew**

# CABINET REPORT

23 February 2009



**Report of:** Director of Adult & Community Services and Director of Regeneration & Planning Services

**Subject:** DEVELOPING A STRATEGIC APPROACH TO THE VOLUNTARY AND COMMUNITY SECTOR IN HARTLEPOOL

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## SUMMARY

### 1. PURPOSE OF REPORT

The report seeks Cabinet approval of the attached draft final report in relation to the Voluntary and Community Sector Strategy which has been produced for consultation purposes.

### 2. SUMMARY OF CONTENTS

The report provides the strategic approach to the Voluntary and Community Sector. The report is in two parts; Part One includes the proposed strategic approach and sets out the outcome framework based around the following four aims.

1. A shared vision and strategic direction
2. A sector that is strong and prosperous
3. A sector that contributes to the delivery of good public services
4. A sector that strengthens communities and neighbourhoods.

Part Two is the background analysis and support documentation to the strategy.

### 3. RELEVANCE TO CABINET

The report impacts on all wards in the town.

**4. TYPE OF DECISION**

Non Key Decision

**5. DECISION MAKING ROUTE**

Cabinet approval prior to consideration by other key stakeholders and the Local Strategic Partnership on 20 March 2009.

**6. DECISION(S) REQUIRED**

Cabinet is asked to endorse the draft Voluntary Sector Strategy and note the intention for broader consultation with the wider Local Strategic Partnership and Voluntary Sector. A further report will be brought to Cabinet after the final consultation events on 27 March 2009.

**Joint Report of:** Director of Adult & Community Services and Director of Regeneration & Planning Services

**Subject:** DEVELOPING A STRATEGIC APPROACH TO THE VOLUNTARY AND COMMUNITY SECTOR IN HARTLEPOOL

---

**1. PURPOSE OF REPORT**

- 1.1 The report seeks Cabinet approval of the attached draft final report in relation to the Voluntary and Community Sector Strategy which has been produced for consultation purposes.

**2. BACKGROUND**

- 2.1 The proposal to develop a strategic approach in relation to future work with the Voluntary and Community Sector was agreed by Cabinet at its meetings on 29 October and 26 November 2007.
- 2.2 Extensive work has subsequently been undertaken to develop the final draft proposals which are attached as **Appendix 1 and 2**.
- 2.3 Extensive consultation has already been undertaken with stakeholders, officers, members, partner organisations and the sector itself and is planned to end with two further workshops, one with the Local Strategic Partnership and one with a much wider group of the Voluntary and Community Sector on 27 March 2009.
- 2.4 The report has particular relevance to the recent CPA assessment of the Council when it was highlighted that the Council needed to improve its approach to providing services with the voluntary and community sector, and develop a strategic view on the appropriate role for the sector in the town.
- 2.5 Members will also recall that the brief for commissioning this work was widened to include key partners and stakeholders within the Local Strategic Partnership and in particular the involvement of the Primary Care Trust who co-funded the work.
- 2.6 This work also reflected the approach adopted to developing the Hartlepool Compact, the final version of which was endorsed by Cabinet at its meeting in October 2008. The Compact underpins the Strategy and sets out how statutory agencies and the sector will work together to deliver it through a series of Codes of Practice.

- 2.7 The work has been overseen by a broad based Steering Group comprising representatives from Council Departments, the Voluntary Sector and Primary Care Trust.

### **3. THE STRATEGY FOR SUPPORTING AND DEVELOPING THE VOLUNTARY AND COMMUNITY SECTOR IN HARTLEPOOL**

- 3.1 The strategy for supporting and developing the voluntary and community sector in Hartlepool has been produced in two parts. The first details the proposed strategic approach to the voluntary and community sector in the town, including a vision and outcomes framework based around the four following aims:
1. A shared vision and strategic direction
  2. A sector that is strong and prosperous
  3. A sector that contributes to the delivery of good public services
  4. A sector that strengthens communities and neighbourhoods
- 3.2 The four aims are broken down into a series of outcomes supported by a detailed action plan, including indicative timescales and potential resource implications.
- 3.3 The second part of the Strategy provides the background information and analysis assessment influenced by stakeholder interview observations. Part Two also includes various appendices including the Hartlepool Compact.
- 3.4 The strategy overall is about how the Council and PCT can support the Voluntary and Community Strategy to maintain and develop its role in Hartlepool by contributing to broader objectives including the delivery of Hartlepool Ambition (the Community Strategy). Whilst the Voluntary and Community Strategy is not necessarily about how much funding the Council and PCT should provide to the Voluntary and Community Sector nor which organisations should receive that funding, it does set out a framework within which these decisions can be made.
- 3.5 The Strategy sets out the national and local policy context for working with the Voluntary and Community Sector and explains how the Government has made it clear that it wishes to see the role of the Sector expand, particularly in the sphere of service delivery.
- 3.6 The Strategy also provides an overview of how the Voluntary and Community Sector operates within Hartlepool and its current relationships with the Council and PCT.



- 3.7 A direction of travel is set out in general terms within the report which is considered necessary for the Council, PCT and parts of the sector to follow. It also makes suggestions for a future funding model for the Voluntary and Community Sector in the town.
- 3.8 The report also sets out the outcomes framework and action plan which will enable the Council and PCT to deliver the vision and move in the direction of travel set out in the four aims outlined in paragraph 3.1 above.
- 3.9 In the course of preparing the strategy early drafts have been shared with the Audit Commission who themselves have been involved in the consideration of the direction of travel for the council following a previous CPA assessment. The dialogue with the Audit Commission has not indicated any significant issues in relation to the strategic approach set out in the report.
- 3.10 The strategy is aimed primarily at the Council and Primary Care Trust but its overall success also depends on achieving buy-in from the Voluntary and Community Sector. To achieve maximum success it also requires the involvement of other Local Strategic Partners and key statutory agencies.
- 3.11 On this basis the Cabinet (and also the Primary Care Trust at its Board Meeting on 26 March 2009) are being asked to endorse the Strategy as a consultation draft. The report is being circulated more widely and will be the subject of two final seminars / workshops on 27 March 2009 to include partners from the Voluntary and Community Sector and the public agencies within the Local Strategic Partnership.

#### **4. FINANCIAL IMPLICATIONS**

- 4.1 It will be seen from the Action Plan that there are a number of financial and resource implications arising from the development of the Strategy.
- 4.2 In the medium term these will need to be considered as part of the next council budget strategy process, and in the shorter term there will need to be an assessment of resources currently available within the partner agencies to help take the Strategy forward.
- 4.3 The Steering Group will continue to meet and will become the Implementation Group for the Strategy and monitor its achievements.

#### **5. RECOMMENDATIONS**

- 5.1 Cabinet is asked to endorse the draft Voluntary Sector Strategy and note the intention for broader consultation with the wider Local Strategic Partnership and Voluntary Sector. A further report will be brought to Cabinet after the final consultation events on 27 March 2009.

# **A strategy for supporting and developing the voluntary and community sector in Hartlepool**

## **Part one: the strategy**

**Draft for consultation**

**Report by  
Peter Fletcher Associates Ltd**

**February 2009**



**Peter Fletcher Associates Ltd**  
*Research and Consultancy*

# **A strategy for supporting and developing the voluntary and community sector in Hartlepool**

## **Team**

*Louise Craig*

*Iain Kitt*

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Part 2 containing the appendices to this report is available separately.

## **Executive summary**

### ***Introduction and the purpose of this strategy***

Hartlepool has a large and vibrant voluntary and community sector (VCS) that makes a significant contribution to the economic and social wellbeing of many residents. This draft strategy sets out how Hartlepool Borough Council (the Council) and Hartlepool Primary Care Trust (the PCT) can develop and support the VCS.

The Council and PCT have agreed a vision that:

*There will be a thriving voluntary and community sector in Hartlepool that contributes fully to making Hartlepool an ambitious, healthy, respectful, inclusive, thriving and outward-looking community, in an attractive and safe environment, where everyone is able to realise their potential.*

This draft strategy is about how the Council and PCT can realise this vision. It was prepared for the Council and the PCT by Peter Fletcher Associates, an independent firm of consultants, in conjunction with a number of voluntary and community sector organisations. It has been agreed for consultation by the Council's Cabinet and the PCT's Board. There will now be consultation on the proposals with the Hartlepool Partnership and the VCS.

### ***The role of the voluntary and community sector***

A healthy voluntary and community sector is a vital part of a democratic society and it is part of the job of government (at both national and local level) to foster its development. The VCS plays a number of important roles including:

- Delivering publicly funded services
- Bringing innovation to partnerships with the public sector
- Engaging with local communities – especially more marginalized and disadvantaged groups
- Helping to design services
- Campaigning for change

### ***The voluntary and community sector in Hartlepool***

In Hartlepool the importance of the VCS has been recognised in 'Hartlepool's Ambition', the sustainable community strategy and the Local Area Agreement agreed in April 2008. In October 2008 the Partnership agreed a local Compact between the VCS and statutory organisations that sets out a framework within which relationships between the VCS and statutory organisations will be conducted. The Compact and this strategy are complementary documents that, taken together, should bring about a real change in culture and help both sectors to work together more effectively and provide better services.

The VCS in Hartlepool is large and varied. The Hartlepool Voluntary Development Agency (HVDA) estimates that it is made up of at least 550 different groups and organisations involved in many different areas of work. It has many strengths. These include:

- It is large and diverse and contributes significantly to improving many people's quality of life
- It has a track record of bringing in additional income
- It supports and enables people as members of their communities e.g. as volunteers
- It has shown itself to be entrepreneurial and has developed innovative services
- It can act as a voice for otherwise disenfranchised communities and groups

However it also has a number of weaknesses:

- Many organisations are struggling in an increasingly tight financial environment
- Some parts are heavily reliant on grant aid
- Some organisations are finding it hard to adapt to a new more 'business like' and competitive environment
- The Council and PCT's funding is often short-term and their expectations are not always clear
- The sector has not been as proactive in anticipating and preparing for change as it could have been

This strategy aims to build on these strengths and overcome the weaknesses. It proposes:

- An increasingly important role for the VCS organisations as providers of mainstream public services
- A shift in the basis on which service delivery is funded to longer-term contracts based on 'full-cost recovery'
- A clearer understanding of the importance of the sector's broad role - as campaigners for change, as advisers influencing the design of services and as innovators – and support for this
- Keeping grant aid to retain the current diversity of the sector and support smaller organisations

Implementing it will require voluntary and community organisations, along with the Council and PCT, to think afresh about how they operate and how they relate to each other.

### ***Funding the sector***

The strategy is not about how much funding should go to VCS organisations but it is about how that funding should be allocated. It sets out a funding model for the sector. This identifies three types of funding relationship:

- **‘Shopping’** (or contracting) – where funding is given for delivering a specific service e.g. provision of day care services to older people
- **‘Giving’** (or ‘grant aid’) where the funder is seeking to support a worthy cause e.g. general support to a tenant’s group or youth club.
- **‘Investing’** (or ‘grant in aid’) where funding is to help build the capacity of the voluntary sector and enable it to operate more effectively capital funding to enable several organisations to share premises

It should be emphasised that this is only a model and it will need to be applied flexibly. The approach to be used depends on the circumstances. Funding, even ‘giving’, will always be in return for an activity that contributes to helping the Council/PCT achieve its objectives. The strategy sets out a process for reviewing current funding agreements to ensure that they are clear, consistently applied, properly monitored and reviewed, deliver value for money and operate within a relationship between the Council/PCT and the VCS that is fair and properly regulated.

### ***An outcomes framework***

The strategy brings together the vision, the overall aims for the sector and a number of outcomes this strategy will need to deliver to achieve these into a single ‘outcomes framework’. This is shown on the next page.

### ***The action plan***

The draft strategy sets out an action plan that would deliver the outcomes in the outcomes framework. It is comprehensive and ambitious. It has not been agreed by the Council, PCT or VCS. and is put forward for discussion. The Council, the PCT and the VCS will need to agree over the coming months which actions they agree to, how they will prioritise these and what additional resources they can commit to implementing the plan.

### ***Conclusion***

This strategy sets out an ambitious vision for the VCS in Hartlepool. In adopting this draft the Council and the PCT have indicated their clear support for the VCS in the town and their intention to work with it to ensure that it continues to thrive.

## A vision and outcomes framework for the VCS in Hartlepool

<b>Vision: there will be a thriving voluntary and community sector in Hartlepool that contributes fully to making Hartlepool an ambitious, healthy, respectful, inclusive, thriving and outward-looking community, in an attractive and safe environment, where everyone is able to realise their potential.</b>			
<b>Aim 1</b> <b>A shared vision and strategic direction</b>	<b>Aim 2</b> <b>A sector that is strong and prosperous</b>	<b>Aim 3</b> <b>A sector that contributes to the delivery of good public services</b>	<b>Aim 4</b> <b>A sector that strengthens communities and neighbourhoods</b>
<b>Outcome 1a</b> There will be a shared view of the role of the VCS set out in the Compact <b>Outcome 1b</b> The VCS will set out a clear statement of what it can offer and the added value that it brings <b>Outcome 1c</b> The VCS will be engaged in strategic planning and commissioning processes and helping shape the priorities for Hartlepool <b>Outcome 1d</b> There will be excellent collaborative working with a good understanding in both sectors of their respective roles, cultures and constraints <b>Outcome 1e</b> There will be good communication between the VCS and statutory organisations	<b>Outcome 2a</b> The Council and PCT will contract with an organisation to deliver infrastructure support to the VCS in order to enable the sector to perform effectively <b>Outcome 2b</b> The VCS will share facilities and resources where this makes sense and will deliver a more cost effective service <b>Outcome 2c</b> VCS organisations will have a clear understanding of their cost base and service objectives <b>Outcome 2d</b> There will be a single publicly available database of all VCS organisations in the town <b>Outcome 2e</b> The Community Network will be seen as the effective voice of the VCS in the Hartlepool Partnership <b>Outcome 2f</b> VCS organisations will know the basis on which they receive funding from the Council and PCT and how this will be monitored <b>Outcome 2g</b> There will be a diversity of funding support that recognises the different needs of VCS organisations	<b>Outcome 3a</b> VCS organisations will play an effective role in delivering public services that help the Council and PCT meet their objectives <b>Outcome 3b</b> There will be clear procurement and contracting processes that provide a level playing field for VCS organisations <b>Outcome 3c</b> The VCS will be geared up to take advantage of procurement opportunities <b>Outcome 3d</b> Contracts with VCS organisations to deliver services will be funded on a transparent basis using full-cost recovery. <b>Outcome 3e</b> The VCS will be able to demonstrate that it delivers quality services that meet the needs of users <b>Outcome 3f</b> VCS organisations contracted to deliver services will have effective business planning processes and be able to demonstrate that they deliver value for money	<b>Outcome 4a</b> Community organisations will be supported to enable local people to make their views and aspirations known within the Neighbourhood Renewal Areas <b>Outcome 4b</b> Views from neighbourhood level will feed into strategic partnerships/policy makers to give a voice to specific communities of interest. <b>Outcome 4c</b> Hard to reach and special needs groups will be given targeted support to enable their voice to be heard. <b>Outcome 4d</b> The VCS will work collaboratively at a local level to make the best use of its resources <b>Outcome 4e</b> Volunteers will be a valued resource in the community <b>Outcome 4f</b> Grant aid funding will be available to support small local groups that is transparent and linked to community priorities as set out in the Community Strategy and LAA <b>Outcome 4g</b> There will be a single process for applying for non-contract funding from the Council and PCT <b>Outcome 4h</b> The PCT will commission an organisation to deliver its public Health Grant scheme
<b>The Compact</b> The Compact underpins the strategy and sets out how statutory agencies and the sector will work together to deliver it through a series of codes of practice.			



## 1. Introduction: a vision for the voluntary and community sector in Hartlepool

Hartlepool has a large and vibrant voluntary and community sector (VCS) that people in the town are rightly proud of.<sup>1</sup> Voluntary and community organisations provide services that contribute to improving the quality of life of many residents in areas such as health and social care, sport and leisure, culture and the environment. Many thousands of residents give their time freely as volunteers to support local organisations and the sector contributes to increasing the economic prosperity of the borough by bringing in millions of pounds of funding from outside organisations. Hartlepool Borough Council and Hartlepool Primary Care Trust have agreed a vision for the voluntary and community sector in the town. It is that:

*There will be a thriving voluntary and community sector in Hartlepool that contributes fully to making Hartlepool an ambitious, healthy, respectful, inclusive, thriving and outward-looking community, in an attractive and safe environment, where everyone is able to realise their potential.*

This strategy sets out how Hartlepool Borough Council (the Council) and Hartlepool Primary Care Trust (the PCT) can realise this vision by better supporting the sector to maintain and further develop its contribution and ensure that it continues to thrive and prosper in potentially difficult times. It sets out four key aims:

- A shared vision and strategic direction for the sector
- A sector that is strong and prosperous
- A sector that contributes to the delivery of good public services
- A sector that strengthens communities and neighbourhoods

The vision and aims are combined in an 'outcomes framework' that sets out in a simplified form what the strategy should deliver. This is shown on page 7 above and is repeated on page 41 where it is followed by a draft action plan that would deliver the outcomes.

This strategy is about how the Council and PCT can support the VCS to maintain and develop its role in Hartlepool. It is not about how much funding the Council and PCT should provide to voluntary and community organisations nor which organisations should receive that funding. It does set out a framework within which these decisions can be made.

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<sup>1</sup> By voluntary and community sector we mean non-governmental, not-for-profit organisations (which may also be charities). The Government increasingly refers to 'the third sector' which also covers 'for profit' organisations which work to clear social values and objectives e.g. social enterprises, mutual organisations and co-operatives. In this work we focus on non-governmental, not-for-profit organisations. And where we do use the term third sector we are only referring to these organisations although many of our proposals would be equally applicable to other organisations with social objectives.

***Status of this document***

This document has been prepared by Peter Fletcher Associates on behalf of the Council and PCT and in conjunction with a number of voluntary and community sector organisations in the town. Peter Fletcher Associates is an independent firm of consultants and the views expressed in this report are those of the authors and do not necessarily represent the views of either the Council or the PCT or any organisations or individuals consulted in the course of this work.

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## 2. Why this strategy has been developed

Whilst the Council and PCT do already provide a great deal of support to the VCS it has been recognised that this could be improved. In March 2007 the Audit Commission published its most recent assessment of the Council's performance. This concluded that the Council could:

*"further enhance its capacity to deliver its objectives and further stimulate modernisation of the Council's functions by developing a strategic approach to working with the voluntary sector, including funding arrangements, which maximises the sector's potential to improve the quality of life in Hartlepool and to enable these organisations to plan ahead in support of the Council's objectives"*<sup>2</sup>

The Council and the VCS had already said that they were going to review the local Compact<sup>3</sup> agreed in 2003 and this process started towards the end of 2007. A revised Compact was endorsed by the Hartlepool Partnership in October 2008. It has subsequently been specifically endorsed by the Council's Cabinet and PCT Board.

From the perspective of the PCT they had identified the need for a framework that would guide any plans that they developed for investing in the VCS, something that they were considering as part of their business planning for 2008-09 onwards.

The Council and the PCT therefore decided to jointly commission a piece of work to develop the strategic approach that the Audit Commission identified as being needed. An external firm of consultants, Peter Fletcher Associates, were brought in to carry out this work reporting to a Steering Group made up of representatives from the Council, the PCT and the VCS in the town.<sup>4</sup>

The Hartlepool Partnership supported this work at its meeting in December 2007 on the basis that:

*"Although there is significant benefit in developing the approach for the Council, it is suggested that the original brief should be widened to include key partners and stakeholders within the LSP. This would help develop a more coherent and consistent approach to community and voluntary sector support for all key partners in the town."*<sup>5</sup>

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<sup>2</sup> 'Annual audit and inspection letter for Hartlepool Borough Council', Audit Commission, (March 2007). Available at <http://www.audit-commission.gov.uk/Products/CPA-CORP-ASSESS-REPORT/50973D45-D5EF-42CC-BAD2-6E58FCFE0E65/HartlepoolBCCA13Mar07REP.pdf> Para 20, p9

<sup>3</sup> The Compact is an agreement between Council and the voluntary and community sector in Hartlepool. It recognises shared values, principles and commitments and sets out guidelines for how both parties should work together. See appendix one for the current Compact agreed in October 2008.

<sup>4</sup> More detailed information about how Peter Fletcher Associates carried out their work is set out in appendix six. This includes details of who was on the Steering Group. The appendices are contained in a separate volume to this report.

<sup>5</sup> 'Developing a strategic approach to the Voluntary & Community Sector' report to the Hartlepool Partnership Board, 7 December 2007

In preparing this draft strategy we met with a range of organisations and people including a number from the VCS. This report will be presented as a draft for consultation to the Council's Cabinet and the PCT's Board (as the organisations that funded the work) prior to wider consultation with the voluntary and community sector and the Partnership.

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### 3. The national and local context

#### *National policy towards the VCS*

##### **The overall approach towards the VCS**

Since coming to power in 1997 the Labour Government has been steadily developing its approach to the VCS through a series of policy documents and guidance. The basic premise of the Government's approach is that a healthy voluntary and community sector is a vital part of a democratic society and that it is part of the job of government (at both national and local level) to foster the development of the sector. It is accepted that the VCS plays a number of important roles including:

- Delivering publicly funded services
- Bringing innovation to partnerships with the public sector
- Engaging with local communities – especially more marginalized and disadvantaged groups
- Helping to design services
- Campaigning for changes to service provision

The Government has made it clear that it wishes to see the role of the sector expand – particularly in the sphere of service delivery, but has recognised that in order for this to happen there needs to be a change in the relationship between public sector bodies and the VCS at all levels. The main areas where change is needed are:

- Consultation and involvement – the VCS should be involved and consulted in every aspect of the decision-making and service delivery process as standard practice
- Outcomes – the focus of service commissioning should be placed upon outcomes, rather than the sector from which the service is provided. Social outcomes should be included in contracts<sup>6</sup>
- Funding – there needs to be a move towards longer-term funding in order to improve financial relationships between statutory and VCS bodies, to provide the VCS with financial stability, to increase value for money, and to stop VCS resources being diverted into bidding for funds. Where the sector is contracted to deliver services this should be on the basis of what is known as full-cost recovery<sup>7</sup>

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<sup>6</sup> Social outcomes or social clauses are requirements within a contract that allow the contract to address broader issues than simply the delivery of the service concerned. Their most common use is to require a contractor to prioritise the need to train and employ the long-term unemployed in the area. There is increasing interest in broadening their scope but there are issues as to how far this is possible within current EU procurement rules. Social clauses are seen by many as being an important way of helping VCS organisations to secure public contracts. The North East Improvement and Efficiency Partnership is leading a piece of national work in this area. See <https://www.nece.gov.uk/nece/CMS.nsf/vLiveDocs/903BB8AE16772AEB802574570034E340?OpenDocument>

<sup>7</sup> Under full cost recovery organisations and their funders ensure that the price of contracts and the funding awarded reflects the full costs of delivery, including a legitimate portion of overhead costs.

- Reduction of bureaucracy – barriers that prevent the VCS taking part in procurement and other processes should be removed as much as possible. Application processes for funding should be simplified and monitoring processes should be proportionate relative to funding and risk
- The wider role of the VCS should be recognised e.g. through encouraging volunteering
- There needs to be more explicit recognition and support of the VCS to enable it to carry out these roles effectively

Relationships between Central Government and the VCS are to be conducted according to the principles set out in a National Compact originally agreed in 1998 and reviewed in 2002<sup>8</sup>. The Compact sets out a framework for partnership working between Government and the VCS, and recognises the contribution that the VCS makes to society. The following is a list of the guiding principles of the Compact:

- A healthy voluntary and community sector is part of a democratic society
- Working in partnership with the voluntary and community sector can result in better policy and services and better outcomes for the community
- Partnership requires strong relationships (e.g. integrity and openness)
- Government can play a role as funder of the voluntary and community sector
- The independence of the voluntary and community sector should be respected

The Compact recognizes that building an effective relationship requires change on both sides and both Government and the VCS signed up to a series of undertakings as part of the process.

The Compact has been followed by further reports and guidance particularly looking at good practice in terms of funding arrangements and relationships<sup>9</sup> and how the sector can be supported to play a bigger role in the delivery of public services<sup>10</sup>. In this latter context it is accepted that in many cases the VCS is often better placed to deliver public services because of its expertise particularly in delivering services to so-called 'hard to reach' groups and communities and its ability to innovate.

In an action plan published in 2006<sup>11</sup> the important role of commissioning in enabling VCS organisations to play a fuller role in service delivery was highlighted.

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<sup>8</sup> *The Compact on Relations Between Government and the Voluntary and Community Sector in England* (Home Office, 2002)

<sup>9</sup> see 'A Summary Guide: Improving Financial Relationships with the Third Sector – Guidance to Funders and Purchasers' HM Treasury (2006)

<sup>10</sup> *The Role of the Voluntary and Community Sector in Service Delivery: A Cross-Cutting Review* HM Treasury (2002) and also 'No Excuses. Embrace Partnership Now. Step Towards Change!: Report of the third sector commissioning taskforce', Dept of Health (2006)

<sup>11</sup> 'Partnership in Public Services: An action plan for third sector involvement' Cabinet Office (2006)

### **Building cohesive communities and public involvement**

However it is also recognised that the VCS plays a wider role than simply being involved in service delivery. There are many third sector organisations that may have no interest in delivering public services that nonetheless play an important role in their local communities and should be able to access government support. The 2007 *PSA Delivery Agreement 21: 'Build more cohesive, empowered and active communities'* stresses the importance of the third sector in supporting active community participation and empowerment. It states:

*'Sustainable third sector organisations are vital to achieving the aims of this PSA. They are able to better represent the voice of communities, to support empowering, user-focused services, which involve citizens in their design and operation, and bring people together to effect change in communities.'*<sup>12</sup>

The 2007 Government White Paper *'Creating Strong, Safe and Prosperous Communities'* set out the Government's expectation that the sector would be engaged at a local level in helping to tackle social exclusion and build community cohesion.<sup>13</sup>

In July 2008 the Government published a White Paper: *'Communities in Control: real people, real power'*<sup>14</sup>. The White Paper set out a number of proposals aimed to devolve power to local communities and to enable local people to set and meet their own priorities. It sees an important role for third sector organisations in implementing the proposals set out in the White Paper including in the areas of:

- Supporting people in volunteering
- Social and democratic renewal
- Neighbourhood management
- Influencing the commissioning and delivery of local services through mechanisms such as community development, neighbourhood management and participatory budgeting
- Commissioning more services from faith based groups
- Engaging specific groups such as younger and older people
- Promoting citizenship and active participation
- Increasing community ownership and control of public assets through asset transfers and community land ownership

A number of funds have been set up to support the sector in carrying out these roles.

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<sup>12</sup> *'PSA Delivery Agreement 21: Build more cohesive, empowered and active communities'* HM Treasury, (2007), p3

<sup>13</sup> The White Paper is at <http://www.communities.gov.uk/publications/localgovernment/strongprosperous> It was followed by guidance to local authorities on how they should implement the White Paper at local level. This can be seen at <http://www.communities.gov.uk/publications/localgovernment/strongprosperous>

<sup>14</sup> *'Communities in control: Real people, Real power'*, Communities and Local Government,(July 2008)



The White Paper was supported by statutory guidance<sup>15</sup> on how local authorities should implement some of its provisions in particular a new statutory 'duty to involve' that has been contained in the '*Local Government Public Involvement in Health Act*' passed in October 2007. The guidance envisages a particular role for third sector organisations in helping local authorities implement this duty<sup>16</sup> and many of the proposals in the strategy will assist the Council and the VCS to move forward and implement this new duty in the town.

### **Stimulating the VCS to provide health and social care services**

VCS organisations have a long-track record of working with the NHS and Social Services and delivering health and social care services. The Government has published a number of documents which make it clear that it sees an increasing role for VCS organisations in this area. In 2006 the Department of Health published '*Our health, our care our say*'<sup>17</sup> setting out a new direction for community services which envisaged the 'third sector' as an increasingly important provider of services. This was followed later in the year by the report of a 'Third Sector Commissioning Task Force' set up to look at how to address the practical obstacles to the third sector fulfilling its potential as a mainstream provider of health and social care services.<sup>18</sup> The Department has subsequently made it clear that it expects PCTs to open up opportunities to an increasing range of organisations to be able to bid to run local services.

In 2007 the Department launched the concept of 'world class commissioning' designed to improve the competency of PCTs as commissioners and ensure that they were commissioning to improve the health and well-being of their local population<sup>19</sup>. World class commissioning means PCTs developing a set of core competencies to demonstrate that they:

- Are recognised as the local leader of the NHS
- Work collaboratively with community partners to commission services that optimise health gains and reductions in health inequalities
- Proactively seek and build continuous and meaningful engagement with the public and patients, to shape services and improve health
- Lead continuous and meaningful engagement with clinicians to inform strategy, and drive quality, service design and resource utilisation
- Manage knowledge and undertake robust and regular needs assessments that establish a full understanding of current and future local health needs and requirements

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<sup>15</sup> '*Creating Strong, Safe and Prosperous Communities*', Communities and Local Government, (July 2008)

<sup>16</sup> Para 2.24

<sup>17</sup> '*Our health, our care, our say*', Department of Health, (January 2006). See, for example, chapter 7, 'Ensuring our reforms put people in control'.

<sup>18</sup> '*No excuses. Embrace Partnership Now. Step Towards Change*', Dept of Health, (July 2006)

<sup>19</sup> See

<http://www.dh.gov.uk/en/Managingyourorganisation/Commissioning/Worldclasscommissioning/Vision/index.htm>



- Prioritise investment according to local needs, service requirements and the values of the NHS
- Effectively stimulate the market to meet demand and secure required clinical, and health and well-being outcomes
- Promote and specify continuous improvements in quality and outcomes through clinical and provider innovation and configuration
- Secure procurement skills that ensure robust and viable contracts
- Effectively manage systems and work in partnership with providers to ensure contract compliance and continuous improvements in quality and outcomes
- Make sound financial investments to ensure sustainable development and value for money

Engaging with the third sector is recognised as a component of at least four of these:

- Working with community partners
- Engaging with the public and with patients
- Stimulating the market
- Promoting improvement and innovation

The PCT will need to work with the VCS in Hartlepool if it is to be able to achieve the status of a world class commissioner as envisaged by the Department of Health.

### ***The local context***

The local policy context for this work has been set by a number of recent documents and initiatives. The main ones are set out below.

### **The Compact**

A local Compact between the Council and the VCS in Hartlepool was originally agreed in 2003. In 2006 the Council's 'Strengthening Communities Best Value Review' concluded that the Compact needed to be strengthened and relaunched<sup>20</sup>. This view was endorsed by the Hartlepool Partnership which also agreed that the revised Compact should include partners other than just the Council.<sup>21</sup> A new Compact has now been drawn up and endorsed by the Partnership, including the Council and PCT, and this is included at Appendix one.<sup>22</sup> The Hartlepool Compact won the 'Compact of the year' award in the 2008 North East VCS Awards.

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<sup>20</sup> 'Strengthening Communities Best Value Review', report to Council Cabinet, 25 September 2006

<sup>21</sup> See minutes of the meeting of the Hartlepool Partnership Board held on 7 December 2007

<sup>22</sup> The outcome of the consultation on the draft can be viewed at <http://consultation.hartlepool.gov.uk/inovem/consult.ti/HartlepoolCompact2008/consultationHome>

The Compact contains five codes which set out ground rules for good practice in relationships between the VCS and statutory agencies. They are:

- Funding code
- Consultation and policy code
- Inclusion code (minority and small community groups code)
- Code of practice on representation
- Volunteering code

The aim of the Compact is to set out a framework within which relationships between the VCS and statutory organisations will be conducted. An action plan will be agreed to promote the use, recognition and implementation of the Hartlepool Compact. Progress on actions will be monitored by the Community Network<sup>23</sup>, and reported to the Hartlepool Partnership.

The Compact sets out the principles which will govern how the relationships between VCS organisations and statutory agencies are conducted and the working practices that should define the way they work together. It underpins this strategy which sets out what the Council and PCT will do, working with the VCS, to help it develop and prosper. They are complementary documents that, taken together, should bring about a real change in culture and help both sectors to work together more effectively and provide better services.

### **The Hartlepool Partnership**

The Hartlepool Partnership is the Local Strategic Partnership for Hartlepool which brings together representatives from the key agencies and sectors that are concerned with improving quality of life in the town and the delivery of public services to local residents. The VCS is specifically recognised as a 'community of interest' within the Partnership structure and Hartlepool Voluntary Development Agency (HVDA) has a seat on the Partnership Board in its role as the umbrella organisation for the VCS in the town. VCS organisations also sit on many of the Partnership's thematic partnerships and groups.

The sector is also brought together to engage in the Partnership through the Community Network. The Network aims to ensure that the sector is involved effectively in the Partnership and that it has real influence over the provision of services and initiatives through meaningful involvement in the town's decision making.

The Partnership has also identified eight priority neighbourhoods in the town where deprivation is greatest. These areas are targeted for specific intervention through the

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<sup>23</sup> The Community Network has been set up to promote and support communities, the voluntary sector and residents to participate effectively in neighbourhood renewal in Hartlepool. The Network is currently funded from the Working Neighbourhoods Fund.

Neighbourhood Renewal Strategy aimed at closing the gap between these areas and the rest of the town. The eight are:

- Burbank
- Dyke House/Stranton /Grange
- New Deal for Communities
- North Hartlepool (Central Estate, Headland & West View /King Oswy)
- Owton
- Rift House/Burn Valley
- Rossmere
- Throston Grange Estate

Neighbourhood Action Plans (NAPs) have been developed in each of these neighbourhoods to ensure that local residents play a central role in making their neighbourhood a better place to live. NAPs identify local issues and priorities in the area. These priorities are established through consultation with local residents of all ages and background, community groups, Councillors and service providers. A NAP will identify:

- Local priorities and the actions required to tackle these priorities
- Timescales and responsibilities for delivering actions
- How service providers can shape their services to meet the needs of the area.
- Potential areas of funding and resources

NAP forums, which are a neighbourhood partnership of residents, Councillors, service providers and voluntary and community groups, have been established for each neighbourhood. These forums meet regularly to ensure that the priorities identified within the NAP document are addressed and also to consider any new priority issues arising within the community. The sector plays an important role in supporting and sustaining the work of the NAP forums.

### **Community Strategy**

Hartlepool's first Community Strategy published in 2002 identified the importance of the voluntary and community sector in the life of the town - making a significant contribution to direct service provision and the well-being of residents. This emphasis is repeated in '*Hartlepool's Ambition*' the revised community strategy adopted by the Partnership in July 2008. This contains a specific objective to:

*"fully value the voluntary and community sector and to support them to secure their long-term future through contracted service delivery, promoting volunteering and the agreement of longer term funding settlements."*<sup>24</sup>

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<sup>24</sup> '*Hartlepool's Ambition*' p54.

<http://www.hartlepoolpartnership.co.uk/site/scripts/documents.php?categoryID=5>

It also includes objectives as part of the Neighbourhood Renewal Strategy to:

- Develop and support residents associations across the neighbourhoods to enable local people to make their views and aspirations known
- Develop networks and structures from the neighbourhood level to feed into strategic partnerships/policy makers to give a voice to specific communities of interest
- Provide community development and capacity building support in key areas of need including targeted support for hard to reach and special needs groups
- Support community and voluntary sector groups who provide vital support within the Neighbourhood Renewal Area

The VCS is identified as a key partner in helping to deliver the overall objectives of the Community Strategy. It is seen as playing a specific role in delivering particular objectives including:

- Improving the quality of the local environment and access to public open spaces
- Improving the range and quality of recreational learning opportunities for all especially children and young people
- Creating and maintaining employment opportunities for local people

The sector is also seen as playing a vital role in delivering the neighbourhood renewal dimension of the strategy that aims to close the gap between the poorest and the best off areas in the town.

*“Strengthening and valuing communities is at the heart of Neighbourhood Renewal. Empowering individuals and groups and increasing the involvement of citizens in all decisions that affect their lives is fundamental to the process of reducing the gaps between the conditions in the Neighbourhood Renewal Area and Borough and national averages.”*

Two objectives in the Neighbourhood Renewal Strategy relate to support for the VCS:

*“To fully value the voluntary and community sector and to support them to secure their long-term future through contracted service delivery, promoting volunteering and the agreement of longer term funding settlements.  
To support community and voluntary sector groups who provide vital support within the Neighbourhood Renewal Area.”*

### **Local Area Agreement**

The Local Area Agreement (LAA) sets out the priorities that the Hartlepool Partnership will progress in the three years from June 2008 – March 2011. It is based on Hartlepool's Ambition identifying the agreed priorities of the Partnership.

Put simply, the LAA is a collection of improvement targets – a delivery contract for Hartlepool's Vision as set out in the Community Strategy.<sup>25</sup>

The LAA is negotiated between the Council, Hartlepool Partnership and central Government and must include up to 35 national priority targets, chosen from a single set of 198 national indicators.<sup>26</sup> Developing and sustaining a healthy 'third' sector is itself a national priority outcome and the national indicator set include 2 specific indicators to measure progress towards achieving this. These are:

- Participation in regular volunteering (NI 6), and
- Creating an environment for a thriving third sector (NI 7)

The Hartlepool LAA includes the first of these as one of its 35 priorities.

The LAA makes it clear that VCS organisations played a significant role in helping to draft the agreement and also that they will play a key role in delivering the LAA. Specifically HVDA is given a lead role in respect of the delivery of three outcomes:

- Increasing participation in volunteering
- To empower local people to have a greater voice and influence over local decision making and the delivery of services
- Making a positive contribution

This strategy includes outcomes and actions to help the sector play its full role in the delivery of the Community and Neighbourhood Renewal Strategies.

### **Scrutiny and Best Value reviews**

There have been a number of such reviews in recent years that have touched on issues concerning the relationship between the Council and the VCS and the state of the latter.

In 2006 the Regeneration and Planning Services Scrutiny Forum undertook a scrutiny of partnerships in Hartlepool. This included a specific remit to clarify the role of the community and voluntary sector, and determine how better links could be established with Community and Voluntary Sector organisations. In its final report the Forum recommended that:

*"the need for infrastructural organisation offering support to the wider VCS be recognised by the Council and be appropriately funded."*<sup>27</sup>

Also in 2006 a Best Value Review was undertaken of the Council's contribution to the 'strengthening communities' theme within the Community Strategy. This included

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<sup>25</sup> It can be viewed at

[http://www.hartlepool.gov.uk/partnership/downloads/LAA\\_V2\\_20\\_June\\_2008.pdf](http://www.hartlepool.gov.uk/partnership/downloads/LAA_V2_20_June_2008.pdf)

<sup>26</sup> National Indicators for Local Authorities and Local Authority Partnerships: Handbook of Definitions, Dept of Communities and Local Government, May 2008

<sup>27</sup> 'Final report – Scrutiny investigation into partnerships', Regeneration and Planning Services Scrutiny Forum report to Cabinet 15 May 2006, p34. Available at

[http://www.hartlepool.gov.uk/site/scripts/documents\\_info.php?documentID=65&pageNumber=11#2006](http://www.hartlepool.gov.uk/site/scripts/documents_info.php?documentID=65&pageNumber=11#2006)

looking at the Council's support to and relationship with the VCS in the town. In the 'sounding boards' that were convened as part of the review, support for the VCS was identified as a high priority. Specifically the need to:

- Strengthen and relaunch the Compact
- Increase support for the VCS and its infrastructure
- Increase Council familiarity with VCS services and expertise
- Enable VCS to access Council training programmes that both Officers and Councillors participate in
- Review the Community Pool
- Create a list of VCS groups and services

The recommendations of the review, which were endorsed by the Cabinet, included one to:

*"Strengthen and re-launch the Compact and consider within the context of emerging guidance for Compact Plus. Utilise this as the vehicle for increasing Council awareness of CVS and ensuring it has better access to funding and service provision opportunities, and ensure buy-in from all Departments of the Council."*<sup>28</sup>

In June 2007 the Adult and Community Services and Health Scrutiny Forum reported to Cabinet on the development of social prescribing in Hartlepool.<sup>29</sup> The report identified that the VCS was playing an important role in developing social prescribing in the town but that development was being hampered by insecure funding and other factors. The report recommended the development of a comprehensive and coordinated strategy for the delivery, funding and evaluation of social prescribing and that social prescribing should be incorporated within the Voluntary Sector Strategy Development.

This strategy will assist in implementing the recommendations of these reviews.

### **Building Links programme**

This was a joint initiative between the Council, PCT and the VCS, funded by the North East Centre for Excellence that ran between April 2005 and March 2007. It was aimed at building capacity in a number of VCS organisations that deliver health and social care services in the town. Activities included:

- One to one support to groups including completion of individual development plans

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<sup>28</sup> 'Strengthening communities Best Value Review Improvement Plan', report to Cabinet 25 September 2006, p17

<sup>29</sup> 'Social Prescribing – Final Report', Adult and Community Services and Health Scrutiny Forum report to Cabinet, 11 June 2007. Available at [http://www.hartlepool.gov.uk/downloads/Microsoft\\_Word\\_-\\_Social\\_Prescribing\\_-\\_Final\\_Report\\_ACS&HSF.pdf](http://www.hartlepool.gov.uk/downloads/Microsoft_Word_-_Social_Prescribing_-_Final_Report_ACS&HSF.pdf). Social prescribing is an approach to linking patients with non-medical forms of support where (typically) GPs will 'prescribe' interventions such as counselling or exercise for patients.

- Training sessions which helped the VCS organisations gain the skills to participate in the procurement process
- Events that brought together the VCS organisations
- A quality assurance seminar and quality /assurance support work with individual organisations
- Documentation to record what the groups were doing
- Promotional skills development to improve communication by the VCS organisations participating

The project gave direct support to 14 organisations that provide social care services to people with physical and mental ill health and/or disabilities and that receive financial support from the Council to do this.

An evaluation of the initiative was undertaken<sup>30</sup> and concluded that:

- The programme had led to some groups being able to strengthen existing funding and some are actively working outside of Hartlepool but that efforts needed to continue to promote more business like practice
- There is a role for ongoing infrastructure support which could help act as an advocate for the groups, seek out collaborative opportunities for delivery both within Hartlepool and elsewhere across Tees Valley

A number of recommendations were made which, it was felt, would support the VCS to engage fully with the public sector in maximising procurement opportunities. The experience of the programme has informed this strategy which builds and takes forward the recommendations from the evaluation.

### **Summary and conclusion**

This strategy is building on strong foundations. Both nationally and locally there is a clear view that the VCS has a vital role to play in helping statutory organisations deliver their key objectives, whether this is in terms of delivering high quality public services, engaging citizens and service users or building cohesive and sustainable communities. This strategy is about how the Council and PCT can best support the sector to fulfil this potential and take advantage of the opportunities that are available. In the next section we look at the current strength of the sector and the areas where it needs to develop.

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<sup>30</sup> See 'Evaluation of the Building Links Capacity Building Support Programme' Simon Davidson, Hartlepool Voluntary Development Agency, June 2007



## 4. The voluntary and community sector in Hartlepool – an overview<sup>31</sup>

### *What is the voluntary and community sector?*

The term VCS covers a huge range of organisations from a small mother and toddlers group run entirely by volunteers and living from hand-to-mouth in terms of funding to large national (in some cases multi-national) organisations with multi-million pound budgets and professional, employed staff. What unites all of these diverse organisations and suggests there should be a specific approach to their development and relationship with statutory agencies? We characterise it as a mix of the roles they undertake, the way they attract funding, their constitutional arrangements and their potential for engaging effectively with both their geographical communities and communities of interest. It is this unique mix which justifies a specific approach to supporting and developing the sector in the town.

There are a number of roles which VCS organisations play which statutory agencies find more or less difficult. These include:

- **Community engagement:** VCS organisations are often closer to their communities – which can either be geographical or a particular interest group. In particular they have a record of being able to engage with ‘hard-to-reach’ or ‘hard to hear’ groups (such as disaffected young people, homeless people, BME communities) which are often reluctant to become involved with statutory agencies
- **Service delivery:** there is a long tradition of VCS organisations being involved in service delivery. Often they can be more effective in this role because, for example, of their engagement with different communities and their ability to lever in additional resources either in terms of volunteers or additional funding. VCS organisations can also be more flexible in their service delivery and able to respond quickly to changing policy and the needs and demands of their service users
- **Innovation:** it is recognised that in many cases the sector is more easily able to innovate and pilot new approaches in areas such as service delivery and community engagement than statutory organisations and there is a good track record of this in many areas. However it is also the case that sometimes elements of the sector can be less likely to adopt new approaches and continue to provide services in traditional and sometimes out-dated ways
- **Community cohesion:** the sector can play a substantial role in enabling community cohesion through, for example, its ability to bring together people from different communities and groups and by providing a range of activities at a very local level
- **Public involvement:** the sector plays an important role in encouraging and supporting people to play an active role in their community through activities such as volunteering and helping to run VCS organisations. It also often acts directly to support people to express their views or is able to

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<sup>31</sup> See appendix two for the more detailed assessment on which this section is based.



represent the views of marginalised and disadvantaged groups on the basis of the work that it does with them

VCS organisations in Hartlepool play all of these roles to differing degrees. The VCS in Hartlepool is large and diverse. The Hartlepool Voluntary Development Agency (HVDA) estimates that it comprises of at least 550 different groups and organisations involved in many different areas including:

- Culture/leisure/sport/arts
- Health/disability/care
- Children and young people
- Residents and community groups
- Advice and information
- Training and community education
- Self-help and mutual support

Information from an audit undertaken by the Council in 2006<sup>32</sup> shows that 55 of the larger VCS organisations between them:

- Employed 235 full-time and 321 part-time staff
- Engaged 1,195 volunteers delivering 4,020 unpaid hours of work per week
- Delivered services to 132,709 different people and 680 groups

The audit covered many of the larger voluntary sector organisations in the town. Most of the VCS is comprised of much smaller groups most of whom operate without any paid staff and who will receive relatively little, if any, of their income from local statutory agencies instead relying on one-off grants from charitable trusts and their own fund-raising efforts and the input of an estimated 5000 volunteers.<sup>33</sup>

It is our impression (hard comparative data is not available) that the VCS in Hartlepool is larger and more diverse than in other towns of a similar size. It is also noticeable that it is largely 'home-grown' i.e. there are relatively few large regional or national voluntary organisations operating in the town. Generally this is seen as a positive virtue – local organisations run by and for local people. There are examples, however, where it can be seen to be a disadvantage with local organisations struggling to demonstrate that they have the capacity and capability to take up opportunities that have arisen. If there is a wish to maintain a strong home-grown VCS then it will be necessary to invest in equipping local organisations to improve their capacity in key areas.

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<sup>32</sup> 'Audit of community and voluntary groups in Hartlepool', June 2006 included in the Scrutiny Co-ordinating Committee report on 'Withdrawal of European Structural Funding to the voluntary sector within Hartlepool' presented to the meeting of Hartlepool Cabinet on 30 April 2007 and available at [http://www.hartlepool.gov.uk/downloads/Withdrawal\\_of\\_European\\_-\\_Final\\_Report.pdf](http://www.hartlepool.gov.uk/downloads/Withdrawal_of_European_-_Final_Report.pdf)

<sup>33</sup> As part of our work we held two focus groups that were intended to be for such smaller groups to ensure their input into the process of developing the strategy. The reports of these groups are at Appendix seven.

### ***Relationships between the Council and PCT and the sector***

Relationships between key people in statutory agencies and the VCS are generally good. However in some instances there is a lack of understanding on both sides – of what the sector can offer, for example, or the constraints under which the Council and PCT sometimes operate. There is a definite sense felt by many people in the sector that they are treated as poor relations and the Council and the PCT are seen by some people as rather distant bodies.

Given the size and diversity of the sector this is perhaps not too surprising. It would be impossible for the Council and the PCT to have a direct relationship with every voluntary and community organisation in the town. In many cases it will be more appropriate for the relationship to be through an intermediary body, such as HVDA. What is important, however, is that it is made clear that this is how relationships will be managed and this clarity has sometimes been lacking.

For its part the sector needs to recognise that the nature of its relationship with statutory organisations is changing in some instances and will move towards being on a more contractual basis. This can bring advantages e.g. in terms of the basis on which funding is awarded but it also carries a responsibility for organisations to become more businesslike and able to demonstrate that they offer value for money. VCS organisations often complain that there is not a 'level playing field' when it comes to competing for contracts, sometimes it has to be said that they are trying to play a completely different game.

The action plan in this strategy sets out a number of proposals designed to further improve relationships between the sector and the Council and the PCT.

### ***Funding for the sector***

Funding for the sector comes from a number of sources. These include:

- Grants and contracts from statutory agencies, especially the Council and PCT but also funding from central government and other statutory bodies.<sup>34</sup> This includes funding through grant aid, contract income, funding from regeneration programmes and other ring-fenced funding
- Grants from charitable trusts (including the Lottery)
- Earnings generated by general fundraising, membership, trading etc.
- Sponsorship from the private sector.<sup>35</sup>

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<sup>34</sup> This would include the Learning and Skills Council, National Offender Management Service, Police, Job Centre Plus. As part of this work, however, we were not able to ask these organisations how much support they provided and this information does not seem to be readily available locally.

<sup>35</sup> Appendix 7 of the audit carried out in 2006 shows the range of sources although not the amounts or relative proportions.

In 2006/07 the 55 organisations covered by the audit referred to above had an estimated income of just over £7 million that came from multiple sources including:

- European Regional Development Fund
- Central government
- Regeneration funding (NRF/SRB etc.)
- Local authority grant aid
- Contract income from the council and pct
- Local fundraising
- Charitable trusts such as the Northern Rock Foundation and the Lottery
- Trading income

Research in other areas has indicated that for every £1 of grant aid a VCS organisation receives from a local authority it is able to raise £14 from other sources.<sup>36</sup>

#### **Funding from the Council and PCT**

Funding for the VCS from the Council falls into 2 main categories:

- Funding under a contract for the delivery of services
- Funding from specific funding pots

This latter category can, in turn, be split into:

- Funding specifically designated to support VCS organisations e.g. The Community Pool
- Funding with a broader remit some of which is used to fund VCS organisations e.g. The Working Neighbourhoods and Children's Funds

In 2008/09 we estimate that total funding from the Council is at least £2.3 million. This is made up as follows:

**Table 1: Council funding to the voluntary and community sector in 2008/09<sup>37</sup>**

Source of funding	Amount in 2008/09 £
Community Pool	470,822
Children's Fund	472,256
Working Neighbourhood Fund	1,382,509
Other funds (e.g. Civic Lottery)	35,000

<sup>36</sup> 'The Voluntary Sector in Newcastle upon Tyne', Newcastle CVS, (2005). Other sources in this study included income from statutory bodies other than the local authority.

<sup>37</sup> These figures do not include funding to VCS organisations that is given as a result of them being awarded a contract following a competitive tendering process for the delivery of mainstream services.

Further information about funding from the Council is shown in appendix three.

### **Funding from the Primary Care Trust**

The PCT also funds a number of VCS organisations in the town although there was a period between 2006 and 2008 when the level of funding was significantly reduced because of financial difficulties in the organisation. For 2008/09 the PCT has identified £688,000 of specific funding for voluntary and community organisations although this is currently only available for a two-year period. Further details of the PCT's past and current funding are shown in appendix three.

### **Overall support**

Both the Council and the PCT provide a considerable amount of financial support to VCS organisations – in 2008/09 this totals just over £3 million. Without this support many organisations would not be able to continue. The amount of funding provided is probably significantly higher than in most other comparable areas, something that is not perhaps always appreciated by the sector. The available evidence is that the funding is used to support services that help both the Council and the PCT deliver their corporate objectives and the objectives in the Community Strategy. However the funding is often provided on a short-term basis and it is not clear how the amount of funding is determined or exactly what it is for. Both organisations lack a clear picture of the overall funding they provide to the sector. There is often an expectation that after a period, usually two or three years, organisations will be able to secure replacement funding from an unspecified source – an expectation that is often neither realistic nor justified. Current funding practice does not always match good practice as set out in Treasury guidelines.<sup>38</sup> In turn VCS organisations are not always clear what they are giving funders for their money and we came across evidence of some organisations lacking robust business planning and financial processes. There is we think almost certainly scope for organisations to become more efficient through, for example, sharing support and backroom functions and premises. The sector needs to be more proactive in demonstrating it is looking to make efficiencies in the same way that local authorities and the NHS are now required to do.

One issue with funding is the application process. The Council and PCT have a number of different funding pots and each has its own criteria and application process. This can be confusing for organisations trying to find out which pot is most appropriate and also time-consuming when they have to submit more than one application. A number of local authorities have developed a 'single gateway' for funding applications so VCS organisations only have to make one application – even though it may be considered for several different funding sources<sup>39</sup>. This has been found to be helpful both to VCS organisations and to the Council concerned in reducing the administrative burden on both sides, building up a source of local expertise on funding opportunities and giving the Council a better overall picture of what funding it provides to the sector and how this is being used.

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<sup>38</sup> See 'A Summary Guide: Improving Financial Relationships with the Third Sector – Guidance to Funders and Purchasers' HM Treasury (2006)

<sup>39</sup> See appendix eight for some examples

Increasingly the basis on which organisations are funded will shift from grant aid to funding through a contract for the delivery of a specified service. Hartlepool has not gone as far or as quickly down this road as many other areas and we recommend that the Council and PCT retain a 'mixed economy of funding' recognising that the sector is not homogenous and that both contract funding and grant aid are needed to support different types of organisations and activities.

### ***Constitutional arrangements and infrastructure support***

All VCS organisations are independent with their own trustees and/or board of management. Their constitutional arrangements can vary considerably. Many will be registered charities governed by charity law and the inspected by the Charities Commission. Others will be formerly constituted organisations with a membership and elected officers. Some will be informal, unconstituted groups operating with minimal formal structure. These diverse organisations operate independently and perform very different roles. This strategy reflects that diversity and sets out a number of different types of support that the Council and PCT can give that takes account of the different needs of the organisations that make up the sector.

The VCS as such has no formal structure. The Hartlepool Voluntary Development Agency (HVDA) receives funding from both the Council and the PCT to carry out specific roles to support the sector including:

- Promoting and supporting volunteering (it runs the Volunteer Centre)
- Supporting and developing voluntary and community organisations including helping in applying for funding, giving advice on constitutional matters, providing training etc.
- Building links between voluntary organisations and developing partnerships with other agencies
- Promoting the role and value of the voluntary sector
- Distributing funding e.g. The PCT's recently established Public Health Grants Scheme
- Bringing the sector together, e.g. through the Community Network, to express its views and be represented on partnership bodies such as the Hartlepool Partnership
- Acting as a communication channel and liaison point between the sector and the Council and PCT

In addition it raises funding from a variety of other sources including Big Lottery, Working Neighbourhoods Fund and Northern Rock Foundation. Core funding from the Council and PCT covers a relatively small proportion- less than 10% - of its total costs.

Other organisations, such as OFCA, Headland Futures, West View Advice and Resource Centre, Belle Vue Sports and Youth Centre also play a complimentary role in helping to support and develop VCS organisations in different parts of the town.

Whilst the role of HVDA as the local development agency for the sector is generally supported and the organisation is seen to be effective in giving a voice to the sector it is not without its critics. It is viewed as being very successful in supporting small to medium organisations but of less relevance to the larger organisations within the sector. Some organisations criticise it for effectively being in competition for funding whilst, at the same time, acting as a broker for those same funds – in other words operating with a conflict of interest. It has not been as proactive as it might have been, in gearing up the sector to respond to the new contract culture. We do see the need for an organisation to take on the role of local development agency and see HVDA as being best placed to continue to play this role but in return for continued, and possibly increased, funding to do this it will need to demonstrate that it can play the role effectively.

### **Summary**

The voluntary and community sector in Hartlepool has many strengths. These include:

- It is large and diverse and contributes significantly to improving the quality of life of people in the town
- It has a track record of bringing in significant additional income to the town
- It is well embedded in local communities – both of place and of interest. It supports and enables people as members of their communities throughout the town as well as seeking to promote and support particular interests and needs – particularly with groups who may sometimes be ‘hard to hear and reach’
- In a number of cases it has shown itself to be very entrepreneurial and has developed innovative services
- It can act as a voice for otherwise disenfranchised communities and groups
- It has a generally positive relationship with statutory organisations which provide significant levels of funding to support it.

However it also has a number of weaknesses:

- Its diversity also means that there are many small organisations that are struggling to survive in an increasingly tight financial environment
- Some parts are heavily reliant on grant aid with few alternative sources of income
- Some organisations are struggling to adapt to a new more ‘business like’ environment and lack skills and capacity
- The Council and PCT’s funding is often short-term and it does not encourage stability
- It is not always clear what the Council and PCT’s expectations are of the sector

- The sector has not been as proactive in anticipating and preparing for change as it could be and is not best equipped to respond to a move towards greater use of contracting as a funding mechanism

This strategy aims to build on these strengths and support the sector and the Council and PCT to work together to overcome the weaknesses.

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## 5. The need for change

In chapter three we identified that the context within which the sector operates is changing. Public sector organisations are moving towards a greater emphasis on their role as commissioners of services and using contracting as a mechanism for procuring. Hartlepool may not have moved as far or as quickly in this direction as many other places but the pressure for it to do so is still there. Increasingly service areas that have traditionally been the preserve of local voluntary sector organisations will attract interest from regional and/or national ones as well as the private sector. If the sector is to survive and prosper in the medium to longer term it needs to learn to adapt to the changing context and embrace more readily the move towards commissioning and contracting. In chapter four we have identified a number of ways in which the sector needs to change in order to remain 'fit for purpose'. Our overall assessment, based on the information presented in this report, is that "the status quo is no longer an option" – although we would qualify it to add "in the medium to longer term".

In table 2 below we set out in general terms the direction of travel that we see as being necessary for the Council, PCT and parts of the sector to follow and highlight what these changes will mean for many VCS organisations.

**Table 2: direction of travel**

<b>In the past</b>	<b>In the future</b>
Voluntary organisations are funded because of their links with local communities and their past record.	<i>Voluntary organisations have to compete on the same basis as other organisations and secure funding on the basis of what they can achieve in the future</i>
Statutory bodies provide funding support to the voluntary sector as grant aid and assume this will be supplemented by income from other sources.	<i>Contracted services will be commissioned through a contract and will be funded at full cost.</i>
The sector relies heavily on grant aid from a few sources.	<i>The sector's income base goes beyond traditional sources and will increasingly operate on a trading basis with the development of more social enterprises</i>
Funding is provided on an historical basis with little few explicit expectations on what will be achieved for the funding. Performance monitoring mostly relates to how the money is spent.	<i>Funding is transparent and linked to the delivery of funder's priorities and objectives with clear outcomes set and monitored.</i>
Statutory organisations have assumed the sector could look after itself and would continue doing what it had always done.	<i>Commissioners of services recognise that the VCS should be supported to help build the capacity of the sector to meet new demands.</i>



In the past	In the future
Voluntary sector organisations operate as autonomous bodies and collaboration in service delivery is uncommon	<i>VCS organisations increasingly are involved in collaborative arrangements and partnerships to make the best use of their shared resources</i>

We understand that the real world is not as black-and-white as this picture suggests. Nor are we saying that the current situation in Hartlepool is entirely in accord with how we characterise the past. We do not believe that moving forward means that elements of traditional relationships and funding, such as grant aid, should entirely disappear – indeed we propose that they should be explicitly maintained alongside a growing role for the delivery of contracted services. But the direction of travel is clear and the sector needs to be actively encouraged and supported to prepare for it.

Some VCS organisations will struggle to prosper in this new environment without effective support and preparation. There are opportunities to be taken here if organisations are geared up to do so. These opportunities include:

- An increasingly important role as providers of mainstream public services rather than just those areas of service where the sector has traditionally operated. An example would be the recent tendering of three new GP surgeries in the town where there was involvement from a voluntary sector organisation in one of the prospective bids
- A shift in the basis on which service delivery is funded to longer-term contracts based on ‘full-cost recovery’ recognising that VCS organisations should not have to subsidise publicly funded services. This should mean greater financial certainty and stability for those organisations that are funded in this way
- A clearer understanding of the importance of the sector’s broad role - as campaigners for change, as advisers influencing the design of services and as innovators from which the public sector can learn – recognised in their involvement in the Hartlepool Partnership and their contribution to the delivery of the community strategy

Taking advantage of these opportunities will require voluntary and community organisations, along with the Council and PCT, to think afresh about how they operate and how they relate to each other. Some VCS organisations in the town are already gearing themselves up to take on new roles and new ways of working. Many, however, have yet to fully recognise the impact of the changes that are taking place in publicly funded services and need to develop the skills or expertise in their management committees and staff to respond appropriately. Similarly, those parts of statutory bodies that engage with voluntary organisations (or potentially could do so) need to re-examine their attitudes to those relationships and the support they can give to the sector.

However, there are risks in this process and it is not one that is appropriate for all parts of the sector. Many smaller organisations will not want to go down the path of bidding to run public services and it would neither be sensible or good value for

money to force them to do so if they want to be able to continue to receive support from public funds. It will important to retain the current diversity of the sector through, for example, the continuing provision of grant aid support alongside contracting. In the next chapter we set out a funding model that we propose should be adopted in Hartlepool that recognises the diversity of different types of funding that need to be made available to support the sector.

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## 6. A funding model for the VCS

This model sets out three types of funding relationship between a funding organisation and the recipient of that funding. These are: shopping, giving and investing.<sup>40</sup>

### ***‘Shopping’ (also referred to as contracting)***

Here the funder is seeking to procure a specific service or activity. This would be something that the funding organisation will have a clear responsibility to ensure is delivered to its local population e.g. provision of day care services, sports activities for young people. Ideally this should be as part of a wider commissioning process of which the actual procurement is only one part.<sup>41</sup> The funders, in this case the Council/PCT, will want to specify in some detail exactly what it expects an organisation to deliver. In the past this has tended to be in terms of inputs and outputs but increasingly commissioners are looking to specify the outcomes they wish to achieve through delivery of the service e.g. improvements in health and wellbeing, the promotion of social inclusion. In the majority of cases procurement of a service will be through open tender and voluntary sector organisations may be competing against the Council/PCT itself and/or private sector providers. Services will be provided under contract either for a fixed amount or an amount that is related to the volume of work carried out. Contracts will be for a fixed term – the length of which will depend upon the nature of the service being provided and usually funded on the basis of ‘full-cost recovery’. Contracts will need to be actively managed at a level appropriate to the size and risk attached to the contract concerned.

### ***‘Giving’ (also known as ‘grant aid’)***

Here the funder is seeking to support a cause without this support being tied to delivering specific activities. An example would be general support to a tenant’s group or youth club. Community chest type funds, such as the PCT’s Public Health Grant Scheme would fall into this definition. Support will be provided as a grant and, therefore, will have relatively few conditions attached. However even though it is described as ‘giving’ the funding is still tied to delivering the funder’s objectives albeit that this will be specified at a high level e.g. to provide support to local residents to encourage them to live healthier lifestyles. Grants are normally awarded on an annual basis and good practice suggests that they should not, therefore, be used to fund ongoing commitments e.g. staff costs. Where funding is intended to support ongoing costs then ‘shopping’ or ‘infrastructure’ support are usually more appropriate mechanisms as they are generally linked to longer-term agreements. The need to demonstrate equity suggests that grant aid should be awarded through a published and open process. Grant aid funding will need to be managed and performance

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<sup>40</sup> This is based upon a model developed by Julia Unwin, now Director of the Joseph Rowntree Foundation. See *‘The Grant Making Tango’*, Julia Unwin, Joseph Rowntree Foundation, 2004

<sup>41</sup> See appendix five for an explanation of the commissioning cycle and the place of procurement within it.

reviewed but using a light-touch. Grants will generally be for relatively small amounts (e.g. less than £20,000 per annum) although this need not be a hard and fast rule.

***‘Investing’ (also referred to as ‘grant in aid’)***

When ‘investing’ the funder is seeking to build the capacity of the voluntary sector and enable it to operate more effectively. Examples could include funding an organisation to provide support to other voluntary organisations throughout the town or to provide capital support to enable several organisations to share premises or to fund core costs for an organisation that is seen to play a vital role in some way. The Council/PCT will need to be able to specify what it wants to achieve through the funding and relate this to its priorities and objectives but it is likely to be at a higher level of detail than for a specific service with funding linked to the delivery of specific outcomes rather than outputs. Funding is likely to be directed to a specific organisation on the basis that it is uniquely placed to deliver what the funders want so tendering will probably not be appropriate or the Council/PCT recognise that they want to support the organisation to play a broader role e.g. in engaging with and developing provision for a specific user group. (Although a restricted tender process may be appropriate in some situations). The nature of the relationship between funder and provider is likely to be longer-term and rather than a detailed contract it would be more appropriate to draw up a rolling service level agreement which is reviewed on a regular basis (although this will still have the legal force of a contract). Agreements will need to be actively managed – but this should be more of a collaborative process with the provider.

Table 3 below sets out in more detail how the model could be applied. – adapted from an approach developed by Croydon Council which was awarded ‘beacon status’ for its work in this area. It should be emphasised that this is only a model and should not be seen as an inflexible framework that has to be applied rigidly irrespective of the circumstances. The Council/PCT and the VCS will need to agree how it is to be implemented and monitor its impact (see next section).

**Table 3: methods of funding and procurement**

Procurement Method	Most applicable when any of the following apply	Guide amount	Type of agreement	Full cost recovery applies
<b>Shopping</b>				
<b>Full competitive procurement process</b>	<ul style="list-style-type: none"> <li>• Specific service</li> <li>• Outcomes/outputs can be clearly defined</li> <li>• Contestable market</li> <li>• Non-sector specific</li> <li>• Statutory or required service</li> </ul>	£144,371 over the life of the contract if EU procurement rules apply. No lower limit though generally for amounts of more than £20,000 p.a.	Contract	Yes
<b>Restricted procurement process</b>	<ul style="list-style-type: none"> <li>• Specific service</li> <li>• Outcomes/outputs can be clearly defined</li> <li>• Few potential providers</li> <li>• May in effect be sector specific</li> <li>• Statutory or required service</li> </ul>	No lower limit though generally for amounts of more than £20,000 p.a.	Contract	Yes
<b>Investing</b>				
<b>Restricted procurement process</b>	<ul style="list-style-type: none"> <li>• Core Costs for strategically important organisations that add value to the locality and/or support others.</li> <li>• Capital funding e.g. to improve efficiency</li> </ul>	No limit	Service level agreement	Negotiated settlement based on an understanding of costs
<b>Giving</b>				
<b>Bidding process</b>	<ul style="list-style-type: none"> <li>• Outcomes not clearly specified</li> <li>• Many potential providers</li> <li>• VCS specific</li> </ul>	£10,000 - £50,000	Funding agreement with SLA	Negotiated settlement based on an understanding of costs
<b>Small grants through community chests</b>	<ul style="list-style-type: none"> <li>• One-off projects/activities</li> <li>• Contribution to development costs</li> <li>• VCS specific</li> </ul>	<£10,000	Funding agreement	No

### ***Current funding in Hartlepool***

Currently it is not always clear which of these categories funding of VCS organisations falls into. Often funding appears to contain elements of all three without it being clear what is being given for what purpose. This makes it difficult to be clear about the purpose of any funding and how it relates to delivering the Council and PCT's objectives. It also almost certainly means that some VCS organisations are effectively subsidising the cost of delivering services that should be funded as 'shopping'. It also leads to a situation where organisations are being funded for core costs, including salaries, through grant aid paid on an annual basis which makes their financial situation very uncertain.

We would therefore propose that the Council and PCT should review all of their current funding to the sector to clarify the basis on which it is given and the purpose of giving it.

As part of this process the Council and PCT should establish clear and separate funding streams for:

- 'Giving' – along the lines of the Working Neighbourhoods Community Chest (as distinct from the main Working Neighbourhoods Fund) and Public Health Grant scheme
- 'Investing' – based upon the Community Pool (although we suspect that some of the funding from the Community Pool is effectively for the delivery of services)

Funding for 'shopping' should come from the Council's mainstream budgets and pots such as the Working Neighbourhoods Fund and will not be differentiated as being solely for VCS organisations although there may be some circumstances where effectively such organisations will be the only potential or preferred providers of services. Wherever funding comes from and however it is given it is the case that it should be supporting the Partnership's/Council or PCT's objectives and priorities as set out, for example, in the Community Strategy, LAA, NAPs, Annual Operating Plan etc.

### ***Purpose of the review:***

The purpose of the review would be to ensure that where funding is provided, it:

- Contributes to corporate and departmental objectives
- Is consistently applied across all directorates
- Is properly monitored and reviewed
- Achieves value for money; and, overall
- Operates within a relationship between the council/pct and the voluntary and community sector that is fair and properly regulated

In Appendix four we set out detailed proposal on how the review should be carried out. The next chapter looks at how this strategy could be implemented.

## 7. Delivering the vision: an outcomes framework and action plan

The Council and the PCT have agreed a vision for the sector:

*There will be a thriving voluntary and community sector in Hartlepool that contributes fully to making Hartlepool an ambitious, healthy, respectful, inclusive, thriving and outward-looking community, in an attractive and safe environment, where everyone is able to realise their potential.*

In order to achieve that vision and move in the direction set out in table 2 above we set out four aims. These are:

### ***A shared vision and strategic direction***

There needs to be a greater sense of shared understanding about the role of the sector, how it can be supported, how it contributes at a strategic level to shaping the future of Hartlepool and how relationships between the sector and statutory agencies should be conducted. There should be a shared understanding of the sector, the range of organisations within it and how it contributes to the prosperity of Hartlepool. The sector itself needs to be able to articulate clearly what it does and the added value that it brings. The Compact sets out how statutory agencies and the sector will work together towards shared objectives to improve the quality of people's lives within Hartlepool.

### ***A sector that is strong and prosperous***

It is in everyone's interest to ensure that the VCS remains strong in the town and that it continues to prosper. This means clear funding arrangements but it is also about other forms of support and the mechanisms needed to provide them. These include ensuring there is an effective local development agency in place to support the sector, help it develop and promote its broader role. It means recognising the diversity of the sector and that there needs to be a range of funding available that are appropriate for the different types of organisation that exist and that the funding that organisations receive is given for clearly stated reasons and that the amount is transparent. It also requires that the sector itself demonstrates that it is constantly looking to see how it can become more effective and make the best use of all its resources to deliver high quality services.

### ***A sector that contributes to the delivery of good public services***

The Council and PCT believe that VCS organisations have a significant role to play in delivering public services in the town and we want to support and encourage them to play that role (within the constraints imposed on them by, for example the need to demonstrate they are obtaining value for money). This requires both that effective procurement mechanisms are put in place by the Council and the PCT (and reflected in their procurement strategies and guidance) but also that the sector is geared up to take advantage of these opportunities and is able to demonstrate that it provides good quality, value for money, services. VCS organisations that want to deliver public services will need to be able to compete on a level playing field with

both statutory and private sector providers and be able to demonstrate that their services meet the requirements of service commissioners and the needs of service users.

### ***A sector that strengthens communities and neighbourhoods***

The VCS plays a vital role at a community and neighbourhood level in building and maintaining sustainable and cohesive communities and should be supported to do this. This will be both as providers of important community based services and facilities but also through being able to use their local knowledge and contacts to shape the design and delivery of services to ensure they meet local needs and to work with local people and 'hard to hear' groups to ensure that their voices are heard and taken account of. This is often where smaller community organisations have an important role to play and there is a need to ensure that there are mechanisms in place to give them effective support. Ways of accessing support for these groups need to be as straightforward and non-bureaucratic as possible and funding should reflect the priorities of local communities. The role of volunteers should be recognised and supported.

On page 7 we set out an outcomes framework that brought together the vision, the overall aims for the sector and a number of outcomes this strategy will need to deliver to achieve these. This is reproduced again below followed by a draft action plan for the Council/PCT and HVDA to consider that will deliver this strategy.



## 8. A vision and outcomes framework for the VCS in Hartlepool

<b>Vision: there will be a thriving voluntary and community sector in Hartlepool that contributes fully to making Hartlepool an ambitious, healthy, respectful, inclusive, thriving and outward-looking community, in an attractive and safe environment, where everyone is able to realise their potential.</b>			
<b>Aim 1</b> <b>A shared vision and strategic direction</b>	<b>Aim 2</b> <b>A sector that is strong and prosperous</b>	<b>Aim 3</b> <b>A sector that contributes to the delivery of good public services</b>	<b>Aim 4</b> <b>A sector that strengthens communities and neighbourhoods</b>
<b>Outcome 1a</b> There will be a shared view of the role of the VCS set out in the Compact <b>Outcome 1b</b> The VCS will set out a clear statement of what it can offer and the added value that it brings <b>Outcome 1c</b> The VCS will be engaged in strategic planning and commissioning processes and helping shape the priorities for Hartlepool <b>Outcome 1d</b> There will be excellent collaborative working with a good understanding in both sectors of their respective roles, cultures and constraints <b>Outcome 1e</b> There will be good communication between the VCS and statutory organisations	<b>Outcome 2a</b> The Council and PCT will contract with an organisation to deliver infrastructure support to the VCS in order to enable the sector to perform effectively <b>Outcome 2b</b> The VCS will share facilities and resources where this makes sense and will deliver a more cost effective service <b>Outcome 2c</b> VCS organisations will have a clear understanding of their cost base and service objectives <b>Outcome 2d</b> There will be a single publicly available database of all VCS organisations in the town <b>Outcome 2e</b> The Community Network will be seen as the effective voice of the VCS in the Hartlepool Partnership <b>Outcome 2f</b> VCS organisations will know the basis on which they receive funding from the Council and PCT and how this will be monitored <b>Outcome 2g</b> There will be a diversity of funding support that recognises the different needs of VCS organisations	<b>Outcome 3a</b> VCS organisations will play an effective role in delivering public services that help the Council and PCT meet their objectives <b>Outcome 3b</b> There will be clear procurement and contracting processes that provide a level playing field for VCS organisations <b>Outcome 3c</b> The VCS will be geared up to take advantage of procurement opportunities <b>Outcome 3d</b> Contracts with VCS organisations to deliver services will be funded on a transparent basis using full-cost recovery. <b>Outcome 3e</b> The VCS will be able to demonstrate that it delivers quality services that meet the needs of users <b>Outcome 3f</b> VCS organisations contracted to deliver services will have effective business planning processes and be able to demonstrate that they deliver value for money	<b>Outcome 4a</b> Community organisations will be supported to enable local people to make their views and aspirations known within the Neighbourhood Renewal Areas <b>Outcome 4b</b> Views from neighbourhood level will feed into strategic partnerships/policy makers to give a voice to specific communities of interest. <b>Outcome 4c</b> Hard to reach and special needs groups will be given targeted support to enable their voice to be heard. <b>Outcome 4d</b> The VCS will work collaboratively at a local level to make the best use of its resources <b>Outcome 4e</b> Volunteers will be a valued resource in the community <b>Outcome 4f</b> Grant aid funding will be available to support small local groups that is transparent and linked to community priorities as set out in the Community Strategy and LAA <b>Outcome 4g</b> There will be a single process for applying for non-contract funding from the Council and PCT <b>Outcome 4h</b> The PCT will commission an organisation to deliver its Public Health Grant scheme
<b>The Compact</b> The Compact underpins the strategy and sets out how statutory agencies and the sector will work together to deliver it through a series of codes of practice.			

## 9. Draft action plan

The draft action plan set out in the following pages identifies a range of actions that would deliver the outcomes in the framework above. It is comprehensive and ambitious. The action plan set out here has not been agreed by the Council, PCT or VCS. and is put forward for discussion. The Council, the PCT and the VCS will need to agree over the coming months which actions they agree to, how they will prioritise these and what additional resources they can commit to implementing the plan. To aid this process we have included:

- Indicative possible timescales
- What we see as the relative priority of different actions – scored on a scale from 1 (high priority) to 4 (low priority)
- The possible resource implications. These are assessed as:
  - High – considerable additional resources will be required i.e. over £20,000 per annum
  - Medium – some resources required – up to £20,000 per annum
  - Low – only a small additional resource required which can probably be found from within existing budgets or there would be no need for additional resources to implement the action

The action plan also indicates whether the resource requirement would be on going in nature or just for one-off expenditure.

It is important to stress that this information is only indicative and is not based on any detailed costings.

In some places the action plan refers to the Hartlepool Partnership. It only does so where the actions are ones that the Partnership has already agreed e.g. in relation to delivery of the LAA. The draft strategy will be presented to the Partnership once it has been endorsed by the Council and PCT and it is hoped that other partners will adopt the approach, and where appropriate actions, set out in it.

Outcome	Actions	Rationale	Timescale	Lead organisation <sup>42</sup>	Resource implications	Priority
<b>Aim 1: a shared vision and strategic direction</b>						
<b>Outcome 1a</b> There will be a shared view on the role of the VCS which will be set out in the Compact	1. The redrafted Compact has been agreed by the Hartlepool Partnership and endorsed by all partners	The revised Compact sets out the shared view of the Hartlepool Partnership on the role of the VCS and relationships between the sector and statutory agencies. It has been agreed by all partners and adherence to it will be monitored by the Community Network on behalf of the Partnership to ensure that it is as an effective document. Agencies that sign up to the Compact need to ensure that it is implemented within their organisation.				
	2. There will be an action plan agreed for the Compact to ensure it is promoted and used by the organisations that have endorsed it. This will be matched by individual plans within organisations.		31/03/09	Partners	Low	1
	3. The plan should be monitored by the Community Network and an exception report on compliance submitted to the Partnership on an annual basis		ongoing	Community Network	Low	1
<b>Outcome 1b</b> The VCS will set out a clear vision of what it can offer and the added value that it brings	4. The VCS to produce a statement that clearly identifies the different ways in which it adds value and be able to specify which of these apply in particular situations	It is agreed that the VCS adds value but it is not always clear what that value is. The sector should be clear about what makes it different and be able to articulate that – both in general terms and in relation to specific programmes of work. This would cover both economic and social aspects	31/03/09	HVDA	Low	2
	5. The Council and PCT and the VCS to collaborate on a survey of all	One area where the sector can be clear that it adds value is in the	30/09/09	HVDA	Medium one-off	2

<sup>42</sup> Where action is required by the VCS we have identified HVDA as the lead agency. However this does not mean we think they should necessarily do all the work – rather that they would co-ordinate input from a range of people and organisations within the sector

Outcome	Actions	Rationale	Timescale	Lead organisation <sup>42</sup>	Resource implications	Priority
	VCS organisations to identify the total funding VCS organisations bring into the town	additional funding it brings into the town. A survey of organisations would identify exactly how much this additional funding is worth and thereby contribute to developing a fuller understanding of the worth of the sector to the local economy as well as building up a picture of the financial health of the sector and identifying weaknesses so a proactive approach can be taken to dealing with these.				
<b>Outcome 1c</b> The VCS will be engaged in strategic planning and commissioning processes and helping shape the priorities for Hartlepool	6. VCS organisations should collaborate more to promote a 'VCS voice' within the Hartlepool Partnership and its thematic partnerships	Whilst the VCS is represented in the partnership structures we heard views that its approach was not always sufficiently strategic. By working more closely together in their engagement in policy and high-level commissioning (as opposed to procurement) processes the sector would be able to be more influential in shaping future policy and strategy.	ongoing	HVDA	Low	2
	7. The Council and PCT should ensure that the VCS continues to be represented in key strategic bodies		ongoing	Council/PCT	Low	1
<b>Outcome 1d</b> There will be excellent collaborative working with a good understanding in both sectors of their respective roles, cultures and constraints	8. HVDA should set up a training programme for staff from statutory agencies to increase awareness and understanding of the sector	We found evidence that in some instances there is a lack of understanding of the role that the VCS plays, how it works etc. We make a series of suggestions as to how understanding could be improved on both sides.	31/03/09	HVDA	Medium	2
	9. Run an awareness raising session for Councillors and Non-executive Directors on the VCS and what it can deliver		31/03/09	HVDA	Low	2
	10. Material on the sector will be included in all induction programmes for new staff		31/09/09	HVDA/HBC/PCT	Low	3
	11. Opportunities to exchange learning		30/06/09	HVDA/HBC/	Medium	3

Outcome	Actions	Rationale	Timescale	Lead organisation <sup>42</sup>	Resource implications	Priority
	between statutory and voluntary agencies should be explored e.g. shadowing, job-swaps, placements etc		(for way forward to be agreed)	PCT		
<b>Outcome 1e</b> There will be good communication between statutory organisations and the VCS	12. HVDA to review its e-mail bulletin to ensure it is reaching key staff in statutory agencies	Communication is generally good but could be improved. We think it is important that contact between the VCS and statutory agencies is encouraged at all levels and in all departments. One way to promote this would be to use the Council's website to provide links to e.g. HVDA's website and to contain information about and for the sector. There is also merit in considering whether having a post with specific responsibilities for promoting links between the Council, PCT and the sector would further encourage joint working and the development of the VCS. If this is not seen as appropriate then clear points of contact need to be identified and widely advertised.	31/12/08	HVDA	Low	2
	13. Develop a VCS page on the Council's website and intranet linking into HVDA's website and giving access to information about and for the VCS		31/12/08	HBC/HVDA	Low	2
	14. Consider establishing a dedicated post as the main point of liaison between the VCS and statutory agencies and to act as the lead for VCS development. As a minimum the Council and PCT should identify clear points of contact within their organisations for VCS organisations and make sure these are well publicised.		30/06/09 (for decision to be made of which approach to take)	HBC/PCT	High	2

Outcome	Actions	Rationale	Timescale	Lead organisation <sup>43</sup>	Resource implications	Priority
<b>Aim 2: a sector that is strong and prosperous</b>						
<b>Outcome 2a</b>	15. The Council and PCT should create a joint Community Pool to provide infrastructure support to key voluntary sector organisations	The Council and PCT should pool their support and create a single Community Pool to provide infrastructure support to VCS organisations.	31/03/10	HBC/PCT	Low	1
<b>Outcome 2b</b> The Council and PCT will contract with HVDA and other organisations to deliver infrastructure support to the VCS in order to support the sector to operate more effectively	16. Strengthen the role of HVDA as the local development agency for the VCS in Hartlepool with appropriate funding so it can effectively deliver the programme set out in this action plan	HVDA plays an important role in supporting the development of the sector. However we think this role needs to be enhanced and the organisation should take a more pro-active approach e.g. in relation to preparing and supporting the sector to take advantage of procurement opportunities. Opportunities for additional funding for HVDA to support this enhanced role should be explored.	31/03/09	HBC/PCT	High	1
	17. Negotiate a new contract with HVDA that in return for appropriate financial support sets out clear targets for the organisation to deliver		31/03/09	HBC/PCT/ HVDA	High	1
	18. Other organisations that play a role in supporting the VCS should be identified and a decision made	A range of organisations currently support other VCS organisations in the town. Using the revised	31/03/10	HBC/PCT	Medium	2

<sup>43</sup> Where action is required by the VCS we have identified HVDA as the lead agency. However this does not mean we think they should necessarily do all the work – rather that they would co-ordinate input from a range of people and organisations within the sector

Outcome	Actions	Rationale	Timescale	Lead organisation <sup>43</sup>	Resource implications	Priority
	whether to support them in this role	Community Pool this role should be recognised and supported where appropriate.				
<b>Outcome 2c</b> The VCS will share facilities and resources where this makes sense and would deliver a more cost effective service	19. Undertake a review of VCS organisations with the explicit aim of identifying opportunities to share resources i.e. premises, back room functions	There are a large number of organisations in Hartlepool running their own premises, providing their own backroom functions etc. We think there are likely to be opportunities for organisations to collaborate to reduce overhead costs and ensure more funding goes into front-line services. This process will require leadership and should be one of the roles given to HVDA under 2a above.	30/06/09	HVDA	Medium One-off Long-term savings	1
<b>Outcome 2d</b> VCS organisations will have a clear understanding of their cost base and service objectives	20. HVDA to develop a training programme and support to enable VCS organisations to analyse their cost base and define their service objectives	Progress has been made in this area e.g. through the Building Links programmes but all VCVS organisations potentially bidding for contracts need to fully understand their cost base and be clear about the services they can offer. This will require support in some instances	31/12/09	HVDA/HBC	Medium One-off	2
<b>Outcome 2e</b> There will be a single publicly available database of all VCS organisations in the town	21. Compile an online database of all VCS organisations in the town, the services they deliver and facilities they can provide. Make this widely available through the Council's and other websites.	There is no single authoritative list of VCS organisations in the town which sets out what organisations do and provide. This would set up an electronic database that would be publicly available and that could be routinely updated. This will be an important resource for the sector itself, commissioners and the public	31/03/09	HVDA/HBC/ PCT	Medium Mostly one-off	1
<b>Outcome 2f</b> The Community	22. The Community Network should be supported through mainstream	The Community Network is currently funded on an annual basis through	31/03/10	HBC	High	2



Outcome	Actions	Rationale	Timescale	Lead organisation <sup>43</sup>	Resource implications	Priority
Network will be seen as the effective voice of the VCS in the Hartlepool Partnership	funding with a 3-year rolling contract to ensure that the VCS is represented on the Hartlepool Partnership and its thematic partnerships	the Working Neighbourhoods Fund. Given its role it would be more appropriate for it to be funded through mainstream funding and on an ongoing basis. Funding should not just come from the Council. The Partnership should explore how best to fund and support the Community Network.				
<b>Outcome 2g</b> VCS organisations will know the basis on which they receive funding from the Council and PCT and how this will be monitored	23. The Council and PCT will adopt the good practice guidelines for funding VCS organisations published by the Treasury (see section 7)	Any VCS organisations whatever the source and level of its funding should be clear about why that funding has been given, how long it will last and what is expected of it in return. All funding agreements should be reviewed to ensure that the funding remains appropriate i.e. that it is clear how they contribute to delivering the funder's objectives and that they contain this information.	31/03/10	HBC/PCT	Potentially high (impact of move to full-cost recovery)	1
	24. The Council and PCT will review their funding of all VCS organisations using the approach set out in appendix four		31/03/10	HBC/PCT	Low	1
	25. All funding for whatever purpose will be accompanied by a clear agreement/letter setting out: <ul style="list-style-type: none"> <li>• The amount of the funding</li> <li>• The purpose for which it is given</li> <li>• The duration of the funding</li> <li>• How performance will be managed</li> </ul>	Where services are delivered under contract it is appropriate and in line with guidance from the Treasury, that organisations should be paid on the basis of full-cost recovery. Agreeing what this means for VCS organisations is not always straightforward and a methodology for doing so needs to be agreed. We recommend using the toolkit	31/03/10	HBC/PCT	Low	1
	26. The Council/PCT and VCS should agree a methodology for calculating full-cost recovery.		31/03/10	HBC/PCT	Low	1

<sup>44</sup> See <http://www.fullcostrecovery.org.uk/main/index.php?content=home>



Outcome	Actions	Rationale	Timescale	Lead organisation <sup>43</sup>	Resource implications	Priority
	27. A performance framework should be developed which is agreed with the sector that sets out how performance will be monitored and managed. Outcome based agreements and monitoring should be developed where possible.	developed by acevo (Assoc of Chief Executives of Voluntary Organisations). <sup>44</sup>  Agreements should set out clearly how performance will be managed. The level of performance management should be proportionate to the level of the funding and risk.	31/03/10	HBC/PCT	Low	1

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Outcome	Actions	Rationale	Timescale	Lead organisation <sup>45</sup>	Resource implications	Priority
<b>Aim 3: a sector that contributes to the delivery of good public services</b>						
<b>Outcome 3a</b> VCS organisations will play a major role in delivering services that help the Council and PCT meet their objectives	28. The Council and PCT should adopt a clear policy to promote the role of the VCS in service delivery within the parameters of EU procurement rules and where that adds value for money.	In order to ensure that the VCS can play a significant role in the delivery of public services within the town various steps will need to be taken to: <ul style="list-style-type: none"> <li>Promote their potential role</li> <li>Ensure that the Council and PCT's procurement policies and strategies support that role</li> <li>Develop the capacity of the VCS to bid for contracts</li> </ul>	31/03/09	HBC/PCT	Low	2
	29. Develop a procurement code as part of the future review of the Compact		31/03/10	HBC/PCT/HVDA	Low	3
	30. Establish a joint working group and agree a detailed plan to take forward action in this area building on the actions set out in appendix 5		31/03/09	HBC/PCT/HVDA	Low	2
	31. Develop a key performance indicator that will measure the level of business placed with VCS organisations		31/03/10	HBC/PCT/HVDA	Low	4
<b>Outcome 3b</b> There will be clear procurement and contracting processes that operate according to the Compact	32. Review the Council's and PCT's procurement strategy to ensure they provide a level playing field for VCS organisations	The Council and PCT should encourage, within the constraints within which it operates, VCS organisations to compete for contracts as effectively as possible. These measures will ensure that VCS organisations have maximum opportunities to bid for contracts. More details are set out in appendix	31/03/10	HBC/PCT		
	33. Provide training to VCS on the Council's procurement process		31/03/09	HBC/PCT	Low	3
	34. Ensure that VCS organisations are aware of procurement opportunities through setting up an e-mail alert		31/12/08	HBC/PCT	Low	1

<sup>45</sup> Where action is required by the VCS we have identified HVDA as the lead agency. However this does not mean we think they should necessarily do all the work – rather that they would co-ordinate input from a range of people and organisations within the sector

Outcome	Actions	Rationale	Timescale	Lead organisation <sup>45</sup>	Resource implications	Priority
principles	system linked to the HVDA website	five to the report.				
<b>Outcome 3c</b> The VCS will be geared up to take advantage of procurement opportunities	35. Develop a VCS development programme that will cover the following areas: <ul style="list-style-type: none"> <li>• Marketing</li> <li>• Business planning</li> <li>• Preparation for contracting</li> <li>• Quality assurance</li> <li>• Leadership</li> <li>• Negotiation</li> </ul>	A range of measures need to be taken to ensure that the VCS is able to take advantage of the procurement opportunities that are available. More details are set out in section 8 of the report.	30/09/09	HVDA/HBC/PCT	High (but much one-off)	2
	36. Promote support mechanisms that will build skills and capacity in the VCS		ongoing	HVDA	Low	2
	37. Encourage new ways of working such as consortiums and partnerships between VCS organisations		ongoing	HVDA	Low	2
<b>Outcome 3d</b> Contracts with VCS organisations to deliver services will be on a sustainable basis	38. VCS organisations that provide services under contract should be paid on the basis of 'full-cost recovery'.	Where VCS organisations are delivering services under contract (shopping) then it is appropriate that they are paid the full cost of providing those services including a proportion of their overhead costs.	31/03/10	HBC/PCT/HVDA	High	1
	39. The Council and PCT should ensure that all contracts with VCS organisations for the delivery of specific services are properly funded and are long-term contracts of at least 3 years duration – unless the services concerned are clearly of a short-term nature	A number of VCS organisations that are effectively providing services are still doing so on the basis of short-term contracts. This does not promote stability, value for money or good service delivery	31/03/10	HBC/PCT	low	1
	40. Organisations that receive funding from both the Council and PCT should have a single contract that covers both funding streams	Several organisations receive funding from both the Council and PCT yet have separate contracts. It would be more efficient if a single	31/03/10	HBC/PCT	low	2

Outcome	Actions	Rationale	Timescale	Lead organisation <sup>45</sup>	Resource implications	Priority
		contract was drawn up and 1 body identified as the lead commissioner for that organisation as has been done, for example, with Connected Care.				
<b>Outcome 3e</b> The VCS will be able to demonstrate that it delivers quality services	41. HVDA should promote the take up of quality assurance systems designed specifically for small to medium voluntary sector organisations such as PQASSO (Practical Quality Assurance System for Small Organisations – see <a href="http://www.ces-vol.org.uk/index.cfm?pg=42">http://www.ces-vol.org.uk/index.cfm?pg=42</a> or 'Quality First' ( <a href="http://www.bvsc.org/development/quality-first.html/?searchterm=Quality%20First">http://www.bvsc.org/development/quality-first.html/?searchterm=Quality%20First</a> ) The target should be that all VCS organisations are able to demonstrate they have appropriate mechanisms in place to assure the quality of their services.	VCS organisations need to be able to demonstrate they have effective quality assurance systems in place. There are now schemes which are specifically designed for VCS organisations, including small ones, which should be promoted amongst organisations in the town.	31/03/10	HVDA	Medium	2
<b>Outcome 3f</b> VCS organisations contracted to deliver services will have effective business planning processes and be able to demonstrate	42. Extend the Building Links work and make available to all VCS organisations in the town (see also action 32)	The Building Links programme was delivered to 14 organisations. The evaluation shows it would be useful to extend it to other VCS organisations in the town on a rolling basis. HVDA should be contracted to organise the delivery of this training.	31/03/10	HVDA	Medium	2

Outcome	Actions	Rationale	Timescale	Lead organisation <sup>45</sup>	Resource implications	Priority
that they deliver value for money						

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Outcome	Actions	Rationale	Timescale	Lead organisation <sup>46</sup>	Resource implications	Priority
<b>Aim 4: a sector that strengthens communities and neighbourhoods</b>						
<b>Outcome 4a</b> Community organisations will be supported to enable local people to make their views and aspirations known within the Neighbourhood Renewal Areas	43. Review progress towards delivering these outcomes and identify actions for the LAA Delivery Improvement Plans for 2009/10 and 2010/11	These outcomes are both taken from the Neighbourhood Renewal Strategy, part of Hartlepool's Ambition. The LAA Delivery and Improvement Plan <sup>47</sup> sets out a number of actions that are planned for 2008/09 to deliver these outcomes. Progress in delivering these outcomes should be reviewed in the light of these actions and a new action plan drawn up for the remaining two years of the LAA	31/03/09	Hartlepool Partnership	Low	1
<b>Outcome 4b</b> Views from neighbourhood level will feed into strategic partnerships/policy makers to give a voice to specific communities of interest.						

<sup>46</sup> Where action is required by the VCS we have identified HVDA as the lead agency. However this does not mean we think they should necessarily do all the work – rather that they would co-ordinate input from a range of people and organisations within the sector

<sup>47</sup> Available at [http://www.hartlepool.gov.uk/partnership/downloads/LAA\\_DIP\\_Part\\_1\\_2nd\\_Draft\\_04\\_Aug\\_08.pdf](http://www.hartlepool.gov.uk/partnership/downloads/LAA_DIP_Part_1_2nd_Draft_04_Aug_08.pdf)

Outcome	Actions	Rationale	Timescale	Lead organisation <sup>46</sup>	Resource implications	Priority
<b>Outcome 4c</b> Hard to reach and special needs groups will be given targeted support to enable their voice to be heard.	44. The Council and the PCT should review the way that they currently support VCS organisations to engage and involve hard to reach groups to ensure there is a consistent approach across all vulnerable groups	There are a number of groups that either work to or have been set up specifically to promote the engagement of vulnerable groups e.g. older people, people with disability or mental health problems etc. However there is no consistent approach to this work across all user groups and the resources and processes available vary between different user groups which is inequitable.	31/03/10	HBC/PCT	Low (review) May be resource implications in the longer term	2
<b>Outcome 4d</b> The VCS will work collaboratively at local level to make the best use of its resources	45. The Council and HVDA should commission an audit of community based resources (including community centres) and identify opportunities to make more effective use of those resources (including rationalisation). See also action 19.	There are many organisations working at community level with access to a variety of resources (buildings etc). There are almost certainly opportunities to make more effective use of these resources.	30/06/09	HBC/HVDA	Medium One-off Long-term savings	1
<b>Outcome 4e</b> Volunteers will be a valued resource in the community	46. The Council and PCT should ensure they have a policy in place to promote and support volunteering in their workforce.	Volunteers perform a vital function both in delivering services but also in building community cohesion. This role should be encouraged by all partners as an integral part of the Compact.	30/09/09	HVDA		
	47. The role of HVDA in promoting volunteering will be explicitly recognised in their contract with the Council and PCT		31/03/09	HBC/PCT/ HVDA	Medium	2
	48. See also actions in the LAA delivery and Improvement Plan 2008/09 pp183-184	Actions to develop volunteering are also included in the Delivery and Implementation Plan	31/03/09	HVDA	Low	2

Outcome	Actions	Rationale	Timescale	Lead organisation <sup>46</sup>	Resource implications	Priority
<b>Outcome 4f</b> Grant aid funding will be available to support small local groups that is linked to community priorities as set out in the Community Strategy and LAA	49. The Council should set up a community chest fund that brings together existing funding streams to provide smaller, one-off grants to community based VCS organisations	There is a need for small community based organisations to be able to access funding to help them sustain their activities at a very local level. Community chests have been shown to be an effective way of doing this. Currently there are a number of different pots of money that are used for this purpose. The Council should look to bringing these together into a single pot that can be spent in accordance with community priorities as set out, for example, in the NAPs.	31/03/10	HBC	High	2
<b>Outcome 4g</b> There will be a single process for applying for non-contract funding from the Council and PCT	50. The Council and PCT will agree a single process for applying for all grant aid. Within this all grant aid applications will be administered electronically.	Whilst it may be appropriate to continue different funding streams for different purposes there should be a single process for applying for grants. Ideally this would be a web based approach through a 'single gateway'.	31/03/10	HBC/PCT/HVDA	Medium (one-off)	3
	51. Review the role of the Grants Committee	If the framework set out in this strategy is adopted it brings into question the need for the Council's Grants Committee. This should therefore be reviewed.	31/03/10	HBC	Low	3
<b>Outcome 4h</b> The PCT will commission an organisation to deliver its public Health Grant	52. The PCT should continue to commission HVDA to administer its Public Health Grants scheme	The PCT has set up a grants scheme to provide funding for community organisations that help improve health outcomes. This funding is currently only secured until march 2010. Assuming the scheme is judged	31/003/10	PCT/HVDA	High	2



Outcome	Actions	Rationale	Timescale	Lead organisation <sup>46</sup>	Resource implications	Priority
scheme		to be a success it should be continued for at least a further 3 years after that date.				

Implementing the strategy						
	53. The Council, PCVT and VCS should set up a task group to agree actions and priorities to implement the strategy and develop a detailed implementation plan	Once the strategy has been agreed an effective implementation process will need to be established including agreeing exactly which actions will be taken forward and when and by whom.	31/12/08	HBC/PCT/HVDA	Low	1

## **10. Delivering the strategy**

This strategy sets out an ambitious vision for the VCS in Hartlepool. Implementing the outcomes framework and the action plan that supports it will require a programme of change in the Council, the PCT and the sector itself. Some of this is about a change in attitude and approach that can be delivered without significant additional resources. Some change will require additional resources in the short to medium term e.g. to support VCS organisations adopt new ways of working. Delivering some of the actions will require resourcing over the longer term.

At this stage it is not clear that all or any of those resources are available. The strategy has been developed too late to secure any additional funding in the financial year 2009/2010. Both the Council and the PCT will be looking to see if they can identify resources to support the strategy from April 2010. But rather than limit our vision to what we know we can achieve at the moment we think it right to set out our overall ambition for the sector.

This does not mean that no progress can be made in the meantime. The action plan identifies a number of actions that can be taken with little or no additional resources. Existing resources may be able to be used differently or some resources may become available during the year that can be used to take forward specific actions. The Council and the PCT need sit down with the sector and agree jointly how progress can be made. We propose that a time-limited implementation group should be convened to agree this and then set in place arrangements to deliver the strategy and monitor its implementation.

Most importantly in adopting this strategy the Council and the PCT will have indicated their clear support for the VCS in the town and their intention to work with it to ensure that it grows and develops. We hope that other statutory agencies will adopt a similar approach. Working in partnership we can help build a thriving voluntary and community sector that continues to enhance the quality of life for the people of Hartlepool.

# **A strategy for supporting and developing the voluntary and community sector in Hartlepool**

## **Part two: background information**

**Draft report by  
Peter Fletcher Associates**

**November 2008**



**Peter Fletcher Associates Ltd**  
*Research and Consultancy*

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## Appendix one: the Hartlepool Compact – October 2008

### **.FOREWORD.**

In Hartlepool there is a strong tradition of the public, private and community and voluntary sectors working in partnership to improve the environment and economic and social well being of the Borough.

This Compact sets out the agreed working practices between the voluntary, community and named public sector service providers and recognises the value of services provided by voluntary and community groups in Hartlepool.

This Compact aims to make a difference to our community by helping to deliver, directly and in partnership with others, high quality services which will improve the quality of life of our residents.

Mayor Stuart Drummond

Chair of the Hartlepool Partnership

### **VISION**

***The Hartlepool Compact aims to strengthen the relationship between public sector and voluntary and community sector working towards shared objectives to improve the quality of people's lives within Hartlepool.***

### **1. .PURPOSE OF COMPACT.**

The Compact is an agreement between Hartlepool Borough Council, local service providers and commissioners of services and the voluntary and community sector.

The purpose of the Compact is to set out codes of practice and terms of engagement that organisations will agree to work to and more importantly sign up to. This will ensure that all partners are aware of and can be responsible for the level of engagement expected from them and what they expect from others when working in partnership. This mutual agreement between partners will improve their relationships and benefit the communities within Hartlepool.

## **2. BACKGROUND**

The Voluntary and Community Sector (VCS) is a key partner in the design and delivery of services that communities want.

In recognition of this, in 1998 a national compact was launched which set out an agreement between the Government and the VCS to improve their relationships for mutual advantage.

Such an approach was also encouraged at regional and local levels.

Early in 2003 a framework was developed that set out the shared values, principles and operational guidelines between Hartlepool Borough Council, community groups and voluntary organisations in Hartlepool. This was the Borough's first local Compact and it included a commitment to extend the approach to encompass other agencies' relationships with the Hartlepool community and voluntary sector.

In 2006 a regional compact was developed aiming to improve partnership working and relationships between regional organisations within the VCS and the public sector in the North East. It provides a basic framework setting out the main principles and commitments that these relationships can be built upon.

One of the recommendations of the Borough Council's Strengthening Communities Best Value Review in 2006 was that the local Compact needed to be strengthened and re-launched. Hartlepool Partnership (the Local Strategic Partnership<sup>1</sup> (LSP) considered these recommendations in February 2007. In addition, in line with the commitment in the first local Compact, and following the Regional Compact, which encompasses the whole of the public sector, this second local Compact has been developed to include other named partners, and therefore builds on the first Compact.

A full list of all the public sector partners is included in **Appendix 1**. A mechanism for identifying and signing up VCS partners is currently being worked up.

## **3. STATUS OF THE COMPACT**

This local Compact has been drawn up in partnership following consultation with the VCS, key public sector bodies and local organisations.

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<sup>1</sup> The Hartlepool Partnership is the Borough's Local Strategic Partnership (LSP). Working through a Board and a set of Theme Partnerships; it brings together a range of local organisations to give the Borough a strong, united voice.

It is a written agreement containing a series of codes designed to improve relationships between the VCS and other organisations in Hartlepool (and sets out guidelines on meaningful consultation with various sectors of the community).

It is **not** a -

- Service level agreement
- Contract
- Legally binding document
- Funding guarantee
- Replacement for existing partnership agreements

It is hoped that the Compact will bring real change in culture and produce significant benefits to local communities by helping public agencies and local organisations, both voluntary and statutory, to work more effectively to provide better services.

#### **4. IMPLEMENTATION AND REVIEW**

There is need for an ongoing process of review to ensure effective implementation of the Hartlepool Compact, ensuring that it is made to work in practice.

The following arrangements have been made to keep its operation under review:-

It is proposed that the monitoring will be undertaken by the Community Network, discussed quarterly at their meetings. The Compact will be an open agenda item that people can attend the meetings to discuss. This arrangement will be kept under review to ensure that it is the most efficient way to monitor the Compact.

It is also proposed that the annual action plan (*this will be a sister document*) needs to be tied into Hartlepool's Local Area Agreement<sup>2</sup>. Annual Performance Framework and they should be monitored through the Hartlepool Partnership/Community Network.

The Community Network has agreed to review case studies of disputes that may occur and feed them into the ongoing development of the Compact through the Action Plan. Appendix 3 shows a diagram that should be followed if disputes occur.

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<sup>2</sup> Local Area Agreements (LAAs) are based on local Community Strategies that set out the priorities for a local area agreed between Central Government (represented by the Regional Government Office) and a local area (represented by the local authority and other key partners through the LSP).

### **COMPACT ADVOCACY**

The Compact Advocacy Programme is run by the voluntary and community sector, for the sector. It is based at the National Council for Voluntary Organisations (NCVO). Since 2002 they have been working towards ensuring compliance with the Compact. This has been done at a national level through advocacy, campaigning and lobbying government departments on behalf of the voluntary and community sector.

The Compact Advocacy Programme also works at a local level, it is recognised that there is little awareness of the Compact at a local level and there are still many instances of non-compliance. The Compact Advocacy Programme will work on behalf of the voluntary and community sector working closely with organisations where the Compact and the associated codes have been breached. They do this by making a campaign plan to make representations on behalf of the organisation to relevant government or local departments, through lobbying, advocacy, wider campaigning and negotiation.

## **5. THE HARTLEPOOL COMPACT CODES**

The Hartlepool Compact puts forward a series of Codes which provide the ground rules for good practice. The Codes are for all parties to strive to achieve. They cover the following areas:-

- a. Funding code
- b. Consultation and Policy code.
- c. Inclusion Code (Minority and Small Community Groups code)
- d. Code of Practice on Representation
- e. Volunteering Code

### **a) Funding Code**

- ii) All partners will adopt processes that are non-discriminatory to small voluntary and community groups.
- iii) All partners will recognise the importance of funding core costs (whilst acknowledging the trend of funders moving away from funding core costs to encouraging VCS groups to apply for funding on the basis of full cost recovery rates), repeat funding and inflation rises.
- iv) All partners will recognise the benefits of offering multi-year and roll-forward funding, preferably on a 3 year basis where possible, to allow for long-term planning.



- v) All partners will where possible give early notification on agreements for future years funding and if this is not possible identify contingencies e.g. extend existing contracts by a couple of months until decisions are made.
- vi) All partners will adopt an open, transparent and timely (clearly set out) funding process and ensure that voluntary, community and local organisations realise the principles of accountability and transparency in all areas of their activities.
- vii) All partners will adopt an open, transparent and timely (clearly set out) tendering process ensuring that the same processes / timescales / information will apply to all VCS groups and organisations.
- viii) All partners will adopt the practice of written agreements which set out the objectives of funding, the payment arrangements and the monitoring requirements.
- ix) All partners will seek to allocate resources against clear and consistent criteria, including value for money.
- x) All partners will seek to maintain high standards of governance and conduct and meet reporting and accountability obligations to funders and users.
- xi) All partners will respect and be accountable to the law and in the case of charities, observe the appropriate guidance from the Charity Commission.
- xii) All partners will seek to assist local groups to be able to compete for work which is being commissioned or contracted, where appropriate. Work that is to be commissioned or contracted shall be promoted so that appropriate VCS groups are also able to bid using the same processes as that for inviting other potential tenders for such work (including using the same notification processes and timescale
- xiii) All partners will seek to ensure that funding will be paid on time and where possible make payments in advance to 'kick start' projects.
- xiv) All partners will adopt the practice of providing detailed application guidance for voluntary, community and local organisations, including examples where possible, clarifying the information required and detailing eligible costs.

### **Community Pool 2007/2008 - Hartlepool Citizens Advice Bureau**

The Community Pool provides financial assistance to support those aspects of the activities of the voluntary/community/not for profit sector that clearly reflect the aspirations of the Council's Community Strategy. The main objective of the Community Pool is to support the strategies aim of "strengthening communities". Grant aid from the Community Pool is provided as a contribution towards the core costs of an organisation.

Hartlepool Citizens Advice Bureau is a free, confidential and independent advice, information and advocacy service for the local community.

In 2007/2008 Hartlepool Citizens Advice Bureau was awarded a grant of £74,801 from the Community Pool as a contribution towards the groups core costs including the salary costs of key members of staff.

Core funding from the Community Pool enabled Hartlepool Citizens Advice Bureau to employ key staff to manage/supervise the staff who work to deliver the various services/projects that the CAB provide for the benefit of local residents including Debt Advice Services, Community Care Advocacy Service, Legal Help Franchise, Welfare Benefits Advice Service, Housing Advice and Tenancy Support Service, Consumer Advice Service.

#### **b) Consultation and Policy Code**

- i) All partners will ensure inclusiveness with partners, and share strategy documents and consultation exercises.
- ii) All our documents will use simple, clear language and will be available in formats, including different languages if requested to meet the needs of residents.
- iii) All partners will build early consultation into plans for statutory policy and strategy development, allowing 8 weeks for consultation, where practicable.
- iv) All partners recognise the constraints upon, and resource implications for voluntary and community organisations, and will use a variety of consultation methods (innovative where possible) and levels, in order to be as inclusive as possible.
- v) All partners will make clear the purpose and scope of each consultation and will provide background information and contact details for additional information.

- vi) For each consultation, information will include details of the timescale, any decisions already made, arrangements for expressing views and clarification on what influence those views will have on any other contributory factors to the final decision making process.
- vii) All partners will ensure there will be clear and constructive feedback setting out reasons for decisions made or the adoption of a specific approach.
- viii) To avoid duplication and consultation fatigue, and to ensure the best use of resources, we will use existing networks and forums to publicise and organise consultation as well as ensuring closer coordination between departments of large organisations and between public sector agencies.
- ix) All partners to encourage the use of area based networks to ensure that information reaches the smallest/ more isolated groups to maximise resources.
- x) All partners will seek to ensure respect and confidentiality in relation to the privileged information that may be exchanged, within the constraints of the law and the proper performance of public duties.
- xi) All partners will support the 7 visions of the participation strategy to increase the effective involvement and participation of children and young people in shaping the Borough-wide services available to them across the statutory and non-statutory sectors (see appendix 2).

### **Hartlepool Young Voices Team**

The challenge of the Hartlepool Participation Strategy has been to involve children and young people to create it themselves. To meet this challenge a team of young people, Hartlepool Young Voices (HYV), have devised and written the Participation Strategy for the town. HYV are a group of young people, from a range of backgrounds, including looked after children, nominated by members of the Hartlepool Participation Network. They are all linked to and representative of a number of other groups across the town.

This Vision Statement consists of seven statements that describe how young people should be involved in every aspect of an organisation's operation. It is supported by a set of standards and training materials, also devised by the young people, called 'Branching Out', to enable organisations to provide evidence that they are responding to the seven statements of the Vision.

To begin with they had 25 statements, related to the Every Child Matters outcomes, which were all relevant to both organisations and children and young people. Once they had decided on the most important ones they were sent out to various organisations that work with children and young people for consultation / feedback, before the final copy of the Vision Statements was agreed.

The activities and exercises the team have devised is definitely their unique trademark for working together to deliver the Participation Strategy and getting people to talk to each other whatever their age.



### **c) Inclusion Code (Minority and Small Community Groups' Code - known Nationally as Black and Minority Ethnic Voluntary and Community Organisations Code)**

- i) All partners will include in this category other groups that may experience marginalisation, isolated, disadvantage, exclusion or discrimination.
- ii) All partners will actively support the development of voluntary and community groups and related infrastructure organisations, recognising their local knowledge, expertise and perspective.

- iii) All partners will share policy documents and best practice, and ensure that diverse community groups<sup>3</sup> are properly represented in their preparation.
- iv) All partners will ensure that we do not discriminate against any voluntary or community group on the basis of faith, race, disability, age or sexual orientation (lesbian, gay and bisexual) and gender (transgender), and will respect the voluntary nature of their work.
- v) All partners will work to promote and monitor policies and services that eradicate discriminatory practice, implementing equality and diversity policies, and setting objectives and targets as appropriate.
- vi) All partners will work with advocates and existing support mechanisms to maximise contributions. Named contacts will be identified within the Voluntary Sector and key organisations to deal with issues raised by minority groups, and act as a conduit to access relevant officers and services.
- vii) All partners will seek to ensure that staff and contacts receive training and awareness as to specific needs and responses to particular sectors of Hartlepool's diverse community.
- viii) All partners will support existing Diverse Community Groups and will develop others so that people from diverse communities can raise concerns.
- ix) All partners will encourage involvement and networking between the VCS, diverse people, and small community groups thereby increasing skills and knowledge.

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<sup>3</sup> Diverse community groups refer to Black and Minority Ethnic groups and other minority groups.

### **A DIVERSE COMMUNITY**

Hartlepool is made up of many different and diverse communities, each of which has a right to have its voice heard. One way in which this happens is when a group of individuals come together to form a voluntary or community group. Within the black, minority ethnic (BME) community this has involved the development of the Salaam Centre and groups such as Hartlepool Pinoy (Filipino), Hartlepool Asian Association, Muslim Welfare Association, Bangladeshi Cultural Association, Asian Ladies Sewing Club and the Association of British Poles.

Work with other communities of interest has included the devolvement of Hartlepool Access Group's All Ability Forum and Hart Gables (a Gay, Lesbian, Bisexual and Transgender Group). The All Ability Forum has provided an independent 'voice' for people with disabilities and Hart Gables has recently researched the views of the LGBT community.



### **d) Code of Practice on Representation**

A Protocol between the Hartlepool Partnership and the Hartlepool Community Network<sup>4</sup> was agreed by the Hartlepool Partnership Board on 21 October 2005 (reviewed every 3 years).

A copy of this full Protocol **can be found on the Hartlepool Partnership Website at [www.hartlepoolpartnership.co.uk](http://www.hartlepoolpartnership.co.uk)** and it includes principles for community and voluntary sector representation on the Hartlepool Partnership.

A basic principle of this Protocol is; where there is a requirement for representation from the VCS, representatives will be selected or elected through an open and transparent recruitment process and representatives will be accountable to the VCS.

The Compact adopts this basic principle on representation.

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<sup>4</sup> Hartlepool Community Network is the town's Community Empowerment Network and is the means by which the community is brought together to influence the work of the Hartlepool Partnership. The aim is to bring the views of the VCS into the development of the decision making process and to encourage wider resident participation in neighbourhood renewal.

## Protocol

The Hartlepool Partnership and the Hartlepool Community Network have agreed a Protocol that sets out how the Community and Voluntary Sector will be represented on the Hartlepool Partnership.

The Protocol aims to strengthen working relationships by setting out:

- Opportunities for Community Network representatives on the Hartlepool Partnership Board and Theme Partnerships
- Election processes for Community Network representatives
- Roles and Responsibilities of Community Network representatives
- How the Hartlepool Partnership will carry out consultation activity
- How conflict will be managed
- How progress will be measured.

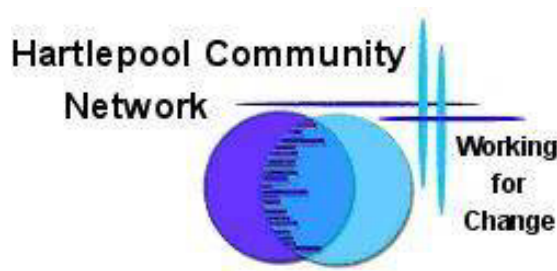
Joanne Smithson from the Hartlepool Partnership explains:

“When the Protocol was first developed in 2005 there was real concern amongst members of the VCS that they wouldn’t have a voice within the LSP. The development of the Protocol helped me understand those concerns and make sure our Terms of Reference were inclusive”.

Keith Bayley, from the Hartlepool Community Network

“The Protocol was a real step forward in determining how members from the VCS could have a real input to the Partnership’s work. Importantly, the Protocol set out the support that representatives would receive alongside their roles and responsibilities”.

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## e) Volunteering Code

The National Compact includes a Volunteering Code of Good Practice. The Code of Good Practice sets out principles and undertakings for both Government and the VCS in England on how to work together to support and promote volunteering and voluntary action. This Code including the principles on volunteering have been adopted into this local Compact.

### Key Principles

- Volunteering must be the result of a free choice by the volunteer.
- Volunteering must be open to everyone.
- Volunteers must receive some benefits to make their contribution worthwhile.
- Volunteers must be publicly recognised

### **VOLUNTEERING AT EPILEPSY OUTLOOK**

A positive volunteering experience requires a properly structured and supported placement involving induction, clearly defined roles and lines of accountability. Over the years Hartlepool Voluntary Development Agency (HVDA) has facilitated this through formal training and one to one good practice support to groups such as Epilepsy Outlook.

Epilepsy Outlook is a user led group which operates a drop in group and gives advice to about 300 people a year including around 100 carers. The group has its own charity shop and furniture collection scheme.



The Group operates a unique volunteer programme whereby at any one time half of the 30 or so volunteers have epilepsy or a specific medical condition, mental health problem or disability. The programme provides support and training to all volunteers within the organisation. Volunteer job roles include: advice workers, trainers, tutors, shop assistants, van drivers, warehouse workers, furniture repairers, craft makers and administration workers.

*"I feel safe when I work with my friends at Epilepsy Outlook because everyone knows what to do if I have a seizure and don't make me feel different."*

Volunteer  
Epilepsy Outlook

### **Volunteer Opportunities in Hartlepool**

People who wish to volunteer can contact HVDA, which provides information, advice and guidance which will match their skills and interests with available opportunities. There is a specific service for young people, those aged under 25. This work is branded under the name vlnvolved which is part of the National Youth Volunteering Programme. If you wish to volunteer please get in touch with HVDA's Volunteer Centre if aged over 25 or the vlnvolved team if aged under 25.



## **6. FURTHER INFORMATION**

Visit [www.thecompact.org.uk](http://www.thecompact.org.uk) for further information on the National Compact, guidance for the codes of practice, copies of other local Compacts and the latest Compact news. The website also links to the Compact Advocacy Programme.

[www.ncvo-vol.org.uk/compactadvocacy](http://www.ncvo-vol.org.uk/compactadvocacy) is the website for the Compact Advocacy Programme

For a copy of the Protocol and further information on the Hartlepool Partnership including the Local Area Agreement visit [www.hartlepoolpartnership.co.uk](http://www.hartlepoolpartnership.co.uk).

The Hartlepool Voluntary Development Agency (HVDA) website is [www.hvda.co.uk](http://www.hvda.co.uk), the site provides details of the services that HVDA offer including further information on volunteer opportunities that are available in Hartlepool. HVDA have a directory of VCS groups in Hartlepool. For more information on this please call 01429 262641.

For more information on the Community Network contact HVDA.

More information on the Community Pool can be found under Community Resources on Hartlepool Borough Council's website, [www.hartlepool.gov.uk](http://www.hartlepool.gov.uk), alternatively contact 01429 523474.

## THE PARTNERS

• Hartlepool Borough Council
• Cleveland Police Authority
• National Probation Service Teesside and Durham
• Hartlepool Youth Offending Service
• Hartlepool Primary Care Trust
• North Tees and Hartlepool NHS Trust
• Learning and Skills Council
• Jobcentre Plus
• Cleveland Fire Authority
• The Environment Agency
• One NorthEast
• Sport England
• Hartlepool New Deal for Communities
• Housing Hartlepool
• Business Link
• Tees, Esk & Wear Valley Mental Health Trust

HVDA will write to all of the VCS groups which contract and/or are funded by public sector bodies inviting them to sign up to the Compact. In addition a letter will be sent to all VCS groups on HVDA's database asking them if they would wish to receive a copy of the Compact and give consideration to becoming signatories.

## **Children and Young People's Code**

In response to the national 'Every Child Matters' agenda Hartlepool Borough Council is developing a Participation Strategy aimed at increasing the effective involvement and participation of children and young people in shaping the Borough-wide services available to them, across the statutory and none statutory sectors.

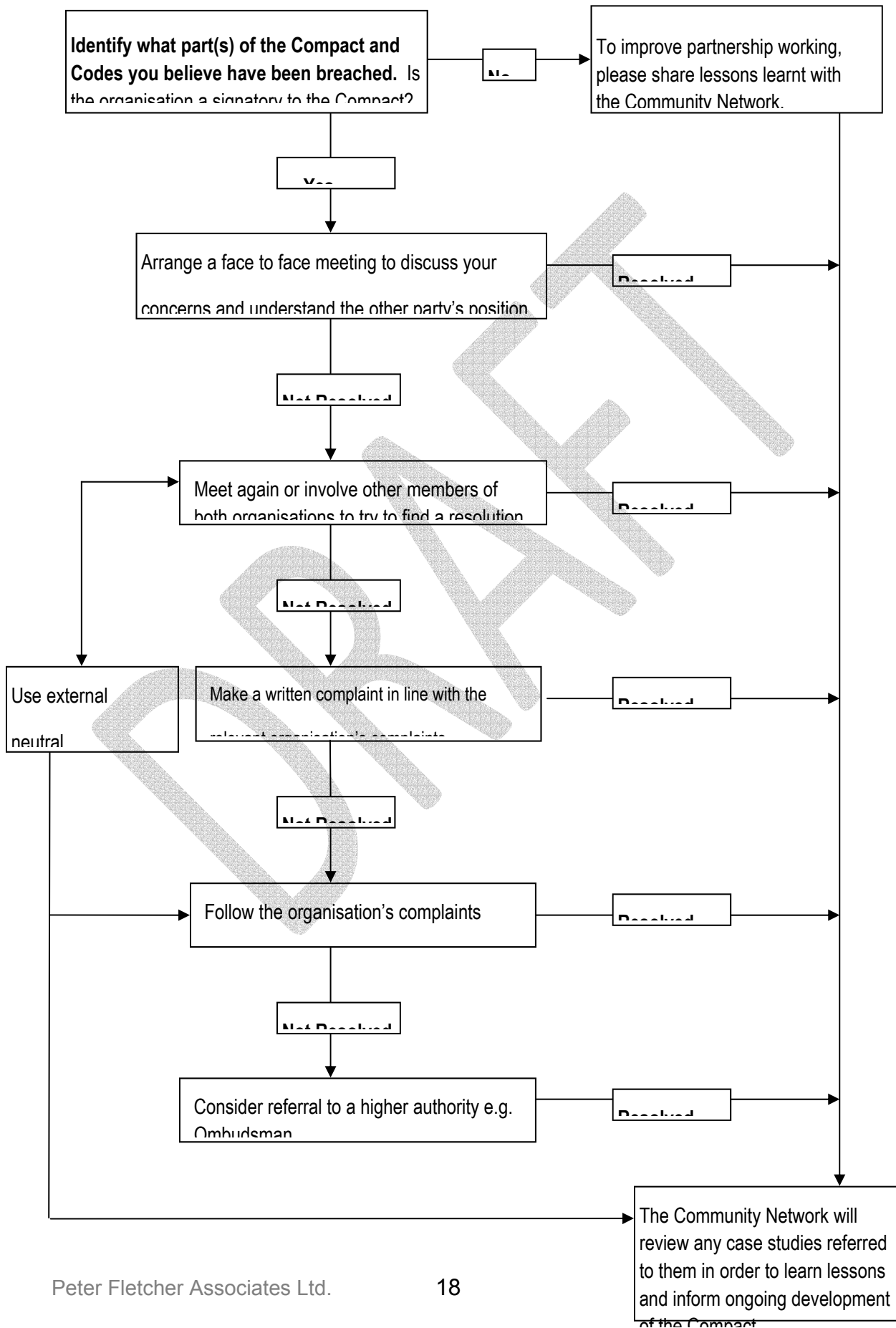
The first stage of the Strategy includes seven visions for Young People's Participation in Hartlepool, and the Compact adopts these, as follows:

- i) All partners will ensure our staff and the children and young people that we work with receive training and support on how they can take part to make things better;
- ii) All partners will ensure that we inform and involve children and young people in the working of the organisation, including volunteering and work opportunities where appropriate;
- iii) All partners will share evidence, knowledge and skills on how we involve, support and praise children and young people;
- iv) All partners will identify what money, time and resources there is to support what we do;
- v) All partners will make sure there are different ways for our staff, and the children and young people who we work with, to be involved in participation;
- vi) All partners will take young people's views seriously about what all children and young people think is important;
- vii) All partners will explain and respect the rights and responsibilities of children and young people.

The 7 visions were developed and written by the Hartlepool Young Voices, they have endorsed the use of these within the Hartlepool Compact

## Compact and Codes of Practice

### What to do when things go wrong



## Appendix two: an assessment of the state of the VCS in Hartlepool <sup>5</sup>

### Introduction

On the face of it, it would appear that the VCS in Hartlepool is in a state of generally good health. It consists of a large number of organisations of all shapes and sizes delivering a wide range of services right across the town. It receives significant levels of funding from the Council and PCT and this is almost certainly more than matched by funding drawn in from other places. It provides employment to several hundred people and involves several thousand in volunteering activities. It forms a key part of the community life of the town – something that is recognised and valued by other sectors and agencies. People have compared the sector favourably with the VCS in other towns in Tees Valley and, given the size of Hartlepool, it is seen as having a good range of organisations across many different topics and areas, particularly community based groups such as resident associations.

There is much truth in this picture. However it does hide some less positive prospects. Several sources of funding on which the sector relied heavily have diminished or disappeared over the past few years as is shown in table 3. <sup>6</sup>

**Table 3: diminishing funding sources**

Funding source	Purpose	Issue
European Regional Development Fund/European Social Funds	Funding from the European Union to support economic and social regeneration in 'targeted communities'.	Reduced funding available and changes to criteria mean diminishing resources for VCS organisations
Neighbourhood Renewal Fund	Funding from central Government targeted on the most deprived areas to reduce the gap with more affluent neighbourhoods. Used to support action across a range of areas e.g. worklessness, health, learning, environment	Ended in March 2008 and replaced with Working Neighbourhood Fund which is targeted more specifically on worklessness. Whilst much of this is still spent with VCS organisations it has reduced the range of services that can be supported.
Lottery	Distribution of funding raised through the National Lottery Funding to community groups and projects to improve health,	Generally accepted that the funding available is diminishing and more likely to go to large regional and national

<sup>5</sup> The information in this section is based on the detailed fieldwork that we did in preparing this strategy and background documentation referred to within the main body of the report.

<sup>6</sup> At the same time there are new potential sources of funding becoming available e.g. as a result of the White Paper '*Communities in Control*'. However these are almost certainly going to be smaller than the funds identified in table four.

Funding source	Purpose	Issue
	education and the environment	charities.
Northern Rock Foundation	Funding from a charitable trust set up to support charitable organisations in the North east and Cumbria Funding is to be used to tackle disadvantage and improve the quality of life of people in the North East of England	Reduced levels of funding available following the collapse of Northern Rock
New Deal for Communities	Central Government funded programme to tackle multiple deprivation in the most deprived wards in the town	Programme coming to the end of its life with reduced funding available

There is at least anecdotal evidence that this has led to the sector contracting in size. For example HVDA has had to reduce its staffing complement by over a quarter over the past 12 months and there are other organisations in the town, which have seen even bigger reductions. During the course of our work we are aware of two organisations that had to make people redundant. As things stand this is likely to be a trend that continues as the effects of funding reductions work their way through the system.<sup>7</sup>

Whilst views of the VCS in the town and its relationship with statutory organisations were generally positive these were often qualified by other comments which indicated that the sector needed to change and that relationships needed to improve in some key areas. Phrases such as “too many groups” and “too parochial” were voiced regularly, both from within and outside the sector itself. This suggests a sector struggling to adapt to the new demands and expectations being placed upon it by government, nationally and locally and by radical changes in the funding of the sector.

Competition is said to exist between groups for the same pots of money rather than working together to maximise the resources going to the sector although some pointed to a more realistic, ‘modern’ view on the part of some organisations that see the need to be developing new ways of working together. A parochial attitude that is seen by some to exist in the sector is reflected in organisations being seen to be inward looking and suspicious of organisations from outside Hartlepool coming in to provide services. (This latter view was reflected in some statutory organisations as well) It has, however, also been described to us positively as a desire by the many small organisations in the town to concentrate on the things they feel they do well that make a real difference to people’s lives.

<sup>7</sup> In these situations organisations are often able to make temporary arrangements to continue work e.g. using reserves or obtaining funding from charitable sources but this is often only a stop gap.

Whilst relationships between key people in statutory agencies and the VCS were described as good it was still felt that there was a general lack of understanding of the sector in those agencies. The financial difficulties faced by the Council and PCT were appreciated but many people in VCS organisations that we spoke to still felt that they were treated as poor relations and made to jump through unnecessary hoops in order to obtain relatively small amounts of money. The financial regime that was sometimes applied, especially with funding being awarded at short notice and for short periods was seen to cause difficulties. It was felt that many people in statutory agencies did not understand the sector well or appreciate what it could offer.

All in all a number of key issues have been identified which will be addressed by the Strategy. These refer to the strengths of the sector that need to be built upon in the future; the weaknesses that need to be overcome; the nature of the relationship the sector has with statutory agencies, in particular the Council and the PCT; the perceptions of what role the sector should play in the life of the town; and the level of understanding of the sector from the statutory as well as from within the voluntary sector. Our findings are set out in more detail below. It should be stressed that there is no, single, unanimous view of the sector and of relationships between it and statutory agencies. Different people, sometimes within the same organisation, hold sometimes contradictory views and these are reflected in what is said below.

### ***The strengths of the sector:***

The voluntary and community sector has been described as being very diverse but at the same time very close knit with a lot of familiarity between groups and good cooperation between organisations. Working together within the sector has taken different forms although it is not particularly well developed. Some organisations have shown a willingness to work together in a formal way, as in Families First; in some instances, groups have formed loose consortia around certain issues such as health or young people; whilst in other cases groups have come together for financial reasons.

The sector is seen as being able to do things – to take risks at times - which the statutory agencies are unable or unwilling to do. An example of this was being able to appoint local people without qualifications to permanent positions and then train them on the job whereas statutory organisations would normally expect people to have the necessary skills and qualifications before they are recruited. A different example and one which was mentioned to us by several people is the ability of voluntary and community organisations and the skills of their staff to get close to the needs of groups who are often difficult for the statutory agencies to reach.

The sector overall is seen as being innovative and being able to find solutions to the problems the town faces. Several organisations have worked with the Council over a period of time, as in Children's Services, and a mature relationship is said to have developed between the two parties with an evident growth in confidence and capability within the sector.

Voluntary and community groups in Hartlepool are an important means of getting the views of individuals and groups heard by the statutory sector. It has been suggested

that the breadth and depth of the sector has enabled strong networks to form in some topic areas and the Council is always able to call upon a groups to give its comments on a particular topic. Carers and people with disabilities have been mentioned as being able to get across their views through the many organisations that exist to represent their needs. The Community Network is seen as successful in ensuring that the sector is able to get its views across within the partnership structure covering the LSP and the themed partnerships.

**Conclusions:**

- The voluntary and community sector is greatly valued by the Council and PCT for its innovation and for the things the Council and PCT sometimes find difficult to do themselves, such as reach the more marginalised groups in the town or take risks that are not possible within the statutory agencies' procedures
- The size and diversity of the sector in a town the size of Hartlepool allows for familiarity and close working between organisations as well as strong networks which are able to offer views to statutory bodies on a range of topics

***Weaknesses in the sector:***

Financial insecurity and the issues that arise from this has been the most frequently stated weakness of the voluntary and community sector in Hartlepool. Uncertainty about funding and reliance on short term funding leads many organisations to seek funding whenever opportunities arise. It was said to us that a 'dog eats dog' mentality is created with organisations fighting for resources and not showing very much trust between them. This desire to go for every funding opportunity becomes an end in itself and some feel that it takes attention away from taking a strategic approach. Umbrella organisations such as HVDA have been criticised for "getting delivery and strategy mixed up".

The drive for funding leads to other unwelcome attitudes within the voluntary sector such as organisations competing with one another for the same funding rather than working together; and building 'walls' between groups, creating an inward looking and parochial attitude on the part of some organisations. We were told that organisations sometimes feel that they have to reinvent themselves in order to meet the requirements of a new funding source because funding for their core purpose is seen as uncertain or insecure.

Hartlepool has a large number of voluntary and community groups for the size of its population and some feel that the focus on obtaining funding and the support given to community based groups has led to an unsustainable situation where there are too many groups all seeking money from public funds. This is compounded by the fact that the sector is generally serving the poorest in society who cannot pay for the services themselves and so opportunities to develop income from trading e.g. through the development of social enterprises, are limited. It was suggested that organisations should think about ways of diversifying or adapting their services to those areas which people are willing to pay for. Unless this happens or groups come



together to seek funding, it was thought that some smaller groups will disappear with the loss of the services or activities they provide.

Several people we have interviewed have said that the voluntary and community sector need to be “more business-like” in the way they conduct their activities. They need to be more aware of the sustainability of their funding, even when it comes from the statutory bodies which may create a false sense of security. The voluntary sector is said to be very poor at planning ahead – research was quoted that showed that perhaps as much as 70% of voluntary organisations fail to plan ahead with many not understanding the principles of planning. Like voluntary sectors elsewhere, the Hartlepool VCS is struggling to attract people onto the management committees of organisations who have the skills to run organisations in a business-like way. It is often difficult for individual small organisations to know how to bring new skills onto their management committee and it falls to the umbrella organisations to assist voluntary and community organisations in reaching those with the skills, interest and commitment to make a contribution. However the uncertainty of funding also compounds these difficulties as organisations told us that they found it difficult to hold on to good staff and volunteers in a situation where funding is only confirmed at the “twelfth hour”.

#### **Conclusions:**

- Whilst the breadth and familiarity of the sector are positive features of the sector in Hartlepool, they can create a parochial and inward looking attitude on the part of some organisations which shows itself in competition for limited pots of funding and a suspicion of organisations coming into the town from outside. This can lead to a reluctance to accept change to meet the very different funding and service environment that exists today
- The present insecure financial climate in which long established funding sources are coming to an end or being replaced by tighter, more targeted programmes is creating a real dilemma for voluntary organisations. Some realise that the present level of funding of so many groups is not sustainable and are looking to diversifying or adapting their services to meet new funding requirements or working with other organisations to reduce costs. Other organisations though do not appear yet to have recognised that change is needed and put up ‘walls’ between them and other groups and hope that funding will continue
- To help many organisations through this difficult period, support is needed to give organisations the skills and knowledge to adapt to the future and find ways of continuing the services they feel make a real difference to the people they serve. The HVDA has the vital role in making this happen

#### ***Relationship with statutory bodies***

The relationship between the voluntary & community sector and statutory bodies is generally seen as being good. Some have described the relationship as having moved from being more confrontational a few years ago to being “mature” now. This description applies more to the Council than it does to the PCT. Whilst the latter obviously has a relationship with specialist providers in the voluntary sector, it was

felt that it does not generally encourage its managers to use or involve themselves with the voluntary & community sector to the same extent as the Council. The PCT were strongly criticised for having little communication with the voluntary and community sector, other than those organisations they traditionally fund; providing little information about what they are willing to fund and no opportunity to challenge the funding process. Whilst the Council was seen as better than the PCT in terms of their relationship with the sector, it too came in for criticism. Both organisations were criticised for using jargon and acronyms that presented a barrier to communication with the sector and both were said to be poor in helping organisations find a way through their bureaucracies and in responding to requests from voluntary organisations.

The Council and PCT's budget processes and in particular reductions that have taken place in recent years, were seen on both sides as a source of some friction. Voluntary sector organisations complained of not being told whether they would be receiving funding the following year until late in the financial year and the knock-on effect this has on people's feelings of insecurity about their jobs and source of income. The perspective of the Council and PCT was different in that it was perceived that some larger voluntary and community organisations were more willing to let it be known that they would be laying off staff rather than sitting down round the table to hear the reasons for budget cuts and negotiate. However, these were said to be isolated examples. The Compact was cited as an example of a more positive relationship between statutory and voluntary bodies and the Council, at least, was seen by many as having a genuine desire to involve the sector.

It was said by several people we spoke to that the relationship was very personality based - in other words that it relied on the personal contacts that officers in the Council have with individuals in the voluntary and community sector. In many cases these individual relationships were strong, due in part to the direct experience a number of officers have of working in the third sector and the fact that of the considerable stability in the workforce which means there is a shared history. However people also said that there was plenty of room for closer engagement between the Council/PCT and the voluntary sector, particularly before it embarks on a new initiative. Some officers were described as "being more interested in protecting their own department or area of work."

#### **Conclusions:**

- The relationship of voluntary and community organisations with statutory bodies, particularly the Council and the PCT, is variable. It relies to a significant degree on individual relationships and is not always strongly embedded in formal processes. From the Council and PCT side there is the feeling that the relationship has greatly improved from what it was just a few years ago and is generally seen as good although it is recognised that in some areas it needs to improve
- The perspective from the voluntary sector is somewhat different and both statutory organisations are seen as poor in terms of communication and do not make it easy for individuals in voluntary or community organisations to find their way through the bureaucracies

- Some of the tensions that do exist between the two sectors come to the fore during the budget process and particular effort is needed on both sides to ensure a full knowledge of the process and avoid increasing feelings of insecurity amongst voluntary sector staff

### **Funding arrangements**

Whilst some of the diminishing funds have been replaced with new funding there is still a significant reliance on short-term funding even from local statutory agencies. Both the Council and the PCT continue to allocate funding on the basis of agreements that only last 12 months or are from pots of funding that are designated as only lasting for 2 years. This causes significant difficulties for VCS organisations and makes it difficult for them to plan for the longer term. Whilst there may be some justification for this e.g. with the Working Neighbourhood Fund which is only allocated for a limited period we can see no reason why mainstream Council and PCT budgets should be used in this way. There is a place for one-off funding for specific purposes but by and large funding should be awarded for a length of time that brings some certainty and stability to the organisation receiving it.

Mention was also made of requests for funding proposals coming out at the last minute and with a very short timescale for bids to be made. This led to poor proposals being put in and a feeling that organisations had to spend significant amounts of time and resource chasing money rather than focusing on service delivery.

From the viewpoint of statutory organisations whilst some of these shortcomings were recognised there was a view that the sector was not always geared up to respond effectively to funding opportunities. Poor skills and capacity in areas such as bidding for tenders, business planning, financial control and marketing were identified as an issue and there was a view that the sector had failed to keep up with changing business practices and was sometimes averse to taking advantage of new opportunities. Examples were cited where despite significant efforts by the Council local VCS organisations had failed to respond effectively to advertised tenders and contracts had gone to organisations outside the town as a consequence.

### **Conclusions**

- The arrangements for funding the sector need to improve and the good practice set out in guidance from the Treasury and National Audit Office needs to be followed more consistently.<sup>8</sup> At least 3 if not 5 year agreement periods should be more commonly used than they currently are and other elements of good practice, such as funding on the basis of full cost recovery also need to be more widely adopted

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<sup>8</sup> see 'A Summary Guide: Improving Financial Relationships with the Third Sector – Guidance to Funders and Purchasers' HM Treasury (2006) and 'A decision support tool for public bodies in England from the National Audit Office available at [http://www.nao.org.uk/guidance/better\\_funding/index.htm](http://www.nao.org.uk/guidance/better_funding/index.htm) The NAO has also published a guide to implementing full cost recovery which is available at [http://www.nao.org.uk/publications/nao\\_reports/06-07/third\\_sector\\_cost\\_recovery.pdf](http://www.nao.org.uk/publications/nao_reports/06-07/third_sector_cost_recovery.pdf)

- Funding arrangements should be streamlined and made more transparent with a clearer differentiation made between grant aid and commissioned services. There is scope for more collaboration between the Council and the PCT and within the Council to make it easier for organisations to apply for funding
- The VCS needs to ensure that it is geared up to respond effectively to funding opportunities. In particular there is a need for the sector to improve its ability to bid for tenders for commissioned services

### ***Perceptions of the role of the voluntary and community sector***

Many different views emerged when people were asked what they saw was the role of the voluntary & community sector in Hartlepool. It is possible to draw quite a clear distinction between how the Council sees the role of the sector and how the sector themselves see their role.

From the Council's point of view, the sector was clearly seen as being about community engagement – being able to reach those groups and areas that the Council itself is unable or unwilling to reach (the so-called 'Heineken' effect). In terms of an advice/lobbying role, it was recognised that the sector should have a say and be more involved in service planning and provision but their profile 'at the table' needs to be raised. One of the obstacles to this happening was said to be the view of some older politicians. The LSP, on the other hand, was seen as a place where the sector is well represented and has real influence. A view was put forward that the sector's role in service provision needs to be considered very carefully and a balance struck that recognises the strengths of the sector. It was said that the sector could be smarter about making more of the opportunities to be engaged in service provision.

From the sector's perspective, it was said that voluntary organisations sometimes struggle with the role given to them by statutory bodies, for example, being aligned to themes of the LSP or the priorities of the Council. A specific example quoted by a voluntary sector representative was the work being done by voluntary organisations around young people or skills which was described as 'haphazard' and lacking strategic direction. The Council, for their part, said it was vitally important that the sector's role is seen in relation to the LSP objectives, described as the 'golden thread' that weaves the work of the public bodies together for the good of Hartlepool. Perhaps this indicates a need to think through more clearly what the role of the voluntary sector in that process should be. Many voluntary organisations were said to want to just continue the things they feel they are good at and that make a difference to people's lives – where they have a niche market –but there is no longer the funding available to pay for these activities.

There was recognition from both statutory bodies and the voluntary sector that the sector needs to be more strategic in its approach. This means that it should have a role in influencing the planning and delivery of services and being seen as part of the Council's vision for the town. However, it needs to have the resources to be able to do this – it cannot simply be added on to what organisations already do – and there is, of course, a danger of raising expectations of what can be achieved if both parties don't work closely together to realise this role.

## **Conclusions:**

- There is not an agreed view between the voluntary sector and the statutory bodies on what the role of the voluntary and community sector should be in Hartlepool. Within the Council both politicians and officers hold a range of views about the current and potential future role of the sector. Because there is not common understanding, some voluntary organisations struggle with the role expected of them. Both sectors should jointly work through what the role of the voluntary sector should be
- The voluntary and community sector could be more strategic in its approach and develop a better understanding of the agenda facing the Council and PCT so that it is more able to influence the planning and delivery of services and contribute to shaping the future of Hartlepool. Resources should be made available for the sector to perform this role

## ***Understanding of the voluntary sector***

From within the Council, staff were seen as having a reasonably good understanding of the voluntary and community sector, particularly those who have worked previously in the sector and, obviously, those who work with the sector in their jobs. The problem was described to us as more about the ownership of voluntary sector issues in the Council, which is now more diffuse than it used to be. All directorates can show some positive support for the voluntary sector but there is said to be no corporate 'joining-up' or clarity about the role of the sector. This does not, however, appear to be widely recognised and hence there was no strong desire to have a better understanding of what the sector is. Indeed, it was suggested that the sector should have a better understanding of the Council, its finances and how things have changed in recent years, often as a result of Government policy.

Despite all the voluntary sector activity the Council is involved in, there was still a strong view expressed by those we spoke in the voluntary sector that some in the Council don't understand what is meant by the word 'voluntary', equate it with 'amateur' and don't recognise the importance of volunteers to the delivery of services.

There was also said to be a lack of understanding from the Council/PCT of some of the communities that the sector supports, such as the lesbian, gay, transgendered and bisexual (LGTB) communities. Voluntary organisations that serve these communities would like to help the Council to understand these communities better but don't know how to start the process. This lack of understanding can mean that certain communities are not receiving the support they need. An example given was of sexual health policies targeting only gay men and neglecting lesbians and other members of the LGTB communities.

The profile of the voluntary sector in Hartlepool was said by some people to be virtually non-existent and the sector is very poor at promoting itself. It was suggested that the Council could learn a lesson from Darlington Council who have appointed a Voluntary and Community Liaison Officer to work with voluntary organisations and raise their profile within the local authority, for example, by

producing induction packs for new members of staff – and also providing induction for voluntary organisations about the Council.

Views of the sector within the PCT were generally positive and the sector was recognised as having a vital role to lay in enabling the PCT to meet some of its health improvement objectives particularly through its ability to work with groups that statutory health services found difficult to engage with. However from the sector views of the PCT were more negative. There was particular criticism that the PCT was poor at communicating with the sector and that frequent changes of personnel made it difficult for VCS organisations to know who they should talk to about issues. From the PCT's perspective its main channel of communication with the sector was through HVDA but this was not understood by many of the people we spoke to.

#### **Conclusions:**

- Whilst those who work in the different directorates of the Council and PCT and have contact with voluntary and community organisations are recognised as having a good understanding of the sector, there is not ownership of voluntary sector issues by the Council/PCT as a whole. In other words, it is not clear where issues affecting the sector as a whole are addressed within the Council/PCT and where leadership is given in forging a new relationship with the sector
- The statutory bodies are still perceived as having out-of-date views of what the 'voluntary sector' means and not recognising the breadth of the sector
- The responsibility for improving the understanding of the sector does not just lie with the statutory bodies. The voluntary sector is seen by some to be poor at promoting itself and could do more to make staff and elected members in the statutory bodies aware of the contribution voluntary and community organisations make in the town

#### ***Mechanisms for collaboration between the sector and statutory bodies***

A number of mechanisms, both formal and informal, were described to us as allowing the Council and the PCT to engage with the voluntary and community sector. The extent to which these were simply mechanisms to listen to the views of the sector or lead on to collaborative projects is more difficult to assess.

The LSP and its sub groups was often quoted as providing a good opportunity for the sector to come together with statutory bodies and the Community Network was highly praised for the infrastructure it has created of community and voluntary sector representatives. Its officers meet regularly with the LSP team in the Council and relationships are said to be good. The New Deal for Communities partnership has strong community representation on its Board and voluntary organisations have played a major role in delivering its regeneration programme.

The Partnership has also established 7 Neighbourhood Action Plan Forums to ensure that residents are able to play a central role in developing the Neighbourhood Action Plans and VCS organisations play an important role in supporting residents in the Forums.

There are also mechanisms to engage with specific groups of vulnerable people and 'hard to reach' groups such as older people through the 50+ Forum and people with mental health problems. However there is no consistent approach to this area of work which means that not all such groups and people being supported to make their views known.

The HVDA has a key role to play in effecting greater collaboration between the voluntary & community sector and the statutory bodies. It was described by some as 'the hub of the town' and 'a central point for everyone to go to' and was seen as having 'credibility in the town'. However, there was a lack of clarity for some people about what the HVDA actually does and a concern that they compete with other voluntary organisations for funding which can raise issues of trust between it and the organisations it is there to serve.

A number of very positive ideas were put forward to enable the HVDA to better fulfil its role as the key link between statutory bodies and the voluntary & community sector. It was suggested that the HVDA and the Council should jointly take the lead in facilitating collaborative working and funding of HVDA should be sufficient for it to carry out its role of supporting organisations across the sector and across the town (including the rural parts of the borough) without it having to compete with other voluntary organisations for the same sources of funding.

#### **Conclusions:**

- The partnership structures in the town offer the best examples of collaboration between the statutory bodies and the voluntary and community sector. The Community Network enables the LSP and its subgroups to hear the views of communities and voluntary organisations whilst the New Deal for Communities Board has strong representation from residents of the regeneration area
- Future collaboration needs to be driven from the voluntary sector side by the HVDA which can use its unique credibility in the town to work with the Council to promote more collaborative working which is seen by organisations as essential to having a more efficient and effective voluntary and community sector

In summary, therefore, there is much to celebrate about the VCS in the town and these aspects need to be nurtured and developed further. There are also areas that need improvement and the sector faces an uncertain future and it needs to work together with its major funders and supporters to ensure that it is able to continue to prosper in a changing environment.

## **Appendix three: funding from the Council and PCT**

### ***Funding from the Council***

Funding for the VCS from the Council falls into 2 main categories:

1. Funding under a contract for the delivery of services
2. Funding from specific funding pots

This latter category can, in turn, be split into:

- Funding specifically designated to support VCS organisations e.g. the Community Pool
- Funding with a broader remit much of which is used to fund VCS organisations e.g. The Working Neighbourhoods Fund and the Children's Fund

### **Contract funding**

#### *Need information*

### **Funding from specific pots**

## **The Community Pool**

The major source of funding that is specifically designated as being for the sector is the Community Pool. The Community Pool is the Council's financial support to the voluntary sector targeted to the core costs of an organisation. It is available to mature voluntary and community organisations serving residents of Hartlepool whose aims and objectives fit with the Council's strategic objectives and the main objective of the Community Pool which is to support the activity of strengthening communities. Funding is available to support core running costs which are defined as including:

- Salaries of key staff
- Rent
- Utility costs

There are 4 funding categories:

1. Providers of services that are of strategic importance. Priority is given to organisations providing:
  - Legal advice and guidance
  - Income generation, credit union support and debt counselling
  - Voluntary sector infrastructure support, accreditation, fundraising
  - Counselling services



## 2. Community Development/capacity building initiatives

- groups which support the development of community capacity, aim is to improve interaction between residents/tenants and statutory sector, positively facilitate the engagement of disadvantaged groups

## 3. Established groups (2years) who have not previously been supported

## 4. Other organisations

Applications are assessed by the Community Resources Manager, based in Adult and Community Services, and approved by the Cabinet Grants Committee. More priority is given to most disadvantaged areas of Hartlepool. There is no upper limit but applications for less than £5,000 will be signposted elsewhere. The focus is normally on support to revenue funding and groups need to be employing staff and the main priority for funding is meeting up to 50% of manager salary and 50% of admin costs. Grants can be made as a one off payment but increasingly awards are made on a tapering allocation over 3 years with a 4<sup>th</sup> year not eligible to apply.

The size of the Community Pool has increased over the past few years as is shown in table 3.

**Table 4: Community Pool allocation**

Period	Amount of Community Pool funding available	Percentage change on previous year
2003-2004	£363,098	
2004-2005	£392,816	+ 8.2%
2005-2006	£404,600	+ 3.0%
2006-2007	£392,600	- 3.0%
2007-2008	£457,109	+ 16.4%
2008-2009	£470,822 (£594,867 with 07/08 balance added)	+ 3.0% (+ 30% if 07/08 balance added)

(Source: HBC Grants Committee Reports)

The Community Pool currently supports 21 organisations with grants ranging from £6,128 to £80,538. The average grant in 2008/09 is just over £21,000. A detailed breakdown of funding is set out in annex one (p102).

In 2004 an independent study was carried out to:

- Consider the value that the Community Pool funding provides
- Consider the 'strategic fit' of the activities supported by the fund across the seven themes within the Hartlepool Neighbourhood Renewal Strategy
- Consider the impact the Community Pool fund has on the voluntary sector in Hartlepool in terms of providing stability and acting as leverage to secure addition resources

The resultant report '*Community Pool Funding from Hartlepool Borough Council*' offers an overview of 24 of the 26 organisations that received Community Pool funding in the period 2003/2004. During 2003/2004 a total of £363,098 Community Pool funding was allocated to 26 community and voluntary groups working in Hartlepool. The conclusions of the report were that:

- For one third of the organisations supported by the Community Pool the support was crucial as they said they would not exist without it. None of the organisations would have been able to maintain the services they provided without Community Pool support. If Community Pool support had not been available all services offered by the organisations would have been reduced
- All organisations were working across more than one of the themes within the Hartlepool Neighbourhood Renewal Strategy while 88% of them were working across more than half the themes within the Hartlepool Neighbourhood Renewal Strategy. One third of the organisations were able to identify work they were doing that embraced all seven themes within the Neighbourhood Renewal Strategy
- Services were benefiting residents of some of the more deprived areas of Hartlepool. Many organisations were focusing the delivery of services on geographical areas that were not currently part of other local regeneration initiatives

This appears to demonstrate that the Community Pool is not only playing a vital role in supporting the organisations it funds but also that it fits well with the strategic objectives of the Council. However from the information we have seen it is not always clear:

- Whether the support is part of a long-term view of the role that the Council thinks the organisations should play
- How the Pool contributes to ensuring long-term sustainability for the organisations funded given that it is either limited to one-year's funding or given on a tapering basis
- How the actual amount awarded was decided upon (although it is clear what the funding is to be used for)
- Why funding is being given from the Community Pool rather than being awarded for a specific service through a contract

There are other much smaller pots of money that effectively support the voluntary sector these include:

- The Civic Lottery which in 2008/09 has approximately £17,000 to distribute. The fund provides small grants for one-off costs towards social and leisure activities such as summer outings, Christmas parties and other social and leisure activities
- The Play Opportunities Grant which totals £18,000 is available to community groups and voluntary organisations to provide play opportunities throughout the year complementing provision delivered through Children's Centres and Extended Services
- The Youth Service provides support to voluntary youth groups, which are complementary to town-wide provision for young people 13-19 years

## The Children's Fund

The Children's Fund aims to identify at an early stage children and young people at risk of social exclusion, and make sure they receive the help and support they need to achieve their potential. It provides a responsive approach to developing services that address the difficulties faced by some children and their families. It encourages voluntary organisations, community and faith groups to work in partnership with local statutory agencies, and children, young people and their families, to deliver high-quality preventative services to meet the needs of communities. Prior to April 2008 the Fund was a specific allocation to local authorities. From then it has been provided on a non-ring fenced basis and is pooled as part of the new Area Based Grant although in Hartlepool a decision has been made to continue to ring fence the allocation for a further year.

In 2008/09 a total of just over £472,000 was allocated to the Children's Fund. This is distributed to 14 organisations with allocations ranging from under £2,000 to over £125,000. The average allocation is £33,700 (see annex two for more information). Most of the funding is allocated as a one-year grant although some is on the basis of three year contracts.

The Children's Fund was cited on several occasions as an example of good practice in partnership working between the statutory and voluntary sectors. When the Fund was originally allocated in 2000 a decision was made to use all the funding in the VCS and this has been maintained although the amount of funding has decreased since then. Decisions on allocation are made by a Steering Group that included representative of the VCS and the Fund is seen as having been very important in developing closer partnership working between the VCS and statutory agencies with a clear focus on improving outcomes for children using the framework set out in 'Every Child Matters'.<sup>9</sup> As the partnership between the sectors has developed there has also been increased partnership working within the VCS with separate organisations coming together to collaborate to deliver services. VCS organisations have also developed their skills and confidence and their capacity to deliver more complex services.

These arrangements will change as the Children's Trust develops and there will no longer be either a ring-fenced allocation or a specific Steering Group. There is an expectation that there will be a move towards a clearer commissioning approach based on procuring whole services, which will require the VCS to continue to develop collaborative arrangements. This is sensible provided it is matched by opportunities for the VCS to bid to run a broader range of services through all children's services being commissioned through an open process. There is also a need to move towards funding being awarded on a more sustainable basis i.e. through longer – term contracts.

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<sup>9</sup> An outcomes framework for children and young people. See <http://publications.everychildmatters.gov.uk/default.aspx?PageFunction=productdetails&PageMode=publications&ProductId=DCSF-00331-2008>

## **The Working Neighbourhoods Fund**

The Working Neighbourhoods Fund (WNF) replaced the Neighbourhood Renewal Fund (NRF) from April 2008. It provides resources to local authorities to tackle worklessness and low levels of skills and enterprise in their most deprived areas. The allocation to Hartlepool is £4,519,580.

NRF had been used to fund a significant level of activity in the VCS across a range of priorities. The WNF is more targeted with a clear focus on worklessness and this is reflected in the projects that are being supported through the Fund. A total of £1,382,509 has been allocated to 28 VCS organisations – all on a 12 month basis. Awards range from just over £3,000 to £189,000 with an average award of just over £49,000. (see annex three for more details)

It is too early to say much about the way that the WNF is being used to support the VCS except that given that it is a three year allocation it is not clear why projects have only been awarded one year's funding. It would be better if these projects were given 3 year contracts where it is expected that the service/project will last that long.

### ***Funding from the Primary Care Trust***

The PCT has traditionally funded a number of VCS organisations in the town. In 2003 a mapping exercise was undertaken which looked at the contribution that the sector made towards meeting, in one way or another, health needs in the community.<sup>10</sup> The study identified 62 organisations providing health related services and support – including both services relating to specific medical conditions as well as more generic work on the promotion of healthy lifestyles. Following this work the PCT identified funding of £320,000 for the period 2004/2006 to support core costs in some of these organisations. 15 organisations were awarded funding with awards ranging from £11,250 to £24,000. This funding was always planned to be time-limited as it was intended to be used to enable organisations to develop their capacity to bid for contracts and secure sustainable funding through this route. In the event it does not appear that this has happened and we wonder how realistic it was as an expectation. For instance were services then put out to tender so these organisations would be able to bid to run them?

A Health Improvement and Inequalities Community Chest was also established in October 2003 followed by a Men's Health Community Chest in September 2004. Both had funding of £40,000 per annum and were administered through HVDA.

However, the PCT was not able to sustain this investment and the Health Improvement and Inequalities Community Chest was discontinued from the start of 2006. The Men's Health Community Chest was also ended as it was seen as a lower priority than other developments. The core funding of organisations was discontinued although 75% of this funding was picked up in 2006/07 and 2007/08 through NRF. That funding came to an end in March 2008.

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<sup>10</sup> 'Hartlepool voluntary sector organisations and Hartlepool Primary Care Trust: mapping exercise/study', November 2003

For 2008/09 the PCT has identified £688,000 of specific funding for voluntary and community sector organisations through a number of different programmes. A summary of the funding is shown in table 4 below.

**Table 5: PCT funding for voluntary and community sector organisations**

<b>Programme</b>	<b>Amount £ per annum</b>	<b>Nature of funding</b>	<b>Description of programme</b>
Health and well being	80,000 <sup>11</sup>	2 year fixed term scheme	Social Prescribing development
Self help	90,000	2 year fixed term scheme	Long-term conditions - secondary prevention
Mental health promotion	60,000	2 year fixed term scheme	Supporting people in challenging situations
Health promoting initiatives	50,000	2 year fixed term scheme	Small Grants allocation linked to Public Health Strategy Working Group Action Plans
PCT recurrent investment (4 organisations)	287,000	Recurrent funding	
Voluntary sector support	121,000	Recurrent funding	

At a total of £688,000 this represents a significant increase on the funding that was allocated in 2007/08 which is set out in table 5 below.

**Table 6: PCT funding to the voluntary sector in 2007/08**

Low level support (4 organisations)	41,200
Accident prevention (2 organisations)	24,500
Mental health and well being (3 organisations)	32,300
Alcohol (3 organisations)	120,000
Physical activity (1 organisation)	50,000

<sup>11</sup> The total funding for this initiative is £120,000 of which £80,000 is earmarked for spend in the voluntary sector.

Sexual health (1 organisation)	27,000
Infrastructure support (2 organisations)	155,000

However a significant proportion of the funding, some £280,000 (40%) is non-recurrent and is only available until March 2010. As funding was not released before June 2008, later in some cases, this means it can only fund activities that will last less than two years. Given the time it takes to set up projects and the fact that often when projects are on short-term funding they effectively come to an end before the funding actually ceases it seems apparent to us that the funding will not have as great an impact as it could if it was provided on a recurrent basis. There is also a risk that it does not provide as much value for money as longer-term funding would do because set-up and run-down costs will form a relatively higher proportion of the total funding and throughput in the projects may well be lower than otherwise would be the case (because of the time it takes to get programmes established). It also remains the case that many of the organisations that were allocated core funding from the PCT in 2004/2006 no longer receive any support. We have not seen any evidence that the intention that this core funding should enable to organisations to bid for contracts was successful which would suggest that a number of organisations that received funding will have been put at risk when the funding came to an end.

## Conclusions

On the basis of this examination of current funding we have identified a need for a number of changes in the way that funding for the VCS is managed. These include:

- Moving to longer-term contracts or funding agreements (at least 3 years) where it is clear that the service is going to be required for that time and the funding is available for that period. Where services are funded from mainstream budgets (including the Community Pool and PCT funding) this should be a minimum expectation unless projects are clearly going to last for a shorter time
- The Council and the PCT should adopt the Treasury good practice guidelines on funding – see below. <sup>12</sup> These are more detailed than the code of practice included in the Compact but are based on the same principles. We recommend them because they cover areas not covered in the current Compact code such as asset transfers
- The Council and PCT should pool resources and create a joint Community Pool that will be used to provide long-term support to organisations that the Council and PCT <sup>13</sup>agree provide a key infrastructure for the sector in the town. Examples could include HVDA and Hartlepool MIND. Receipt of funding through the Community Pool would not preclude organisations from also getting contract funding for delivering services (subject, of course, to

<sup>12</sup> Taken from 'A Summary guide to improving financial relationships with the third sector', HM Treasury, Cabinet Office, National Audit Office, Office of Government Commerce, (2006)

<sup>13</sup> We do not think there is anything in the World Class Commissioning framework which prevents the PCT from doing this provided it is clear on the purpose of this and how this support contributes to achieving its objectives.

ensuring there is no double-funding in these circumstances) and in return for receiving funding from the Community Pool organisations should commit to playing a role to support other voluntary organisations in the town – with HVDA as the lead organisation carrying out this role

- The Council and PCT should review their current funding of all voluntary sector organisations using the model and process set out in appendix four, to ensure that the funding is appropriate, supports the objectives set out in the Community Strategy and LAA and is provided in line with the Treasury's good practice guidelines
- There is a need for a 'community chest' type fund that can provide one-off grants to smaller organisations. A number of existing funds could be brought together to create this fund such as the Working Neighbourhoods Fund Community Chest, the Play Opportunities Grant etc, the PCT's Public Health Grants. Funding would be used to support initiatives linked to the Community Strategy's key themes. The Community Chest might be best administered by HVDA with input from the Neighbourhood Action Forums

Actions to implement these recommendations are included in the action plan.

## **Good practice guidelines for funding**

### ***The funding context***

- The main determinant of the nature of the financial relationship is the nature of the intended outcomes
- Funding bodies must be clear with recipients about the nature of the financial relationship they are entering into, both up front and as the relationship develops
- Contracts and grants should be jointly agreed in writing before the work commences

### ***Stability in the funding relationship***

- The length of funding should be tied to the length of the objective. There should be no standard length of contract
- Value for money must be the overriding principle that dictates whether or not a longer term funding arrangement is appropriate
- Longer term planning and funding arrangements can often represent better value for money than one year funding agreements
- Funding arrangements should be agreed between all parties if they are to be effective and offer the right incentives to deliver value for money
- Historical tendency to fund for a certain period is not an acceptable reason to maintain short-term funding arrangements. Equally, there is a need to guard against advocating long-term funding for its own sake

### ***Balance of risk and the timing of payments***

- It is vital that the timing of payments is considered in collaboration with, and not imposed upon, the organisation responsible for providing the service
- Funding bodies should agree the timing of payments with funding recipients at the beginning of a programme
- Funding bodies should make a commitment to pay within a specified time or on a specified date or dates, and such commitments should be fully honoured
- In specific circumstances, Government Accounting allows for payments to be made in advance of expenditure
- Payments in advance of expenditure to third sector organisations should be made on the basis of need and therefore can and should, where appropriate and necessary, be made in order to achieve better value for money

### ***Full cost recovery:***

- There is no reason why service procurers should disallow the inclusion of relevant overhead costs in bids. Furthermore, funders or purchasers should not flatly reject or refuse to fund fully costed bids. Funding bodies must recognise that it is legitimate for VCS organisations to recover the appropriate level of overhead costs associated with the provision of a particular service
- When grant-making, funders should assess in a simple, proportionate and equitable manner whether third sector organisations have allocated relevant overhead costs and ensure that costs are recovered only once
- Under a competitive procurement regime, purchasers should be clear that they expect third sector providers to be aware of the risks of not bidding on a full cost recovery basis. A third sector organisation unwittingly subsidising a public service is unlikely to represent good value for money, particularly in the long term
- Fixed percentages without any evidence base do not provide a sound basis for the calculation and award of relevant overhead costs. Clear and consistent allocation of relevant overhead costs can provide a more accurate guide to funders of the true cost of delivering a service or output

### ***Reducing the burden of bureaucracy:***

- Funding bodies should ensure that their application procedures are clear, and wherever possible, as simple as they can be
- Funding bodies should seek to minimise the monitoring and inspection burden on the recipients of funds to a level proportionate to the level of funding and risk, and which maintains proper control of public monies



- Where bodies are multi-funded, co-operation between both internal and external auditors should be encouraged, and the audit burden on funding recipients minimised
- Where organisations are multi-funded it is good practice to appoint a lead funder to streamline application processes, co-ordinate monitoring and inspection arrangements and to minimise the number of evaluation systems and visits

***Publicly funded assets:***

- In providing public funds for the purposes of acquiring or developing an asset, funding bodies should, where appropriate, retain a financial interest in the asset, particularly in relation to disposal or alternative use
- Whilst seeking to safeguard taxpayers' interests, funding bodies should be pragmatic and realistic in setting charges over an asset
- Conditions should be flexible, and not create barriers to wider policy objectives

**Annex one: funding from the Community Pool: 2008-09**

Organisation receiving funding	Brief description of what funding is used for	Amount of funding (Specify rev or cap)	Contract or grant?	Is there a service spec or similar?
West View Advice & Resource Centre	Core Costs	£30,528.00	Grant	Yes
Hartlepool Citizens Advice Bureau	Core Costs	£80,538.00	Grant	Yes
Harbour	Core Costs	£21,213.00	Grant	Yes
Relate North East	Core Costs	£6,151.00	Grant	Yes
Hartlepool Access Group: Shopmobility	Core Costs	£22,575.00	Grant	Yes
Owton Fens Community Association	Core Costs	£26,012.00	Grant	Yes
Hartlepool Voluntary Development Agency	Core Costs	£30,450.00	Grant	Yes
Hartlepool People	Core Costs	£26,025.00	Grant	Yes

Organisation receiving funding	Brief description of what funding is used for	Amount of funding (Specify rev or cap)	Contract or grant?	Is there a service spec or similar?
Hartlepool Asian Association	Core Costs	£17,967.00	Grant	Yes
Hartlepool Credit Union Forum	Core Costs	£16,654.00	Grant	Yes
West View Project	Core Costs	£25,591.00	Grant	Yes
Belle Vue Community Sports & Youth Centre	Core Costs	£23,750.00	Grant	Yes
The Orb Centre	Core Costs	£7,000.00	Grant	Yes
Headland Future	Core Costs	£14,000.00	Grant	Yes
Hartlepool Community Studio	Core Costs	£21,525.00	Grant	Yes
Epilepsy Outlook	Core Costs	£9,075.00	Grant	Yes
Hartlepool Deaf Centre	Core Costs	£10,424.00	Grant	Yes
Owton Manor West Neighbourhood Watch & Residents Association	Core Costs	£6,128.00	Grant	Yes
Hartlepool Catholic Boxing Club	Core Costs	£8,322.00	Grant	Yes
Hart Gables	Core Costs	£15,597.00	Grant	Yes
RESPECT	Core Costs	£22,742.00	Grant	Yes

**Annex two: funding from the Children's Fund: 2008-09**

Organisation receiving funding	Brief description of what funding is used for	Amount of funding (Specify rev or cap)	Contract or grant and for how long	Is there a service spec or similar? Y/N	Is it joint funded with any other body?	Is funding targeted at priority group or area?	Why is Directorate funding this project? How does it contribute to Directorate objectives or priorities?
B76	Specialist services providing information for young people	£27,000	Grant - 12 months	Yes	No	Young People	to assist the Children's Services dept in improving outcomes for children and young people in Hartlepool. The provision of this service helps to improve outcomes against the <i>Every Child Matters</i> agenda
Headland Futures	Specialist services providing information for young people	£65,430	Grant - 12 months	Yes	No	Young People	to assist the Children's Services dept in improving outcomes for children and young people in Hartlepool. The provision of this service helps to improve outcomes against the <i>Every Child Matters</i> agenda
Outreach support service for victims of domestic violence		£51,519	Grant - 12 months	Yes	no	Adults with families suffering domestic violence	The Children's Services Department is providing services that meet the needs of the family as well as the child.
Hartlepool MIND	Provide a range of practical and emotional support for families with mental health issues	£41,422	Grant - 12 months	Yes	No	Families who have mental health issues	The Children's Services Department is providing services that meet the needs of the family as well as the child.

Organisation receiving funding	Brief description of what funding is used for	Amount of funding (Specify rev or cap)	Contract or grant and for how long	Is there a service spec or similar? Y/N	Is it joint funded with any other body?	Is funding targeted at priority group or area?	Why is Directorate funding this project? How does it contribute to Directorate objectives or priorities?
Hartlepool PATCH	Home Loan equipment for families with children aged under 5 and the provision of advice, support and guidance to families	£125,482	Grant - 12 months		No	Families who have children aged under 5	To support advise and guide families with children aged under 5.
West View Advice and Resource Centre	to provide benefits advice to families with children in the West View Area	£24,569	Grant - 12 months	Yes	no	Families with children receiving benefits	to assist the Children's Services dept in improving outcomes for children and young people in Hartlepool. The provision of this service helps to improve outcomes against the <i>Every Child Matters</i> agenda
Hartlepool Families First	Provide access to toy library and arts and crafts in each of the five localities	£8,648	Grant - 12 months	yes	no	Children and Families (EARLY YEARS)	to assist the Children's Services dept in improving outcomes for children and young people in Hartlepool. The provision of this service helps to improve outcomes against the <i>Every Child Matters</i> agenda
Hartlepool Money wise Credit Union	Provide locally based savings and low cost loans service to parents, carers and children aged under 5	£23,677	Grant - 12 months	Yes	No	Children and Families (EARLY YEARS)	to assist the Children's Services dept in improving outcomes for children and young people in Hartlepool. The provision of this service helps to improve outcomes against the <i>Every Child</i>

Organisation receiving funding	Brief description of what funding is used for	Amount of funding (Specify rev or cap)	Contract or grant and for how long	Is there a service spec or similar? Y/N	Is it joint funded with any other body?	Is funding targeted at priority group or area?	Why is Directorate funding this project? How does it contribute to Directorate objectives or priorities?
							<i>Matters agenda</i>
Opportunity Links	Host and maintain Children's Services Directory	£1,775	Contract	Yes	no	Agencies who provide funding to children and young people	To promote early intervention and information sharing
Hartlepool Carers	the provision of a Young Carers project - support to children who have a caring responsibility	£51,348	Contract	Yes	no	Children and young people who have a caring responsibility	to assist the Children's Services dept in improving outcomes for children and young people in Hartlepool. The provision of this service helps to improve outcomes against the <i>Every Child Matters</i> agenda
After Adoption	Provision of support to children after they have been adopted	£21,407	3 YEAR SUB REGIONAL CONTRACT	Yes	Yes - Redcar, Middlesbrough and Stockton	Children and young people placed for adoption	to discharge statutory duties
NYAS	Advocacy Service	£7,123	3 YEAR SUB REGIONAL CONTRACT	Yes	Yes - Redcar, Darlington, Middlesbrough and Stockton	children and young people receiving social care services	to discharge statutory duties

Organisation receiving funding	Brief description of what funding is used for	Amount of funding (Specify rev or cap)	Contract or grant and for how long	Is there a service spec or similar? Y/N	Is it joint funded with any other body?	Is funding targeted at priority group or area?	Why is Directorate funding this project? How does it contribute to Directorate objectives or priorities?
NSPCC	Support for families affected by sexual abuse	£3,183	contract for 3 years	Yes	no	Support for families affected by sexual abuse	to assist the Children's Services dept in improving outcomes for children and young people in Hartlepool. The provision of this service helps to improve outcomes against the <i>Every Child Matters</i> agenda
DISC	Provision of Part time drugs worker	£19,673	Grant - 12 months	Yes	No	Young People	to assist the Children's Services dept in improving outcomes for children and young people in Hartlepool against the <i>Every Child Matters</i> agenda

**Annex three: funding from the Working Neighbourhood Fund: 2008-09**

Organisation receiving funding	Brief description of what funding is used for	Amount of funding (Specify rev or cap)	Contract or grant and for how long?	Is there a service spec or similar?	Is it joint funded with any other body?	Is funding targeted at priority group or area? If so, what group or area?	Why is Directorate funding this project? How does it contribute to Directorate objectives or priorities?
DISC	Homelessness Project - This project provides an increased level of integrated support mechanisms that assist in the rehabilitation of offender behaviour, enable tenancies to be secured and assist in the transition to independent living with clear pathways to training, education and training.	£91,253 - revenue	Grant - 2008/9 only	Yes	Yes - LPSA II	Neighbourhood Renewal Area	Contributes towards achievement of the Community Strategy/Neighbourhood Renewal Strategy and LAA targets
Hartlepool Carers	Carers into Training & Employment - This project provides support to enable jobless carers and those people whose caring responsibility has now ended to enter training, education or employment, thereby enabling them to contribute towards the economic prosperity of Hartlepool. The project will also provide help for carers who are in employment to continue with their caring role through receiving appropriate support and promoting carer friendly employment practices.	£45,300 - revenue	Grant - 2008/9 only	Yes	Yes - LPSA II	Neighbourhood Renewal Area	Contributes towards achievement of the Community Strategy/Neighbourhood Renewal Strategy and LAA targets



Organisation receiving funding	Brief description of what funding is used for	Amount of funding (Specify rev or cap)	Contract or grant and for how long?	Is there a service spec or similar?	Is it joint funded with any other body?	Is funding targeted at priority group or area? If so, what group or area?	Why is Directorate funding this project? How does it contribute to Directorate objectives or priorities?
HVDA	Volunteering into Employment -The project involves support in the form of recruitment, interviewing, guidance and placement with officers matching resident's skills and motivation with a particular opportunity. Ongoing support is provided through skills development and potential referral to partner organisations including universities and other voluntary organisations. Volunteers benefit from work experience that could lead to employment, the opportunity to undertake training, skills development, increased confidence and the chance to be involved in the local community.	£80,983 - revenue	Grant - 2008/9 only	Yes	No	Neighbourhood Renewal Area	Contributes towards achievement of the Community Strategy/Neighbourhood Renewal Strategy and LAA targets
OFCA	Community Employment Outreach - The project is collaboration between three voluntary sector organisations, Owton Fens Community Association, The Wharton Annex, West View Employment Action and Hartlepool Borough Council. It sees the provision of employment advice by community partners raising	£92,084 - revenue	Grant - 2008/9 only	Yes	No	Neighbourhood Renewal Area	Contributes towards achievement of the Community Strategy/Neighbourhood Renewal Strategy and LAA targets

Organisation receiving funding	Brief description of what funding is used for	Amount of funding (Specify rev or cap)	Contract or grant and for how long?	Is there a service spec or similar?	Is it joint funded with any other body?	Is funding targeted at priority group or area? If so, what group or area?	Why is Directorate funding this project? How does it contribute to Directorate objectives or priorities?
Wharton Trust	awareness of opportunities to give clients the tools to take an active part in making informed choices leading to realistic Action Plans. Linking in and complimenting provision provided by other organisations the project provides a seamless package of support encouraging clients to access accredited training and work experience and Business Start-up Support, building skills, experience and enhancing employability.	£49,887 - revenue	Grant - 2008/9 only	Yes	No	Neighbourhood Renewal Area	Contributes towards achievement of the Community Strategy/Neighbourhood Renewal Strategy and LAA targets
West View Employment Action Centre		£12,332 - revenue	Grant - 2008/9 only	Yes	Yes - Northern Rock	Neighbourhood Renewal Area	Contributes towards achievement of the Community Strategy/Neighbourhood Renewal Strategy and LAA targets
Owton Manor West NWRA	The project provides job search, information, advice and guidance services and direct training interventions for local residents in the Owton Manor area of Hartlepool which experiences the highest level of worklessness in the town. The project is delivered from premises at Brierton Shops. The community-based nature of the project ensures	£39,920 - revenue	Grant - 2008/9 only	Yes	No	Neighbourhood Renewal Area	Contributes towards achievement of the Community Strategy/Neighbourhood Renewal Strategy and LAA targets

Organisation receiving funding	Brief description of what funding is used for	Amount of funding (Specify rev or cap)	Contract or grant and for how long?	Is there a service spec or similar?	Is it joint funded with any other body?	Is funding targeted at priority group or area? If so, what group or area?	Why is Directorate funding this project? How does it contribute to Directorate objectives or priorities?
	that barriers to employment and learning are broken down and presents a clear pathway to employment.						
West View Project	The project offers opportunity to develop personal and social skills in a small group and through the expedition planning process expands this to include independent living and extended learning opportunities. The core features of the project are the small group of 6 to 8 on any programme the intensive staff support including follow-up and retention support, the use of informal learning and experiential learning methodologies. The programme focuses on young people in the 'socially excluded' at risk and not in education profiles and has achieved effective results in supporting and retaining pupils in schools. A 12 to 30	£35,960 - revenue	Grant - 2008/9 only	Yes	No	Neighbourhood Renewal Area	Contributes towards achievement of the Community Strategy/Neighbourhood Renewal Strategy and LAA targets

Organisation receiving funding	Brief description of what funding is used for	Amount of funding (Specify rev or cap)	Contract or grant and for how long?	Is there a service spec or similar?	Is it joint funded with any other body?	Is funding targeted at priority group or area? If so, what group or area?	Why is Directorate funding this project? How does it contribute to Directorate objectives or priorities?
	+ week programme, that operates 1 day per week with an expedition component towards the end with the aim of developing self-esteem, confidence and motivation. This programme also offers accredited outcomes through the Youth Achievement award process and accredits the acquisition of skills with national governing body awards.						
OFCA	Local Employment Assistance - this project supports people returning to the labour market after a long absence and young people, by improving social and economic inclusion improving pathways to employment through work experience, providing the opportunity to enhance their skills through a programme of on the job training and job search skills developing and enhancing positive opportunities for beneficiaries who would otherwise be left behind and become another negative statistic. The initiative will enable the Association to assist 46 people who have suffered long-term illness and young people who are	£46,000 - revenue	Grant - 2008/9 only	Yes	No	Neighbourhood Renewal Area	Contributes towards achievement of the Community Strategy/Neighbourhood Renewal Strategy and LAA targets

Organisation receiving funding	Brief description of what funding is used for	Amount of funding (Specify rev or cap)	Contract or grant and for how long?	Is there a service spec or similar?	Is it joint funded with any other body?	Is funding targeted at priority group or area? If so, what group or area?	Why is Directorate funding this project? How does it contribute to Directorate objectives or priorities?
	Not in Education, Employment or Training (NEET) to socially interact with other community mentors in a work based setting. The project will provide the first stages of progression for people from the targeted communities who have become disillusioned and unmotivated to improve their motivation, confidence and employability by offering work experience specifically targeted to meet their needs.						
Wharton Trust	Youth into Employment - The project aims to engage local NEET young people and work intensively with them helping towards training, placements and ultimately employment. The support includes Information, Advice & Guidance, job search, CV writing, written & oral skills, interview techniques.	£38,500 - revenue	Grant - 2008/9 only	Yes	No	Neighbourhood Renewal Area	Contributes towards achievement of the Community Strategy/Neighbourhood Renewal Strategy and LAA targets
Community Campus	Introduction to Construction - This project enables young and other socially/economically disadvantaged people from the target group to gain valuable vocational and employability skills working on construction sites,	£15,930 - revenue	Grant - 2008/9 only	Yes	No	Neighbourhood Renewal Area	Contributes towards achievement of the Community Strategy/Neighbourhood

Organisation receiving funding	Brief description of what funding is used for	Amount of funding (Specify rev or cap)	Contract or grant and for how long?	Is there a service spec or similar?	Is it joint funded with any other body?	Is funding targeted at priority group or area? If so, what group or area?	Why is Directorate funding this project? How does it contribute to Directorate objectives or priorities?
	managed by Community Campus '87. The project is focused on working in partnership with e2e and Eotas/schools providers and other agencies in the town by providing a programme of on-site construction based opportunities working to renovate properties in the Hartlepool area and potentially the wider Teesside area. The project is complementary to existing related activity in the town, working with key partners to provide a progressive pathway towards employability.						Renewal Strategy and LAA targets
West View Project	Adventure Traineeship - This project targets young unemployed (may include PT workers or very low wages etc) residents and provides 6 months supported employment leading to real prospects of longer term jobs in the outdoor industry. It includes training qualifications and support to find work at the end of the contract.	£39,400 - revenue	Grant - 2008/9 only	Yes	No	Neighbourhood Renewal Area	Contributes towards achievement of the Community Strategy/Neighbourhood Renewal Strategy and LAA targets
Hartlepool MIND	Employment Support - Moving forward is a pre-employment project for long term incapacity benefit claimants who are not eligible for the	£49,900 - revenue	Grant - 2008/9 only	Yes	No	Neighbourhood Renewal Area	Contributes towards achievement of the Community

Organisation receiving funding	Brief description of what funding is used for	Amount of funding (Specify rev or cap)	Contract or grant and for how long?	Is there a service spec or similar?	Is it joint funded with any other body?	Is funding targeted at priority group or area? If so, what group or area?	Why is Directorate funding this project? How does it contribute to Directorate objectives or priorities?
	Pathways to work – Condition Management programme because that are not new claimants of incapacity benefit. Therefore the people who can access this project can be long term incapacity benefits claimants, who would require a more intensive service than the WNF referrals and people who may not be registered with Jobcentre plus.						Strategy/Neighbourhood Renewal Strategy and LAA targets
West View Project	Active Skills - this programme offers young people and adults aged 16+ the opportunity to engage in activity that results in recognised awards and develops skills that they are able to transfer into the world of work and employment. Accredited programmes are offered along with opportunities to volunteer, gain basic skills and further experience in working with children and young people in outdoor, adventure and youth club settings.	£25,750 - revenue	Grant - 2008/9 only	Yes	No	Neighbourhood Renewal Area	Contributes towards achievement of the Community Strategy/Neighbourhood Renewal Strategy and LAA targets
Hartlepool Deaf Centre	Hartlepool Deaf Centre - The training programme has facilitated the provision of training in BSL up to and including Level 3. The aim of this provision is to fill a gap in current	£3,069 - revenue	Grant - 2008/9 only	Yes	No	Neighbourhood Renewal Area	Contributes towards achievement of the Community Strategy/Neighbourhood

Organisation receiving funding	Brief description of what funding is used for	Amount of funding (Specify rev or cap)	Contract or grant and for how long?	Is there a service spec or similar?	Is it joint funded with any other body?	Is funding targeted at priority group or area? If so, what group or area?	Why is Directorate funding this project? How does it contribute to Directorate objectives or priorities?
	provision in order to up skill adults to be able to gain employment in the sign language field.						ourhood Renewal Strategy and LAA targets
HVDA	Career Coaching - The project works with working age NRF residents to encourage involvement in the VCS, as well as those NRF residents who are already in paid work or volunteers with VCS. The aim is to identify individuals who wish to progress from their current level of educational attainment to that of an NVQ level 3 qualification or equivalent.	£36,131 - revenue	Grant - 2008/9 only	Yes	No	Neighbourhood Renewal Area	Contributes towards achievement of the Community Strategy/Neighbourhood Renewal Strategy and LAA targets
Belle Vue Centre	Belle Vue Sports - This project targets the prevention of ill health through provision of exercise, diet and lifestyle advice and assistance. The focus is on men within the NRF area. Specific areas of work include: - physical exercise circuits - fitness programmes designed according to individual needs and abilities - delivery of healthy eating/lifestyle sessions - engaging and empowering men to	£42,642 - revenue	Grant - 2008/9 only	Yes	No	Neighbourhood Renewal Area	Contributes towards achievement of the Community Strategy/Neighbourhood Renewal Strategy and LAA targets



Organisation receiving funding	Brief description of what funding is used for	Amount of funding (Specify rev or cap)	Contract or grant and for how long?	Is there a service spec or similar?	Is it joint funded with any other body?	Is funding targeted at priority group or area? If so, what group or area?	Why is Directorate funding this project? How does it contribute to Directorate objectives or priorities?
	address the prevention of ill health through smoking cessation, stress management, physical and mental well-being.						
Connected Care (Manor Residents)	Connected Care - Funding supports the employment of 1 Care Navigator in the Connected Care project. The project provides support to residents from the Owton neighbourhood to navigate the health & care system.	£23,960 - revenue	Grant - 2008/9 only	Yes	Yes - HBC & PCT	Neighbourhood Renewal Area - focussing on Owton Neighbourhood	Contributes towards achievement of the Community Strategy/Neighbourhood Renewal Strategy and LAA targets
Hartlepool MIND	Project provides an employment support service to people to become ready for employment: removing practical barriers, increasing skills, such as communication, social skills, reducing emotional distress; Motivation based initiatives which will integrate solution focused therapy, motivation interviewed, problem solving and cognitive restructuring; coaching and mentoring – to provide continuous support to people to ensure the long term sustainable change are made and maintained; skills development courses and	£88,628 - revenue	Grant - 2008/9 only	Yes	Yes - PCT	Neighbourhood Renewal Area	Contributes towards achievement of the Community Strategy/Neighbourhood Renewal Strategy and LAA targets

Organisation receiving funding	Brief description of what funding is used for	Amount of funding (Specify rev or cap)	Contract or grant and for how long?	Is there a service spec or similar?	Is it joint funded with any other body?	Is funding targeted at priority group or area? If so, what group or area?	Why is Directorate funding this project? How does it contribute to Directorate objectives or priorities?
	workshops; Support service providing employment support e.g. mental health awareness, brief therapy skills and how to motivate change for people with mild to moderate mental health issues that act as a barrier to employment, building confidence, offering training and courses to support people back into employment.						
Belle Vue Centre	COOL Project - Sports and recreational activities are provided to impact upon reducing the antisocial behaviour rate in the particular geographical area, as well as improving standards in the young person.	£65,096 - revenue	Grant - 2008/9 only	Yes	No	Neighbourhood Renewal Area	Contributes towards achievement of the Community Strategy/Neighbourhood Renewal Strategy and LAA targets

Organisation receiving funding	Brief description of what funding is used for	Amount of funding (Specify rev or cap)	Contract or grant and for how long?	Is there a service spec or similar?	Is it joint funded with any other body?	Is funding targeted at priority group or area? If so, what group or area?	Why is Directorate funding this project? How does it contribute to Directorate objectives or priorities?
Hartbeat Barnardos	FAST - The project seeks to reduce crime and disorder by providing a quick response following a report of anti-social behaviour in the targeted area. Incidents of anti-social behaviour will be reported by Neighbourhood Wardens, residents, Police, project workers to a co-ordinator employed by Hartlepool Anti-Social Behaviour Team. This project is designed to link with a number of ongoing initiatives being developed as part of the prevention agenda in Hartlepool. The project will provide an early intervention for families who have members involved in anti-social behaviour.	£189,705 - revenue	Grant - 2008/9 only	Yes	No	Neighbourhood Renewal Area	Contributes towards achievement of the Community Strategy/Neighbourhood Renewal Strategy and LAA targets
HVDA	Community Empowerment Network Core Costs - HVDA provides support to residents and the community & voluntary sector groups within Hartlepool through the provision of a Community Network Team. The Team provides support to residents involved in the Hartlepool Partnership, the Theme Partnerships, the 3 Neighbourhood Consultative Forums and the Neighbourhood	£136,624 - revenue	Grant - 2008/9 only	Yes	No	Neighbourhood Renewal Area	Contributes towards achievement of the Community Strategy/Neighbourhood Renewal Strategy and LAA targets

Organisation receiving funding	Brief description of what funding is used for	Amount of funding (Specify rev or cap)	Contract or grant and for how long?	Is there a service spec or similar?	Is it joint funded with any other body?	Is funding targeted at priority group or area? If so, what group or area?	Why is Directorate funding this project? How does it contribute to Directorate objectives or priorities?
	Action Plan (NAP) Forums. Also, the Team support forums that cover specific sections of the community and the wider Community Network. A key part of their role is the delivery of capacity building activity for residents through the Skills & Learning Plan.						
HVDA	Funding supports a Community Chest which provides grants to encourage greater involvement by residents in local activities and to help groups improve their local neighbourhoods. Grants are available up to £2,000 and applications are either be from groups operating in the Neighbourhood Renewal areas of Hartlepool or groups that are able to demonstrate that 50% of the beneficiaries are resident in the NRF areas.	£90,000 - revenue	Grant - 2008/9 only	Yes	No	Neighbourhood Renewal Area	Contributes towards achievement of the Community Strategy/Neighbourhood Renewal Strategy and LAA targets
OFCA	Core costs & monitoring & evaluation of Neighbourhood Element progress in Owton	£25,000 - revenue	Grant - 2008/9 only	Yes	Not sure	Neighbourhood Renewal Area - focussing on Owton Neighbourhood	Contributes towards achievement of the Community Strategy/Neighbourhood Renewal

Organisation receiving funding	Brief description of what funding is used for	Amount of funding (Specify rev or cap)	Contract or grant and for how long?	Is there a service spec or similar?	Is it joint funded with any other body?	Is funding targeted at priority group or area? If so, what group or area?	Why is Directorate funding this project? How does it contribute to Directorate objectives or priorities?
							Strategy and LAA targets
ORCEL	Core costs	£16,600 - revenue	Grant - 2008/9 only	Yes	Not sure	Neighbourhood Renewal Area - focussing on Owton Neighbourhood	Contributes towards achievement of the Community Strategy/Neighbourhood Renewal Strategy and LAA targets
Owton Manor West NWRA	Core costs	£11,930 - revenue	Grant - 2008/9 only	Yes	Not sure	Neighbourhood Renewal Area - focussing on Owton Neighbourhood	Contributes towards achievement of the Community Strategy/Neighbourhood Renewal Strategy and LAA targets
Solid Rock Youth Project	Core costs	£11,930 - revenue	Grant - 2008/9 only	Yes	Not sure	Neighbourhood Renewal Area - focussing on Owton Neighbourhood	Contributes towards achievement of the Community Strategy/Neighbourhood Renewal

Organisation receiving funding	Brief description of what funding is used for	Amount of funding (Specify rev or cap)	Contract or grant and for how long?	Is there a service spec or similar?	Is it joint funded with any other body?	Is funding targeted at priority group or area? If so, what group or area?	Why is Directorate funding this project? How does it contribute to Directorate objectives or priorities?
							Strategy and LAA targets
Manor Residents	Core costs	£23,995 - revenue	Grant - 2008/9 only	Yes	Not sure	Neighbourhood Renewal Area - focussing on Owton Neighbourhood	Contributes towards the Community Strategy/Neighbourhood Renewal Strategy and LAA targets

## **Appendix four: a funding model and reviewing funding from the Council and PCT**

Here we set out a model of funding for the voluntary and community sector and suggest steps that the Council and PCT would need to take to implement it.

### ***Shopping, giving, investing – types of funding for the VCS<sup>14</sup>***

There are basically 3 reasons why a statutory organisation will provide funding to voluntary and community organisations.

#### ***‘Shopping’***

Here the funder is seeking to procure a specific service or activity. This would be something that the funding organisation will have a clear responsibility to ensure is delivered to its local population e.g. provision of day care services, sports activities for young people. Ideally this should be as part of a wider commissioning process of which the actual procurement is only one part. The Council/PCT will want to specify in some detail exactly what it expects an organisation to deliver. In the past this has tended to be in terms of inputs and outputs but increasingly commissioners are looking to specify the outcomes they wish to achieve through delivery of the service. In the majority of cases procurement of a service will be through open tender and voluntary sector organisations may be competing against the Council/PCT itself and/or private sector providers. Services will be provided under contract either for a fixed amount or an amount that is related to the volume of work carried out. Contracts will be for a fixed term – the length of which will depend upon the nature of the service being provided and usually funded on the basis of ‘full-cost recovery’. Contracts will need to be actively managed at a level appropriate to the size and risk attached to the contract concerned.

#### ***‘Giving’***

Here the funder is seeking to support a worthy cause without this support being tied to specific activities. An example would be general support to a tenant’s group or youth club. Community chest type funds, such as the PCT’s Public Health Grant Scheme would fall into this definition. Support will be provided as a grant and it is likely that the funder will only specify high-level outcomes it wishes to achieve e.g. provide support to tenants living on X estate. Grants are normally awarded on an annual basis and should not be used to fund ongoing commitments e.g. staff costs.<sup>15</sup> Where funding is intended to support ongoing costs then ‘shopping’ or ‘infrastructure support’ are more appropriate as they are generally linked to longer-term agreements. The need to demonstrate equity suggests that grants should be made

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<sup>14</sup> This is based upon a model developed by Julia Unwin, now Director of the Joseph Rowntree Foundation. See *‘The Grant Making Tango’*, Julia Unwin, Joseph Rowntree Foundation, 2004

<sup>15</sup> A point that is reinforced in various good practice guidance

available to support particular types of activity and organisations involved in that field should be able to apply through a published and open process. Grants will need to be reviewed but using a light-touch. Grants will generally be for relatively small amounts (e.g. less than £10,000 per annum). Funding that falls under this heading still needs to be related to the funder's priorities and objectives and those with responsibility for funding need to be clear about why they are grant aiding an organisation. However this is likely to be at a fairly general level e.g. promoting healthy lifestyles, enabling community engagement.

### ***'Investing'***

When 'investing' the funder is seeking to build the capacity of the voluntary sector and enable it to operate more effectively. Examples could include funding an organisation to provide support to other voluntary organisations throughout the town or to provide capital support to enable several organisations to share premises or to fund core costs for an organisation that is seen to play a vital role in some way. The Council/PCT will need to be able to specify what it wants to achieve through the funding and relate this to its priorities and objectives but it is likely to be at a higher level of detail than for a specific service with funding linked to the delivery of specific outcomes rather than outputs. Funding is likely to be directed to a specific organisation on the basis that it is uniquely placed to deliver what the funders want so tendering will probably not be appropriate or the Council/PCT recognise that they want to support the organisation to play a broader role e.g. in engaging with and developing provision for a specific user group. (Although a restricted tender process may be appropriate in some situations). The nature of the relationship between funder and provider is likely to be longer-term and rather than a detailed contract it would be more appropriate to draw up a rolling service level agreement which is reviewed on a regular basis (although this will still have the legal force of a contract). Agreements will need to be actively managed – but this should be more of a collaborative process with the provider.

### ***Current funding in Hartlepool***

Currently it is not always clear which of these categories funding of VCS organisations falls into. Often funding appears to contain elements of all three without it being clear what is being given for what purpose. This makes it difficult to be clear about the purpose of any funding and how it relates to delivering the Council and PCT's objectives. It also almost certainly means that some VCS organisations are effectively subsidising the cost of delivering services that should be funded as 'shopping'. It also leads to a situation where organisations are being funded for core costs, including salaries, through grant aid paid on an annual basis which makes their financial situation very uncertain.

We would therefore propose that the Council and PCT should review all of their current funding to the sector to clarify the basis on which it is given and the purpose of giving it.

As part of this process the Council and PCT should establish clear and separate funding streams for:



- ‘Giving’ – along the lines of the Working Neighbourhoods Community Chest (as distinct from the main Working Neighbourhoods Fund) and Public Health Grant scheme
- ‘Investing’ – based upon the Community Pool (although we suspect that some of the funding from the Community Pool is effectively for the delivery of services)

Funding for ‘shopping’ should come from the Council’s mainstream budgets and or pots such as the Working Neighbourhoods Fund and will not be differentiated as being solely for VCS organisations although there may be some circumstances where effectively such organisations will be the only potential or preferred providers of services. Wherever funding comes from and however it is given it is the case that it should be supporting the Partnership’s/Council or PCT’s objectives and priorities as set out, for example, in the Community Strategy, LAA, NAPs, Annual Operating Plan etc.

***Purpose of the review:***

The purpose of the review would be to ensure that where funding is provided, it:

- Contributes to corporate and departmental objectives
- Is consistently applied across all Directorates
- Is properly monitored and reviewed
- Achieves value for money; and, overall
- Operates within a relationship between the Council/PCT and the voluntary and community sector that is fair and properly regulated

In annex one we set out detailed proposal on how the review could be carried out.

## **Annex one: reviewing funding to VCS organisations**

### **How the review will be carried out:**

The process of a full and detailed review of funding will take time and cannot be achieved overnight. The first stage is for the Council and PCT to understand the purpose of the financial support they currently give to VCS organisations in the town – is it to deliver a service which the Council and PCT thinks is important?; Is it general support to an organisation or is it to build capacity within the voluntary and community sector. Once the purpose of the funding is clear, the Council/PCT will then need to decide if the funding is in line with their priorities; whether it should be continued; and, if so, at what level. In view of the amount of work which needs to be undertaken in this first stage and the need to give VCS organisations adequate notice of any changes in funding, it proposed that organisations continue to be funded through to March 2010 (or the end of their current funding period if that is later) whilst the review is carried out and new funding arrangements are put in place. A Steering Group comprising representatives from the Council, PCT and VCS should be set up to oversee the process and ensure that it is seen as being open and transparent.

### **Guidance for staff**

This guidance, and the documents which support it, is intended to enable officers who have responsibility for funding VCS organisations to take the necessary steps to decide whether it is appropriate to fund organisations and what form of funding should be used. The following steps should be applied to each voluntary or community sector project which is currently funded by the Council and/or PCT from whatever source.

#### **Step 1:**

Decide which of the following 3 categories the funding falls into:

1. **Shopping** – delivery of a specific service e.g. day care for older people, advice and information, youth services, support for homeless people, accommodation.
2. **Giving** – grant aid for general support of an organisation but not tied to specific services or posts e.g. support for a tenant's group, one-off support for provision of equipment.
3. **Investing** – support to build the capacity of the voluntary sector e.g. for an organisation to develop the involvement of older people in service planning and delivery.

**Attachment 1** gives more information about these categories and the different funding regimes that apply to them.

**Attachment 2** – Review of funding form.

**Attachment 3** – voluntary sector funding overall flowchart.

### **Step 2:**

Follow the process in the appropriate flow chart to review:

- Why the funding is being given
- Whether it meets the Council/PCT's priorities
- How funding should be provided.

**Attachment 4** – Voluntary sector funding flowchart – shopping.

**Attachment 5** – Voluntary sector funding flowchart – giving.

**Attachment 6** – Voluntary sector funding flowchart – investing.

### **Step 3:**

If it is agreed that funding should be continued then put in place longer term arrangements from 1st April 2010 as follows:

Shopping	Service specification and contract for however long it is agreed is appropriate given the nature of the service being provided
Giving	Letter confirming grant aid, for 1 year, together with standard conditions
Investing	Rolling service level agreement with agreed review interval

### **Termination of existing funding:**

If it is decided that it is no longer appropriate to continue funding an organisation, then funding should be terminated. Proper notice should be given – at least 3 months, preferably 6, either in accordance with any existing agreements or, where no agreement exists, through a process of negotiation with the organisation concerned.

## Attachment 1 - Types of funding to VCS organisations

There are basically 3 situations in which the Council/PCT could provide funding to voluntary sector organisations.

**Shopping** – here the Council/PCT is seeking to procure a specific service or activity e.g. provision of day care services, sports activities for young people. They will want to specify in some detail exactly what it expects an organisation to provide in terms of volume, location etc and the outcomes it wishes to achieve. In the majority of cases procurement of a service will be through open tender and voluntary sector organisations may be competing against private sector providers. Services will be provided under contract either for a fixed amount or an amount that is related to the volume of work carried out. Contracts will be for a fixed term – the length of which will depend upon the nature of the service being provided. Contracts will need to be actively managed at a level appropriate to the size and risk attached to the contract concerned.

**Giving** – here the funder is seeking to support a worthy cause without this support being tied to specific activities. An example would be general support to a tenant's group or youth club. Support will be provided as a grant and it is likely that the Council/PCT will only specify high-level outcomes it wishes to achieve e.g. provide support to tenants living on X estate. Grants are normally awarded on an annual basis. The need to show equity suggest that grants should be made available to support particular types of activity and organisations involved in that field should be able to apply through a published and open process. Grants will need to be reviewed but using a light-touch. Grants will generally be for relatively small amounts (e.g. less than £10,000 per annum). Funding that falls under this heading still needs to be related to the Council/PCT's priorities and objectives and Directorates need to be clear about why they are grant aiding an organisation..

**Invest** – here the Council/PCT is seeking to build the capacity of the voluntary sector and enable it to operate more effectively. Examples could include funding an organisation to provide support to voluntary organisations or to provide capital funding to enable organisations to share premises. The Council/PCT will need to be able to specify what it wants to achieve through the funding and relate this to its priorities and objectives but it is likely to be at a higher level of detail than for a specific service with funding linked to the delivery of specific outcomes rather than outputs. Funding is likely to be directed to a specific organisation so tendering will not be appropriate (although a restricted tender may be useful in some situations). Rather than a detailed contract it would be better to draw up an agreement (although this will still have the legal force of a contract). Agreements will need to be actively managed – but this should be more of a collaborative process with the provider.

## Attachment 2: form for reviewing funding

Directorate:

Organisation:

Support in 08/09:

Rev: £

Cap: £

Organisation's funding:

Total income: £

Other sources of funding (including other Council/PCT funding):

Brief description of what project does:

Why is the Council/PCT funding this project? :

Is the project located or operates in a NAP area? Which area?

Is the project targeted at a specific group? Which group and how does it benefit the group? Is this group identified as a priority?

Does the project contribute to the priorities identified in Hartlepool Ambition./LAA or other Council/PCT plan. If so, how

Does the project contribute to Directorate objectives? if so, how?

Are you aware of any other organisation capable of doing this work or providing this service?

Should the funding be continued? Why ?

Should funding be discontinued? Why and what are the implications?

If the funding is to be continued: (tick one box)

- should it be for the provision of a service? (Shopping)
- should it be to provide general support to the organisation? (Giving)
- should it be to build capacity? (Investing)

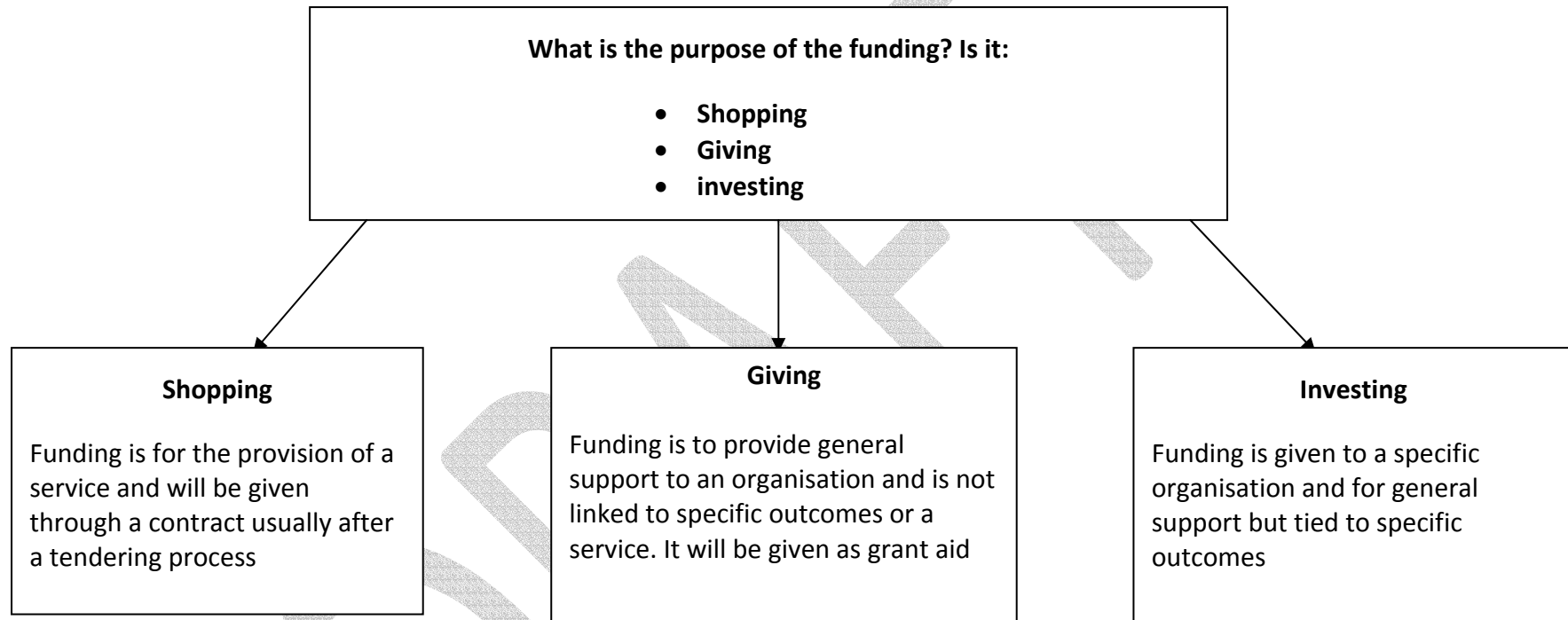
☐☐☐

Signed: ..... Date: .....

Name of officer carrying out review: .....

Tel: ..... e-mail: .....

**ATTACHMENT 3 :  
Voluntary sector funding – flow chart**





## ATTACHMENT 4 :

### Voluntary sector funding flowchart – shopping

#### Funding for the provision of a service

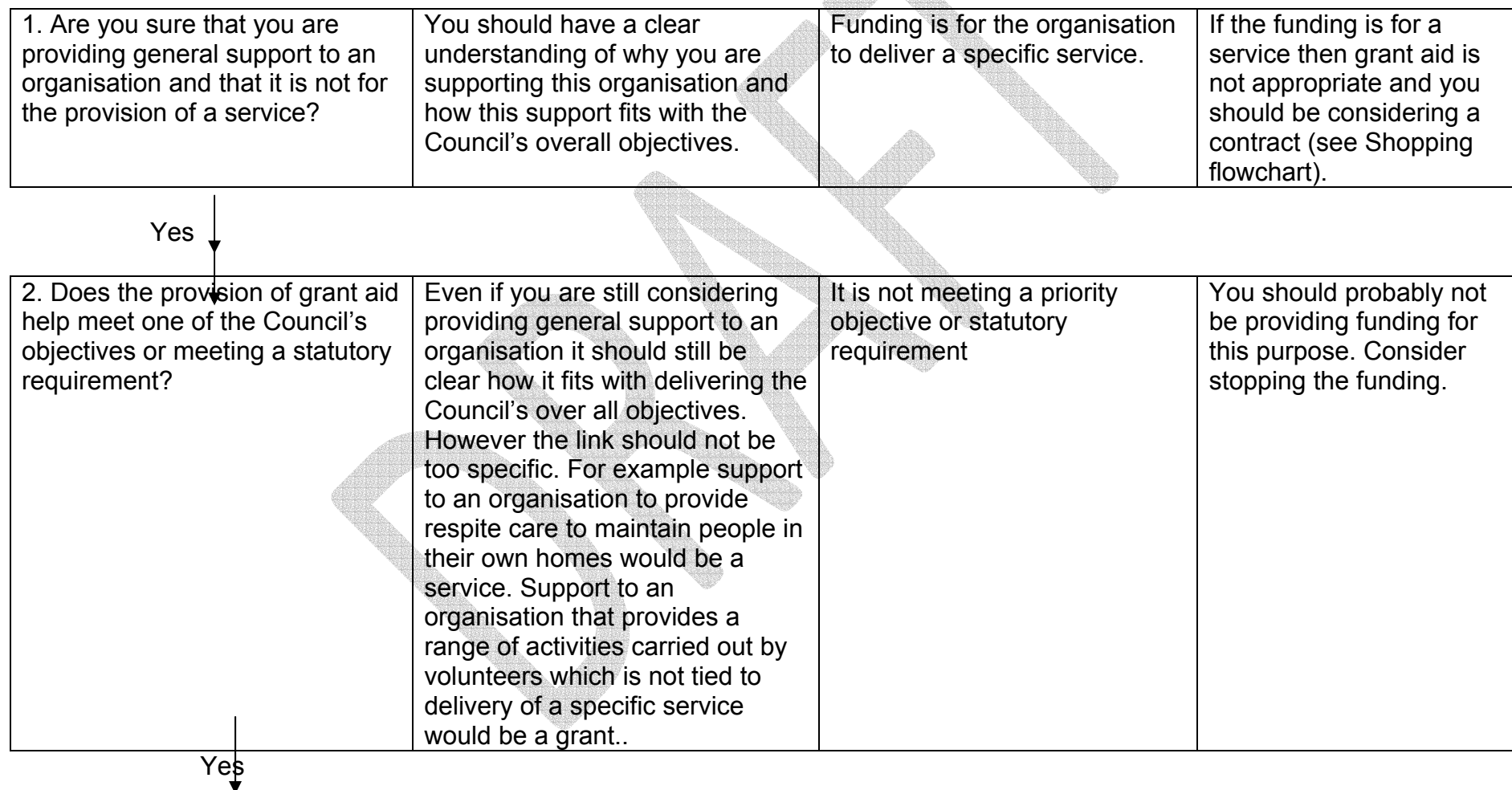
1. Are you clear what service you want to commission?	You should have a clear understanding of what service you want an organisation to provide. It should be describable in specific terms e.g. day care for 100 people or the outcomes that the service will deliver e.g. promoting independence and improving people's quality of life in their own home	The service is not describable in this way	If the funding is not for a service then it is probably provided for general support and should be considered as grant aid. But are you sure?
<p style="text-align: center;">Yes ↓</p>			
2. Is the provision of this service a priority? Is it meeting one of the Council's objectives or meeting a statutory requirement?	A service should only be funded if it is helping to deliver one of the Council's objectives or is meeting a statutory requirement. You	It is not meeting a priority objective or statutory requirement	You should probably not be providing funding for this purpose. Consider stopping the funding.

	should be able to clearly link the provision of a service to one of these aims.		
<p>Yes</p> <p>↓</p>			
3. Is there a written service specification that sets out exactly what the service provider is expected to deliver?	The basis of any contract is a service specification that sets out what the Council expects a service provider to deliver for the funding made available.	No service specification is available or it is inadequate	Draft an appropriate service specification

## ATTACHMENT 5:

### Voluntary sector funding flowchart – giving

#### Grant aid to an organisation (existing funding only)

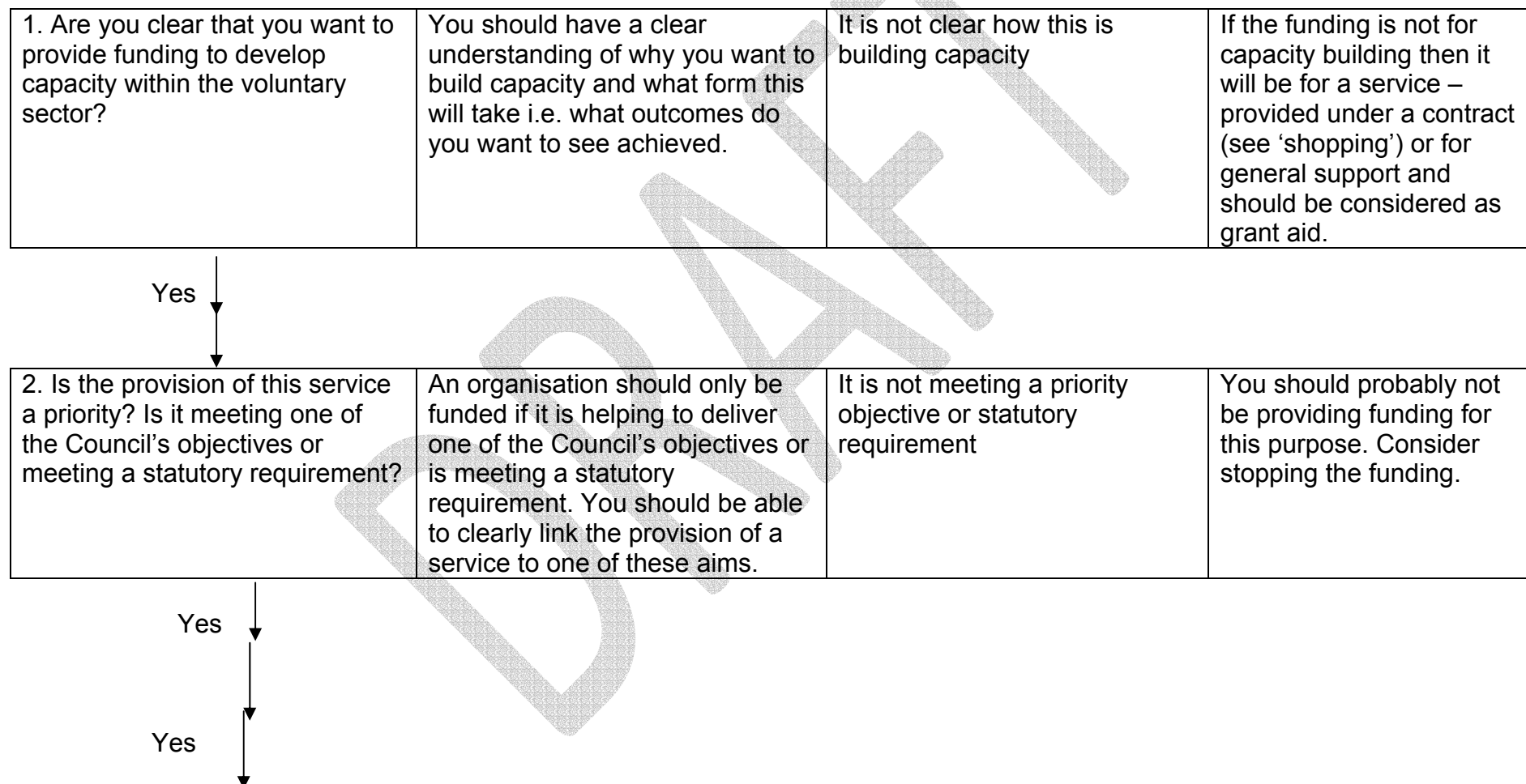


<p>3. Is there a written agreement that sets out the purpose for which the funding is provided?</p>	<p>For grant aid it is not appropriate to have detailed documentation setting out exactly what the organisation is expected to do with the funding. But there should still be a clear statement of the purpose of the funding. How the organisation uses the funding is up to it but it should not, for example, be tied to specific posts</p>	<p>No written statement is available</p>	<p>Draft a statement describing purpose of grant (i.e. grant letter)</p>
<p>Yes</p>			
<p>What is the value of the grant aid?</p>	<p>Grant aid is given for 1 year only – although it can be renewed annually</p>	<p>Is the value over £10,000? is it supporting ongoing costs e.g. salaries, rent etc?</p>	<p>Grant aid is not really suitable in these situations. Consider 'shopping' or 'investing' instead.</p>

## ATTACHMENT 6 :

### Voluntary sector funding flowchart – investing

#### Funding for building capacity in the voluntary sector



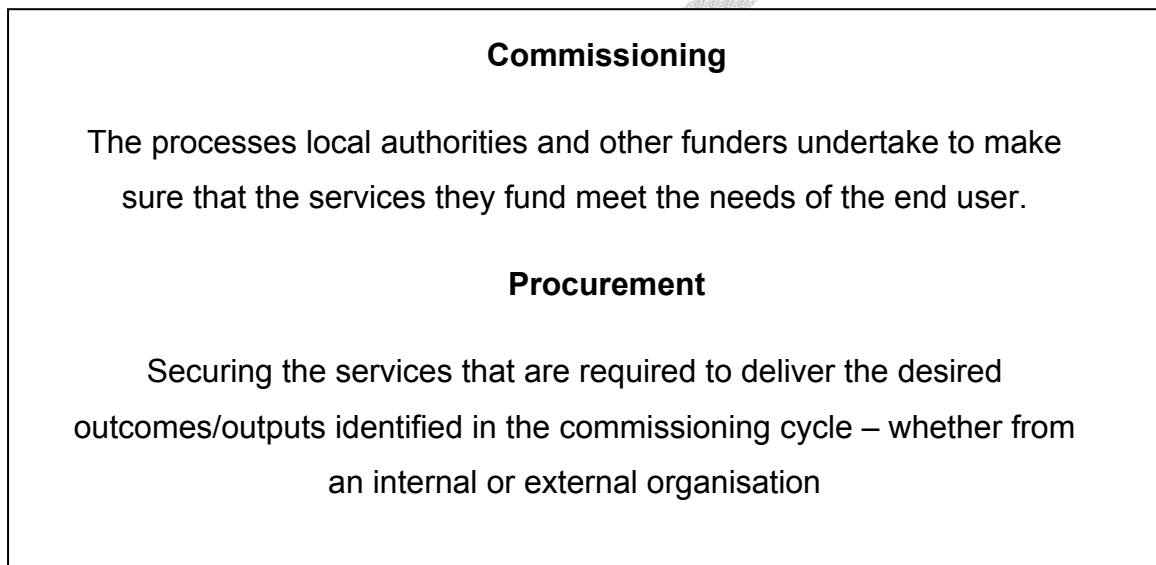
<p>4. If agreed to fund then a service specification will need to be drawn up. Whilst this may not be as detailed as one for provision of a service it will still need to specify the purpose for which funding is being provided and what it is expected to deliver. This is more likely to be framed in terms of outcomes than specific outputs.</p>		
<p>Is there more than one organisation that can provide this service?</p>	<p>If there is only one or a small number of organisations that can provide this service consider a restricted tendering process</p>	

## Appendix five: Developing commissioning and procurement

### Strategic commissioning and procurement

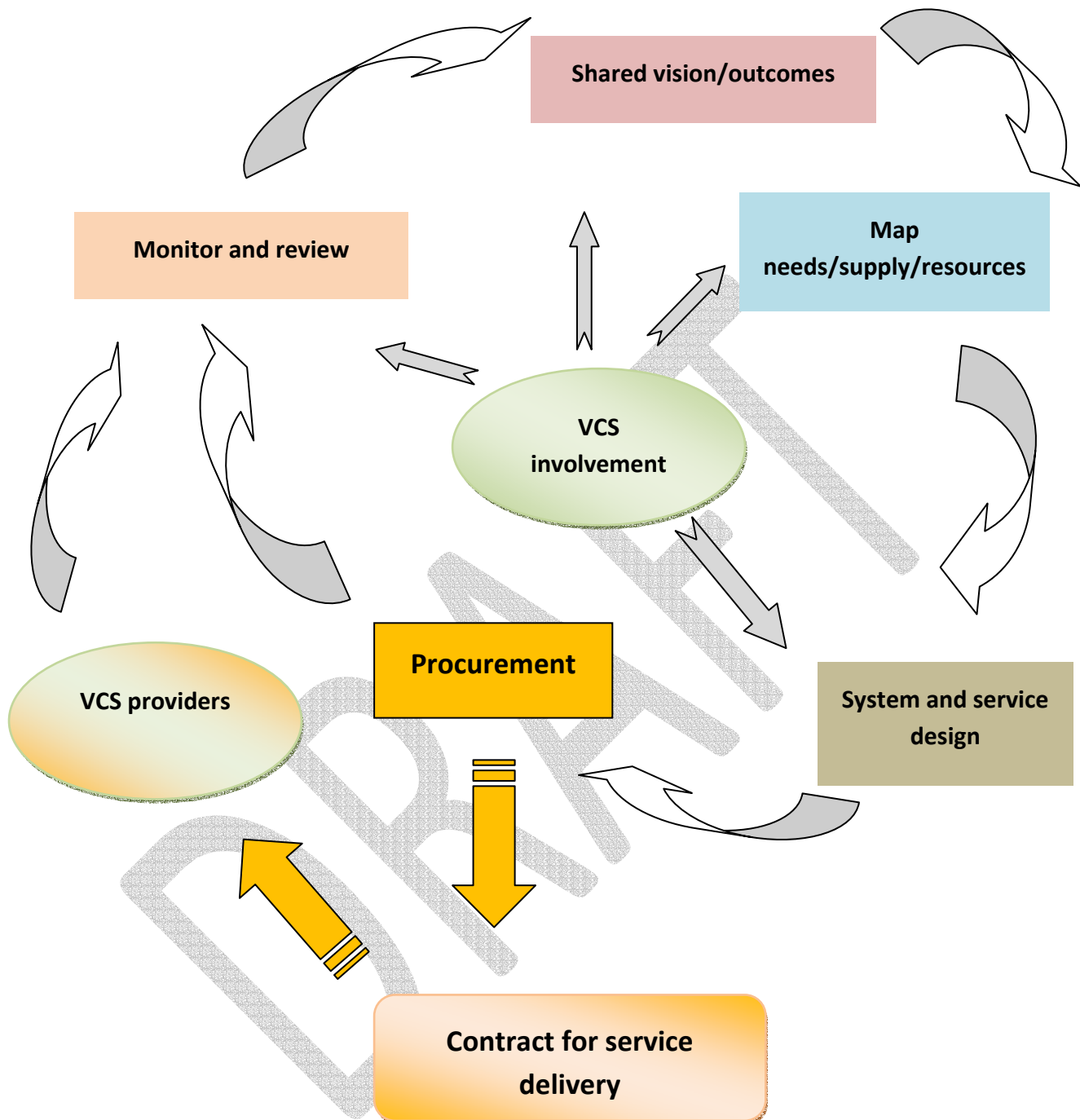
This section looks in more detail at how to ensure that VCS organisations are able to bid effectively for contracts with statutory agencies. This relates to how those organisations go about procuring these contracts and how well prepared the VCS is to respond.

Procurement is often confused with commissioning. The following definitions clarify the differences between the two.



The relationship between the two is shown in figure 1 below

**Figure 1 – the strategic commissioning cycle**



VCS organisations can potentially play a role in all stages of the cycle except the actual procurement of services – although even here they may play a role, for example, sitting in on tendering panels to represent the views of local communities or groups of service users. The fact that an organisation may be involved in bidding for a contract does not preclude it from more general involvement in commissioning – especially in the stages of agreeing the overall vision and outcomes desired, assessing need and service design. Indeed VCS organisations often bring a dual expertise to these stages – with knowledge of the needs of communities and expertise in service design and delivery – that commissioners often lack.



What is clear, of course, is that any information that organisations that are potential providers of services may gain during these stages of the cycle must be made available to all potential providers and that any organisation that may bid for a tender cannot play any role in the actual procurement process. The point at which such organisations would need to disengage from any involvement with the strategic commissioning cycle though will need to be determined on an individual basis. Openness and transparency are the key to ensuring probity in this regard.

### Developing procurement

In seeking to ensure that VCS organisations are able to effectively compete for contracts in a procurement process a number of areas need to be addressed.<sup>16</sup>

These include:

**Table 7 – actions to improve procurement**

Issue	Actions
Policy	<ul style="list-style-type: none"> <li>• Commit to a vibrant VSC playing an important role in service delivery</li> <li>• Include a procurement code within the Compact</li> <li>• Build the capacity of the VSC to compete for contracts</li> <li>• Build links with relevant regional and national bodies e.g. North East Improvement and Efficiency Partnership</li> <li>• Ensure that procurement strategies do not disadvantage the VCS</li> <li>• Seek to influence practice in the VCS e.g. promote consortiums and the development of supply chains</li> <li>• Ensure the VCS is involved in strategic commissioning processes</li> <li>• Pilot the use of social clauses in contracts</li> </ul>
Skills and knowledge	<ul style="list-style-type: none"> <li>• Develop training programmes tailored to VCS organisations</li> <li>• Promote peer support, mentoring and workshop opportunities to develop quality</li> <li>• Ensure effective feedback to organisations competing for contracts</li> <li>• Work with support organisations e.g. Business Link to develop VCS capacity</li> <li>• Encourage sharing of skills and expertise between VCS organisations</li> <li>• Encourage sharing of best practice and involvement in relevant networks</li> </ul>

<sup>16</sup> See 'Commissioning and procurement in the public and third sectors: a framework for action in the North East' North East Efficiency and Improvement Partnership available at <https://www.nece.gov.uk/nece/datalibrary.nsf/098a0de886f4919780256df6005a7654/81e1c5a835385b5e802573f5003c59a3?OpenDocument>

Issue	Actions
Communications and culture	<ul style="list-style-type: none"> <li>• Ensure that information about forthcoming opportunities is widely distributed within the sector</li> <li>• Promote effective collaboration between different procurement bodies</li> <li>• Minimise the costs associated with procurement wherever possible</li> <li>• Ensure clarity about respective roles and use of procurement and grant aid</li> </ul>

The action plan in the main body of the report includes an action (no 28) to develop a detailed plan to take forward this work as well as a number of other supporting actions e.g. providing training, developing the capacity of the sector, with lead agencies and timescales etc. We suggest setting up a joint working party between the Council, PCT and VCS to progress this work.

## Appendix six: methodology

### ***What we were commissioned to do***

Peter Fletcher Associates (PFA) were commissioned by the Council and the PCT to carry out this work and develop a strategy that would set out the future relationship between them and the sector and how they could work in partnership to deliver the vision set out in 'Ambition Hartlepool' (the Community Strategy and Neighbourhood Renewal Strategy for the town) that:

*"Hartlepool will be an ambitious, healthy, respectful, inclusive, thriving and outward-looking community, in an attractive and safe environment, where everyone is able to realise their potential."*<sup>17</sup>

This would include identifying:

- How the Council/PCT will work to support the development and success of VCS organisations working in the town
- What the Council/PCT wants from the voluntary sector and how it is prepared to support it both financially and in other ways
- How the Council/PCT will engage with the sector and involve the sector in its ongoing processes
- The contribution that the sector can make both to the general civic life of Hartlepool and in terms of service delivery

So this work has focussed on the role of the Council and the PCT, however much of what we propose will be equally applicable to other agencies that have, or need to develop, a relationship with the sector such as the Police, Learning and Skills Council, Job Centre Plus etc.

The work was carried out between January and August 2008. We are grateful to everyone who has participated in this work in one way or another.

### ***Methodology***

In carrying out this work we were keen to talk to a wide cross section of people from both statutory organisations and the sector itself. In the end we carried out 30 individual interviews. For a list of the people we interviewed see annex two. The list of people was agreed with a small Steering Group that we set up to help guide the work. This included representation from the sector itself. The membership of the Group is shown in annex one.

We also ran a workshop for members of the Steering Group, people we had interviewed and other key players where we outlined our initial conclusions and worked on a set of outcomes for the strategy. A write up of the workshop is contained in annex three. At the workshop it was identified that there was a risk that smaller VCS organisations were not able to contribute effectively to the strategy

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<sup>17</sup> 'Hartlepool's Ambition', July 2008, p7

development so we ran two focus groups specifically for smaller groups. The write up of these is also at annex three.

A draft of the strategy was then presented to and discussed with the Steering Group. It was then revised to take on board the comments made before this final draft was submitted to the Council and the PCT.

DRAFT

## Annex one: Steering Group

Members of the Steering Group for this piece of work are shown below

Name	Role	Organisation
Alex Sedgwick	Development Manager	Belle Vue Community Sports and Youth Centre
Peter Scott	Director of Regeneration and Planning Services	Hartlepool Borough Council
Geoff Thompson	Head of Regeneration	Hartlepool Borough Council
Iain Caldwell	Strategy and Practice Manager	Hartlepool MIND
Jill Harrison	Assistant Director of Commissioning	Hartlepool PCT
Keith Bayley	Manager	HVDA
Margaret Hunt	Development Manager Adult and Community Services	Hartlepool Borough Council
Nicola Bailey	Director of Adult and Community Services	Hartlepool Borough Council

The role of the Steering Group was to:

- Steer the Strategy and receive reports on its progress
- Ensure those bodies that commissioned the Strategy receive the information they need and are able to raise issues of interest to them
- Be a reference group (sounding board) where views can be aired and discussed, particularly those from organisations with different perspectives, and where issues can be referred back into partner organisations for clarification or discussion

The group met on 3 occasions during the course of the work.

## Annex two: List of people interviewed

The following people were interviewed during the course of this work

Name	Role	Organisation
Alex Sedgwick	Development Manager	Belle Vue Community Sports and Youth Centre
Andy Powell	Director of Housing Services	Housing Hartlepool
Dave Wise	Chair	West View Project
Geoff Thompson	Head of Regeneration	Hartlepool Borough Council Regeneration and Planning Services
Iain Caldwell	Strategy and Practice Manager	Hartlepool MIND
Ian Merritt	Commissioning & Integrated Working Manager	Hartlepool Borough Council Children and Families Services
Jill Harrison	Assistant Director of Commissioning	Hartlepool PCT
Joanne Smithson	Head of Community Strategy	Hartlepool Borough Council
John Mennear	Assistant Director (Community Services)	Hartlepool Borough Council Adult and Community Services
John Robinson	Children's Fund Manager	Hartlepool Borough Council Children's Services
Keith Bayley	Manager	HVDA
Kevin Cranney		OFCA
Linda Watson	Acting Director of Clinical Services	Hartlepool PCT
Madeleine Johnson (phone)	Acting Locality Director of Public Health	Hartlepool PCT
Malcolm Walker	Chief Executive	New Deal for Communities
Margaret Hunt	Development Manager	Hartlepool Borough Council Adult and Community Services
Nicola Bailey	Director of Adult and Community Services	Hartlepool Borough Council
Paul Walker	Chief Executive	Hartlepool Borough Council
Peter Gowland	Project Development Officer	HVDA
Peter Jackson	Portfolio lead for Neighbourhoods and	Hartlepool Borough Council

Name	Role	Organisation
	Communities	Cabinet
Peter Price	Director of Public Health	Hartlepool PCT
Peter Scott	Director of Regeneration and Planning Services	Hartlepool Borough Council Regeneration and Planning Services
Phil Hornsby	Principal Commissioning Manager	Hartlepool Borough Council Adult and Community Services
Ron Foreman	various	Community Network Patient and Public Involvement Forum Hartlepool Partnership 50+ Forum
Simon Davidson	Tees Valley Voluntary and Community Sector Co-ordinator	HVA
Steve Wallace	Chair	Hartlepool PCT
Stuart Drummond	Mayor	Hartlepool Borough Council
Stuart Green	Head of Economic Development	Hartlepool Borough Council Regeneration and Planning Services
Susan Rybak	Community Resources Officer	Hartlepool Borough Council Adult and Community Services
Sylvia Burn	Regeneration Manager	Hartlepool Borough Council Regeneration and Planning Services

### **Annex three: Reports of workshop and focus groups**

In the course of the work we held:

- A workshop for members of the Steering Group and other key individuals to consider our emerging findings and first draft of the outcomes framework
- Two focus groups for smaller voluntary and community organisations to ensure that their perspective was incorporated into our proposals.

Reports of these are set out below.

#### **Report of workshop held on Wednesday 14<sup>th</sup> May 2008 at Belle Vue community, Sports & Youth Centre**

1. The workshop was part of the process of preparing a Voluntary Sector Strategy for Hartlepool which had been commissioned by the Borough Council and the Primary Care Trust with the support of the Local Strategic Partnership. 18 people from voluntary and statutory organisations attended the workshop which was facilitated by representations of Peter Fletcher Associates.
2. **Aims of the workshop** – the aims were to:
  - To feedback on our work to date
  - To look at the issues we have identified
  - To help draft outcomes and objectives for the strategy

The programme for the workshop is shown in Appendix 2.

3. **National and Local context** - the introduction to the workshop set the strategy in the context of national and local policies aimed at the voluntary and community sector. The key points were:
  - A national context which places an increased emphasis on working in partnership with the voluntary and community sector to improve public services and deliver social and economic regeneration;
  - A local context where the council and PCT have identified a need to develop a more strategic approach to supporting and developing the sector;
  - In terms of social and economic regeneration, the government wants to ensure that the third sector is at the heart of reforms to improve public services as contractors delivering services, as campaigners for change, as advisers influencing the design of services and as innovators from which the public sector can learn;<sup>18</sup>
  - In terms of enabling strong and prosperous communities, the voluntary & community sector is seen as:

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<sup>18</sup> HM Treasury 2006



- i. Being able to make for a larger, more diverse and more competitive supply base for public services;
  - ii. As having a particularly good understanding of service user's needs and a distinctive service capability. This is likely to produce high quality services, well targeted to the specific needs of diverse groups of service users;
  - iii. Making valuable contributions in a local area, beyond the delivery of public services, notably to public participation, social inclusion and community engagement;<sup>19</sup>
- In the local context, the following have raised the issue of the relationship of the Council and PCT with the voluntary & community sector:
  - i. The Comprehensive Performance Assessment identified a need for the Council to develop a more strategic approach to the sector;
  - ii. The PCT wants to invest in the sector to help deliver its objectives;
  - iii. The Compact is being redrafted;
  - iv. The sector has lost funding and is seen as being at some risk.
- This session concluded with some ways in which the voluntary & community sector and its relationships with the statutory sector is changing:

Old	New
Assumed that the voluntary sector will deliver services for less than cost price	Voluntary sector treated on same basis as other potential service providers
Voluntary sector assumes it will be treated as a special case	Voluntary sector acquires the skills and know how to compete on the same basis as other organisations
Sector relies on grant aid from a few sources	Sector looks to broaden its income base beyond traditional sources and increasingly operates on a trading basis
Funding provided on a historical basis with no clear objectives	Services are commissioned on a clear basis to meet user need and delivered to that specification
VCS assumed to be just about service delivery	Other roles of VCS recognised e.g. social inclusion, campaigning to

<sup>19</sup> Local Government White Paper 2006

achieve change, encouraging  
social enterprise

Statutory organisations assume the sector can look after itself      Commissioners recognise the need to help build the capacity of the sector

It was pointed out that many voluntary organisations in Hartlepool already demonstrated the new direction of travel for the sector and that Hartlepool was no different from many other towns and cities in having a very varied pattern of relationships with the statutory sector.

#### 4. Feedback on work to date

A paper had been circulated prior to the workshop setting out a summary of the issues raised in the interviews with a wide range of people from the voluntary and statutory sectors. Working in small groups, participants were asked to say whether PFA had described the issues correctly and whether any issues had been missed. The following comments were made:

- The voluntary sector in Hartlepool is very diverse and has many small organisations. Some may not want to be service providers and go down the commissioning route. 'One size doesn't fit all' This needs to be recognised;
- Those smaller organisations that do want to be involved in delivering services, will need help from HVDA, the Council and the PCT to understand the commissioning process;
- Short term funding is OK for short term projects but not to sustain longer term projects, particularly when they're delivering key objectives. It is difficult for organisations to think longer term when funding isn't. Need to lobby government for longer term funding;
- Need to look at how to bring organisations together under an umbrella organisation to become more efficient and strategic and what type of umbrella body; should there be one body for the size of Hartlepool or smaller umbrella bodies at ward/locality level to support local groups or around issues (e.g. ageing society);
- Voluntary organisations get so embroiled in fundraising in order to survive that they often fail to see 'the bigger picture'. There's a patchwork of groups – some are simply not interested in strategy; and some are heavily engaged in formulating it/seeing it through;
- The role of HVDA should be to disseminate good practice rather than be a competitor for funding. It should be more strategic/policy based and communicate national policy/strategy to smaller groups;
- Organisations need to keep hold of the reason they are there, rather than just 'chasing money'. Completing paperwork can use up a lot of time and perhaps someone can do it for them or help them with it;
- Statutory sector bodies need to get more involved with local voluntary organisations and understand what they are capable of doing;

- Duplication does exist but may not be as bad as made out; overlap may only be a small part of their role; need for organisations to be clearer about their core business;
- There are good examples of partnership working with the voluntary sector (e.g. Children's Services) but this can be down to one or two key officers and it doesn't lead to structural change. Some officers need to be encouraged to work more in partnership and helped to build confidence and trust with the sector;
- Some councillors have an 'old fashioned' view of wanting to control the voluntary sector. This can filter through the Council and impede progress and lead to frustration amongst officers. The Council needs to demonstrate its commitment to the voluntary sector through the new Compact;
- Statutory bodies need to be more open and transparent about its services; and involve voluntary organisations at an earlier stage.

## 5. Outcomes and Objectives for the Voluntary Sector Strategy

The workshop spent a short while identifying some key areas that outcomes for the Strategy should address and then, in small groups, participants clarified these outcomes and identified a couple of objectives to help achieve them.

### OUTCOME 1: SHARED VISION AND STRATEGIC DIRECTION

Objective 1: Develop an evaluation system that has a focus on all elements of the project (NDC)

Objective 2: Develop the community engagement skills of all partners to ensure community up (sic) outcomes.

### OUTCOME 2: SECTOR IS EFFICIENT AND EFFECTIVE

- Training and advice is available (from Skill Share, HVDA, etc) – need to ensure proper monitoring of groups' work and evaluation of same (NDC being good example). Quality assurance systems – need to roll them out more – therefore funding needed for groups to undertake. Could, as part of this, groups themselves deliver same for other groups? e.g. MINA
- Are funders clear and specific about what they actually want from groups when they fund them?
- Does the voluntary sector have a vision of how its work fits in with what's best for Hartlepool? No! (Or, is the work really linked to the vision – but groups don't realise it?)
- Working together – voluntary and statutory sharing agendas. In specific yearly plans.
- Voluntary sector better at engagement – statutory sector needs to support this approach and set the agenda together.

### OUTCOME 3: STABLE & SUSTAINABLE FINANCIAL POSITION

- Objective 1: minimum 3 year funding, as long as contractual obligations are met – no money otherwise; expectations of service delivery to be realistic from both sides
- Objective 2: proportional monitoring – no over monitoring
- Objective 3: clear understanding of current financial situation of individual organisations – full costs
- Objective 4: clear exist strategies – funding bodies and organisations need to be clear about how/when project will end; plan at least 1.5 years ahead; new tenders/re-negotiation of current funding – no excuse for being last minute

Questions – are groups that are currently funded the ones that need to be funded in the future – are they delivering what they are supposed to? What are organisations doing for their money?

#### OUTCOME 4: RECOGNISING THE DIVERSITY OF THE SECTOR, INCLUDING STRENGTHENING THE INFRASTRUCTURE

- Ensuring opportunities are available for all the sector to access (including to enable them to make a positive contribution (not only about service provision)
- Recognise the diversity of the number of larger groups who act as umbrella organisations and support them in this;
- Ensure organisations promote and publicise their activities;
- Look at the mapping exercises that have already occurred (e.g. NDC) are shared and built in;
- Recognising specialist areas (e.g. MIND, OFCA, Anchor) and promote their role;
- Encourage groups to combine and work together;

#### Strengthen infrastructure

- Partnership working amongst voluntary sector;
- Support to enable this to happen and facilitate this;
- Statutory sector needs to be explicit about the role of umbrella organisations (e.g. payroll, HR, finance)

#### 6. What happens next?

- (a) Workshop will be written up by PFA and circulated to all those who had attended and/or registered within the next week;
- (b) Two focus groups will be held with community based organisations to ensure their views contribute to the strategy. These are being arranged through HVDA;
- (c) A report will be presented to the next meeting of the Strategy Steering Group on 19<sup>th</sup> June when decisions will be made on the next steps in the preparation of the Strategy, including what form the consultation on the Strategy will take.

**Annex 1: attendees at the workshop**

Keith Bayley	HVDA
Iain Caldwell	MIND
Gemma Clough	Hartlepool Council – Regeneration Directorate
Kevin Cranney	OFCA
Ron Foreman	Health & Social Care Forum
Peter Gowland	HVDA
Denise Harris	Anchor Housing Trust
Jill Harrison	Primary Care Trust
Phil Hornsby	Hartlepool Council – Children’s Services
Margaret Hunt	Hartlepool Council – Adult Services
Francesca Magog	Hartlepool Council – Children’s Services
Fiona Riley	Hartlepool Council – Regeneration Directorate
John Robinson	Hartlepool Council – Children’s Services
Susan Rybak	Hartlepool Council – Children’s Services
Alex Sedgwick	Belle Vue Community & Sports Centre
Geoff Thompson	Hartlepool Council – Regeneration Directorate
Mick Thompson	Hartlepool Housing
Malcolm Walker	New Deal for Communities

Apologies for absence were received from:

Nicola Bailey	Hartlepool Council – Adult Services
Sylvia Burn	Hartlepool Council – Regeneration Directorate
Stuart Green	Hartlepool Council – Regeneration Directorate
Joanne Smithson	Hartlepool Council – Regeneration Directorate
Dave Wise	West View Project

The workshop was facilitated by:

Iain Kitt  
Peter Kenrick  
Louise Craig  
from Peter Fletcher Associates.

## **Annex 2: workshop programme**

8.45	Registration – tea/coffee
9.00	Welcome
9.10	Introduction to the workshop
9.20	National and Local context
9.30	Feedback on the work so far and small group working
10.15	Progress on the Compact
10.30	Coffee/tea break
10.45	Outcomes and objectives for the Voluntary Sector Strategy - small group working
12.00	Feedback from group working
12.20	What happens next?
12.30	Close

## **Hartlepool VCS Focus Group Meeting - 12<sup>th</sup> June 2008**

### **1. Relationship with the Council/PCT**

**In terms of dealing with the Council or the PCT, is there anything you would like to see changed or done differently to make the process easier?**

#### Council

The group was split in terms of answering this question and responses depended very much upon personal experiences.

Some people considered that communication with the Council was a significant problem

- Answering telephone calls, returning calls and responding to messages – want more communication with the Council and it can feel impossible at times. Some departments never get back to you.
- One attendee said that the Council listen only to what they want to, and that they aim to 'tick boxes'

The majority of the group, however, had not had any problems. This side of the group felt that they had a good working relationship with the Council, with someone available to contact if they needed to.

#### PCT

The staff turnover within the PCT was felt to be a problem as it makes it difficult to maintain relationships. This was also mentioned as a problem in the Council. The communication between staff during the change-over process was seen as a problem, as the new staff are not given enough information on the organisation. This means the process of developing relationships and understanding has to be started again from scratch.

#### Suggested Changes

- New staff to introduce themselves to the VCS and to hold meetings to get to know each other
- The Council should be more open about their agendas
- The Council is sometimes limited in what they can do as decisions are made at a higher level – does this need to change?

**Specifically in terms of funding, are there changes you would like to see to the way the Council or the PCT fund voluntary and community organisations in Hartlepool?**

The Council and PCT are very clear about what they want for their money – including 'outcomes', but PCT especially late in 'paying up', which is no good for continuity.

VCS organisations have to provide very thorough and specific data and information to support their funding applications.

Through the Community Pool, the Council has a well established mechanism for funding the VCS.

### Issues

- Nothing agreed at the Council until the very last minute
- Funding is short-term and organisations don't find out if they are going to get funding until the last minute, which makes the funding application process 'constant'
- and puts pressure on groups, especially where staff are employed
- The funding process is too complicated – this is a general problem for the whole sector
- Prudence goes against organisations when it come to funding – if organisations have put money aside to cover them for periods when they do not have funding, they may not get the money that they need
- VCS organisations cannot retain staff if they only receive 1 year funding
- The Council has changed their criteria for some funding which has caused problems, e.g. some levels of care have fallen off the bottom of the scale and are no longer funded

### Suggested Changes

- There needs to be a commitment to longer-term funding to give VCS organisations some head room. If organisations are given 3 year funding contracts, they are more able to plan for the future – or at least a three year commitment in principle
- There should be a standardisation in terms of the measurements data that VCS organisations have to provide during the funding process

## **2. Understanding of the Voluntary and Community Sector**

**Do you think staff in the Council/ PCT have a good understanding of the voluntary and community sector as a whole in Hartlepool as well as of organisations like yours?**

### Issues in understanding

- The PCT doesn't have as much understanding of the VCS as the Council does
- The VCS can be seen as a source of cheap labour by the Council
- Cost-cutting for ATCs – this pushes service users out into different things
- There are 'openness' issues within the Council

One attendee was representing an organisation that provides training in mental health to the Council and the PCT to promote understanding. They are paid for this training and the Council/PCT are willing to be trained. They train front-line staff all across the board.

**HVDA exists to help voluntary and community organisations in Hartlepool deliver their services more effectively. Are there services/ activities that HVDA should be providing but currently do not?**



All of the attendees stated that they had regular contact with HVDA, which was quoted as being 'the hub of the town' and 'a central point for everyone to go to'. It was also stated that HVDA 'has credibility in the town'.

It was felt that HVDA have a 'brilliant' grant system which is very important for small groups, especially when they only require small sums of money.

The HVDA find out the answers to questions posed by the VCS and if organisations need anything they 'are never turned away' by HVDA. They were also stated as being great for signposting.

When asked if there are certain services that HVDA should be providing which they currently do not, one attendee suggested that they 'already do everything'.

HVDA provide pots of money to give VCS organisations to fund events/ additional services that they have not received other funding for. This helps organisations to serve their communities better as without these pots of money, they would be unable to provide anything in addition to what they have originally been funded to do.

#### The Compact

Most of the attendees did not know what exactly the Compact is.

They were generally aware that the Council were in the process of 're-jigging' the document.

### **3. Collaborative Working in Hartlepool and the Voluntary Sector Strategy Should voluntary and community organisations in Hartlepool collaborate more in the future in order to obtain funding or promote particular concerns or reduce costs or for other purposes?**

Problems with forums:

- Often held during working hours, making them inaccessible to volunteers who also work paid jobs during the day – they should be accessible to everyone

One attendee suggested that VCS organisations within Hartlepool are very territorial and prefer to 'do their own thing' rather than working together with other organisations. It was also suggested that the ability of organisations to work together depends very much on the 'personality' of individual organisations – some prefer to work alone or would not mesh well with other organisations due to differing values etc.

The benefits of working together were recognised by the group, including the benefits attached to the pooling of information and experiences. Recognised however that not much evidence of VCS collaborative in Hartlepool.

LINKS (Local Involvement Networks) were given as an example of working together in Hartlepool. It is in its infancy so there is no hard evidence of success yet. This is a government-driven project.

### Suggested improvements

- Working together needs to be facilitated – e.g. by the HVDA inviting groups to meet together and to talk about how they can work together
- Organisations need to become more open to people who are new to the sector BUT the shutters have been up around some organisations for a long time and will be difficult to break down. This process will take time.
- Organisations need help to source information about other organisations with whom they could potentially form a collaboration
- HVDA should be a facilitator in this process – unanimous agreement HVDA do this (but stressed by HVDA that it doesn't want to 'own' things)

### **What changes would you most like to see happen as a result of the Strategy?**

- The Strategy should include recognition of the importance of HVDA to the VCS.
- HVDA has a 'can do' mentality, unlike the Council.
- The Strategy needs to convey a message to the Council to become more open and transparent in all of its dealings with the VCS, and to improve lines of communication.
- There should be no hidden agendas within the Council.

<b>Name</b>	<b>Organisation</b>
Diana Liddell	Ability 1st
Ruby Marshall	LINKS, Hartlepool Carers and HVDA
Margaret Wrenn	LINKS, 50+ Forum
Christina Donnelly	Exercise Stroke Team, Community Health Bus, Sportability
Catherine Wakeling	Hartlepool MIND
John Lynch	Central Tenant Management Organisation and HVDA

## **Hartlepool VCS Focus Group Meeting -Tuesday 17<sup>th</sup> June 2008**

### **1. Relationship with the Council or PCT**

**In terms of dealing with the Council or the PCT for whatever purpose, is there anything you would like to see changed or done differently to make the process easier ?**

#### Relationship Issues

##### Communication

- People in the VCS don't always know how to get in touch with the Council and who it is that they need to get in touch with – can be sent from pillar to post in order to make contact with the right person
- In terms of communicating with the Council, it takes a long time to get the information needed. This can have a negative effect on the confidence of volunteers.
- Staff turnover within the Council often means that relationships have to be started over again
- The use of jargon and acronyms in Council and PCT meetings can be a barrier to understanding and communication with the VCS
- Trust issues between the VCS and the Council may come into being due to these communication problems
- Individual volunteers may not receive as much information as they need of events concerning the sector – are meetings such as this promoted enough and in the right ways?
- No communication from putting forms in, which means that organisations have no idea of the progress of projects
- Very little feedback from the PCT; no opportunity to challenge process; no knowledge of sources of funding from the PCT;
- PCT don't say what they want to fund – no criteria; funding goes to groups that the PCT know, not new ones; PCT doesn't come out and see organisations that are applying for funding nor ask for additional information;
- There is too much red-tape – need positive communication
- Broken promises and lengthy processes – not true in every instance
- The Council are better than the PCT in terms of their relationships with the VCS, but are not beyond criticism

##### General

- Staff in the Council are sometimes spread too thinly
- The Council expect VCS organisations to promote meetings themselves – this is despite the fact that the Council has access to a wider audience and could perhaps promote meetings more widely, with a higher turnout
- Councillors can over-consult with the VCS

- The PCT is a 'faceless' service and spread all over the place
- Both the Council and the PCT need to speak out on behalf of environmental issues – it is difficult to get them to campaign on green issues

#### Suggested Changes

- There is a need for a liaison officer to co-ordinate the lines of communication between the VCS and the Council. The liaison officer could help to point people from the VCS in the right direction for help and information.
- There is a need for more information on the correct contacts within the Council – people need to know how to get in touch and who they can get in touch with
- There is a need to have a contact within the Council that the VCS can feedback to, someone who can use the information they are given and make the necessary changes
- New staff within the Council and the PCT should make the effort to introduce themselves to the VCS to let people know what they do and how their role fits in with the work of the sector
- More information is needed for the voluntary and community sector (VCS) about what the PCT does
- There needs to be a redefinition of the relationship between the Council/PCT and the VCS – the negative overtones of the VCS need to be removed.
- There is an onus on the VCS to communicate better with the Council/PCT to help them to understand what they do
- There needs to be greater transparency and greater accountability from the Council and the PCT
- Would like to see Community Network meetings opened up to a wider range of people, including officers and councillors; there's not enough communication about what's going on
- There is a need for the Council and PCT to recognise that they can do more by working together with the VCS

#### **Specifically in terms of funding, are there changes you would like to see to the way the Council or the PCT fund voluntary & community organisations in Hartlepool?**

- The Council seem to work 'backwards' – suddenly find a pot of money
- The Council say that they have no money

#### Suggested Changes

- There needs to be a streamlined application process, whereby all of the different Council and PCT departments use the same application forms

- One idea to reduce the amount of time taken to complete application forms would be to develop a health-check/kitemark approach for VCS organisations. By doing this, information on finances etc would already be stored and verified, so organisations would not need to complete this information again and again.
- There should be funding in place for individual volunteers and not just for voluntary organisations. This could go towards the individual volunteer's personal development within their organisation, to increase confidence and knowledge of the sector
- There needs to be clarity in terms of the funding streams that are available – what do the Council and the PCT fund? There needs to be a map of all of the different funding that is available so that people know what they can go for
- The Council and PCT need to be more transparent and accountable in the funding process
- The HVDA need to be given core support to allow them to provide a clearing function – the HVDA as a clearing house
- Funding guidance needs to be in plain English
- There should be someone available within the Council to help groups with the application process
- There is a need for a clear list of available funds from the Council and PCT with 'clearing houses' or single points of contact in both organisations and in the voluntary sector (e.g. HVDA). This would save a fortune in staff hours in both sectors as at present lots of time is wasted trying to access information and money

## **2. Understanding of the voluntary & community sector**

**Do you think staff in the Council/PCT have a good understanding of the voluntary & community sector as a whole in Hartlepool as well as of organisations like yours?**

### **Issues in Understanding**

- The Council is perhaps unaware of the work that the voluntary sector does. There needs to be a greater recognition of the importance of volunteers – services would not run without them
- Not true for everyone in the Council – some officers may have a good understanding, especially if they work with VCS groups
- It is felt that the Council perhaps have more understanding of the sector than the PCT
- There is a lack of understanding from the Council of some of the communities that the VCS support e.g. the LGTB community. The VCS organisations that serve these communities would like to help the Council to understand but don't know how to start this process. Who do you make contact with? This lack of understanding can mean that certain communities are not receiving the support that they need e.g. sexual health

policies targeting only gay men and neglecting gay women and other members of the community

- There is a misunderstanding from the Council/ PCT about core volunteers – just because an organisation may have core volunteers this does not mean that they do not require funding. An organisation may need funding for volunteer training etc.
- There is sometimes a confusion between ‘voluntary’ and ‘amateur’, there is also a view of the VCS as a ‘free resource’ – all of these negative connotations need to be removed
- VCS organisations are responsible for marketing their own services but the problems is knowing who to aim the marketing at
- There is a perception from the VCS that decisions have been already taken, regardless of consultation

#### Suggested Changes

- Policy needs to be challenged by the VCS so that full understanding and associated support can be achieved. There needs to be more flexibility in policy and strategy as the VCS doesn't always fit the rules
- The VCS should be promoted in schools as a potential career path – this would increase awareness of the sector and make it more sustainable in the future
- There needs to be more information available on what other VCS organisations working in Hartlepool are doing to enable mutual support and understanding
- There needs to be more funding available to support the personal and professional development of volunteers, but in the same instance, volunteers should not be made to feel obliged to undertake training
- There also needs to be more funding available to support volunteers in terms of their expenses e.g. travel and care costs
- Is there a role for PCT services to refer people to the VCS? This would promote understanding of the sector from the statutory sector and from the general public
- There is a need for a mechanism to help the VCS to navigate through the Council and the PCT to promote mutual understanding – perhaps a directory of what the Council/ PCT do and likewise with the VCS
- Council and PCT decision-making processes need to be more transparent
- The HVDA could become a liaison/ link between the Council/PCT and the VCS and bring the two sectors together
- Liaison officers would be able to promote understanding from both sides
- Council/PCT should employ more local people and encourage more involvement of people in what happens in the town
- VCS needs to be leaner and fitter to survive

**HVDA exists to help voluntary & community organisations in Hartlepool deliver their services more effectively. Are there services/activities that HVDA should be providing but currently do not ?**

**Issues**

- There is a lack of clarity in terms of what the HVDA actually does – do they help individual volunteers as well as voluntary organisations? This information is not readily available
- HVDA can be seen as competition for funding which can lead to trust issues between voluntary organisations and the HVDA.

**Suggested Changes/ Additional Services**

- There needs to be more promotion from the HVDA as to the services that they provide so that workers in the VCS have access to and knowledge of the full range of services
- HVDA as a source of information on the rights of volunteers – is this service already provided?
- The HVDA needs to focus solely on supporting voluntary and community organisations and not to compete against them for funding. There should be funding set aside for the HVDA to enable them to support the VCS, e.g. top slice development agency money
- Could help with admin, staff recruitment, back office services, and specialist support
- A full time liaison person is required, independent of the Council – Peter Gowland doesn't have the time to take on this role
- HVDA needs to have the resources to work right across the borough including in the rural areas

**3. Collaborative working and the voluntary sector strategy**

**Should voluntary & community organisations in Hartlepool collaborate more in the future in order to obtain funding or promote particular concerns or reduce costs or for other purposes ?**

**Benefits of Collaborative Working**

- Working together could help organisations to understand what it is they each other does which would allow the sector to have a fuller understanding of what services are being provided and where gaps exist
- Cost sharing
- Back office functions such as legal compliance could be subcontracted out to allow VCS organisations and their staff to focus on providing their service – the more you can take away in terms of back office functions, the more the organisation can do what they do best

- Joint bids and strategic networking will make for a more efficient and effective sector
- Sharing of knowledge, expertise, volunteers and other resources could all help the sector to move forward and to provide better service delivery – clients will be better served and cross-referred between voluntary agencies
- Could harness resources etc to enable the sector to get better deals, for example in insurance and energy
- Voluntary sector should be seen as very diverse, not homogeneous

#### Downside of Collaborative Working

- Information sharing may also be a negative thing as other organisations could potentially go for funding that your organisation wants to go for
- More collaborative and smarter working = getting rid of jobs that are no longer needed
- Working together may be more time consuming
- Fragile funding may be put at risk
- One group may dominate the other

#### Facilitation of Joint Working

- HVDA could provide a database to enable potential partners to be matched up – the problem with this would be the task of keeping the database up to date
- The HVDA should help to bring VCS organisations together
- There needs to be a greater level of trust between VCS organisations
- Could there possibly be some form of incentive funding to promote joint working?
- There needs to be wider and larger funding packages to enable organisations to work together
- A skills mapping process could help VCS organisations to understand what other organisations do and how they could use their services / work together
- HVDA and Hartlepool Borough Council should jointly take the lead in facilitating collaborative working but need to consult with the VCS on a regular basis
- There may be trust issues with the Council, so HVDA should facilitate

#### **What change would you most like to see happen as a result of the Strategy ?**

- The strategy needs to voice the importance of VCS organisations working together to achieve better outcomes for the communities they serve
- There needs to be a clearer and more transparent funding process



- There need to be a change in the perception of the VCS – the negative connotations associated with the VCS need to be removed. Change of name to 3rd Sector?
- There needs to be more respect for the VCS and what volunteers do as well as a greater understanding from the VCS as to what the Council and PCT do
- The Council and PCT and the VCS need to work together more effectively
- The results of consultations such as this to be put into action and implemented in a specific time-frame
- The VCS need to be able to challenge whatever is brought into practice if necessary
- More weight needs to be added to the VCS – the views held by the VCS are as important as those of the Council and PCT
- Greater council awareness of the VCS and greater council support to the VCS
- The Strategy needs to address the whole borough, not just the town part of it

Name	Organisation
Fiona Chesters	Tees Valley Rural Community Council
Barbara Williams	RESPECT
Peter Walls	Victim Support
David Hopwood	West View project
Ian Campbell	Friends of Hartlepool
Eric Priest	Sea Cadets
Alex Sedgwick	Belle Vue Centre
Joan Steel	Residents Association of Clavering Hart Station
S Stringer	Princes Royal Life Boat
Brenda Hutchinson	Princes Royal Life Boat
Colin Thompson	HASL (Artrium)
Sheila Taylor	Hartlepool PATCH
Liz Carter	Hartlepool Community Studio
JS Maddison	Hartlepool Partners
Helen Hirst	Families Matter
Alan Burnside	Hart Gables
Karen Milburn	Skillshare North East
Christine Allan	Artrium CC Group
Christine Wood	Havelock
Brenda Loynes	Park Residents Association
Stella Johnson	Park Residents Association
Gordon Johnson	Park Residents Association
Lin Craddy	Hartlepool People Centre
Mavis Coxon	Hartlepool Partners HCILL
Tracy Jefferies	Hartlepool Carers
Keith Bayley	HVDA

## Appendix seven: Good practice examples

Key features and Treasury review recommendations	Some examples of practice in other local authorities
<p>1. A corporate system for collecting and analysing data about financial support for the VCS (Corporate Data Base)</p> <p><b>Treasury recommendation:</b> <i>Establish a unified system for collecting and analysing information.</i></p>	<p>Newcastle:</p> <ul style="list-style-type: none"> <li>• Summary of grant aid by regime</li> <li>• Central recording system and database where all VCS grant applications, regardless of department, are logged before being passed on to budget holder;</li> </ul> <p>Leeds:</p> <ul style="list-style-type: none"> <li>• Corporate grants database includes information on ward-based funding and is accessible to Members</li> </ul> <p>Gateshead:</p> <ul style="list-style-type: none"> <li>• Leaflet sets out “the bigger picture” with Council’s nine policy areas – this is included in grant aid pack;</li> </ul> <p>Sandwell:</p> <ul style="list-style-type: none"> <li>• Annual report on support for the voluntary sector – analyses funding by thematic areas with brief summary of work of each organisation and whether it has a contract, SLA or grant</li> </ul>
<p>2. A process for deciding priorities for giving financial support to the VCS :</p> <ul style="list-style-type: none"> <li>• assessing the VCS contribution to corporate policies</li> <li>• methods of assessing need in relation to particular service areas</li> <li>• having service / departmental policies in place which are linked to corporate policies and which take into account the role of the VCS</li> <li>• having a transparent process in place for deciding priorities at a</li> </ul>	<p>Newcastle</p> <ul style="list-style-type: none"> <li>• priorities are decided by individual budget holders;</li> <li>• aims and objectives of each service area plus specific grant aid criteria are set out in information sheets – some set out corporate policy priorities;</li> <li>• Compact guide on Funding Code of Practice;</li> </ul> <p>Sheffield:</p> <ul style="list-style-type: none"> <li>• Priorities determined centrally for Council grant aid programme by joint Member / officer group</li> </ul> <p>Manchester:</p> <ul style="list-style-type: none"> <li>• Since March 2003 a number of centrally controlled grant aid has been transferred to Departments</li> <li>• Central VSPG Team now only responsible for community centres, BME groups, equalities, infrastructure support</li> </ul>

Key features and Treasury review recommendations	Some examples of practice in other local authorities
service/departmental level	
<p>3. A clear decision making process across the Council which has clear roles for officers and politicians and which is understood by the VCS.</p>	<p>Leeds:</p> <ul style="list-style-type: none"> <li>• commitment to regular Member &amp; officer level meetings with voluntary sector representatives;</li> <li>• grants decisions delegated to officers and recorded on corporate Lotus notes system alongside delegated decisions;</li> <li>• Member representation on Leisure Services officer Board in the case of major grant receiving bodies;</li> </ul> <p>Gateshead:</p> <ul style="list-style-type: none"> <li>• Applications go in to a central fund which replaced departmental grant aid budgets;</li> <li>• then given to an advisory committee to assess and make recommendations;</li> <li>• then to a committee which VCS can attend before Cabinet;</li> </ul> <p>Sunderland:</p> <ul style="list-style-type: none"> <li>• funding is allocated depending on Social Services targets;</li> <li>• process begins in October when organisations seeking funding complete an application form re the services they are planning to provide;</li> <li>• an evaluation of each application is made against the SS Directorate's plans and targets;</li> </ul> <p>Sandwell:</p> <ul style="list-style-type: none"> <li>• Protocols setting out what Council &amp; funded voluntary orgs can expect of each other</li> <li>• Protocols on relations between members and voluntary orgs</li> <li>• Guidance for chief officers re role of Council employees in management of funded voluntary orgs</li> <li>• Guidance on role of Council's funding officers</li> </ul> <p>Sheffield:</p> <ul style="list-style-type: none"> <li>• all Council grant aid managed centrally by Voluntary Sector Liaison Team (VSLT), 7 officers, part of Neighbourhood and Community Care Directorate</li> <li>• decisions taken by Panels of officers and relevant Cabinet members</li> </ul>
<p>4. A coherent system of financial support to the VCS through grant aid, SLAs and contracts.</p>	<p>Newcastle</p> <ul style="list-style-type: none"> <li>• Grant Aid Service Level Agreement – defines meaning of Grant Aid, contracting and SLAs; sets out Service Specification; organisation's</li> </ul>

Key features and Treasury review recommendations	Some examples of practice in other local authorities
<p><b>Treasury recommendation:</b>  <i>Funders need to recognise that it is legitimate for voluntary organisations to include an element of overhead costs (full cost recovery).</i></p> <p><i>VCS should develop accounting guidelines for allocating overhead costs.</i></p> <p><i>Move towards more stable funding relationships with longer term contracts.</i></p>	<p>responsibilities; procedure for resolving difficulties; and changes to the agreement.</p> <ul style="list-style-type: none"> <li>• Document setting out descriptions and basic information for each grant aid budget</li> </ul> <p>Sunderland:</p> <ul style="list-style-type: none"> <li>• Website section on Funding differentiates between Financial Assistance for organisations undertaking advocacy, providing information and generally untargeted activities and Contracts for those organisations providing a social care service;</li> </ul> <p>Gateshead:</p> <ul style="list-style-type: none"> <li>• All VCS organisations receiving funding sign a contract or SLA;</li> </ul> <p>Sheffield:</p> <ul style="list-style-type: none"> <li>• Corporate Contracting Section is currently negotiating a new Funding Code of Practice with VCS through the Sheffield Compact to include standard contracting arrangements;</li> <li>• There is one officer solely employed to develop contracts with VCS</li> </ul> <p>Liverpool:</p> <ul style="list-style-type: none"> <li>• Investment Strategy introduced about 3 years ago;</li> <li>• It identified the Council's key priorities under a number of themes and pooled all departmental grant aid budgets centrally (except for Regeneration which kept theirs);</li> <li>• All currently funded VCS organisations were told to apply again for 3 year funding;</li> <li>• An "objective and transparent" scoring and weighting system was set up to allocate funding from the central pool;</li> <li>• Portfolios would make recommendations to a Member sub committee and VCS organisations were invited to attend and appeals process was set up;</li> <li>• Regeneration Directorate applied same scoring system to their applications and has moved towards a contracting regime based on the outputs specified by the VCS organisations in their application forms. These are monitored quarterly.</li> </ul> <p>Sandwell:</p> <ul style="list-style-type: none"> <li>• Council used to have central pot of grant aid but now devolved to departments (theme areas) –</li> </ul>

Key features and Treasury review recommendations	Some examples of practice in other local authorities
	<p>but this can make decision making process more difficult</p> <ul style="list-style-type: none"> <li>• Council policy on leases to voluntary orgs</li> <li>• Conditions re rent subsidies to voluntary orgs</li> <li>• Council policy on rate relief to voluntary orgs</li> <li>• Combines SLAs, contracts and grant aid</li> <li>• SLAs focus on outcomes and outputs as result of Council funding – looking to go more down the commissioning route</li> <li>• Some historical funding has been removed by applying clear thematic priorities but also led to some political difficulties</li> </ul>
<p>5. A system for managing and monitoring support for the VCS in a consistent way across the council.</p> <p><b>Treasury recommendation:</b> Financial information should be passported between departments.</p> <p>Clear guidance should be issued on advance payments.</p>	<p>Newcastle:</p> <ul style="list-style-type: none"> <li>• 6 month progress report format</li> <li>• grant aid monitoring form</li> </ul> <p>Sunderland:</p> <ul style="list-style-type: none"> <li>• Community Chest project monitoring form;</li> <li>• Commissioning &amp; Monitoring section of SSD responsible for overseeing application process and ensuring contracts are in place;</li> </ul> <p>Leeds:</p> <ul style="list-style-type: none"> <li>• Corporate monitoring and evaluation procedures for all grants over £5k</li> <li>• Commitment to provide timely information to voluntary organisations on grant levels and any anticipated changes in funding;</li> <li>• Internal Audit carry out annual audit of a sample of grants to ensure departmental compliance with corporate guidance;</li> </ul> <p>Sandwell:</p> <ul style="list-style-type: none"> <li>• All funded organisations assigned a funding officer who is their main link with the Council and monitors and evaluates impact of funding</li> <li>• Guidelines on dealing with complaints and resolutions of disputes between voluntary orgs and Council</li> <li>• The Sandwell Compact: Code of Good Practice</li> </ul>
<p>6. A method for dealing with multiple funded projects (i.e. projects which seek funding from more than one department of the council).</p>	<p>South Tyneside:</p> <ul style="list-style-type: none"> <li>• Council shall agreed one Directorate to take the lead for organisations whose activities cut across two or more departments (Code of Good Practice)</li> </ul> <p>Leeds:</p> <ul style="list-style-type: none"> <li>• A central focus for grants administration would prevent organisations being double-funded;</li> </ul> <p>Sheffield:</p>

Key features and Treasury review recommendations	Some examples of practice in other local authorities
	<ul style="list-style-type: none"> <li>• Has three grant aid funds: <ul style="list-style-type: none"> <li>- revenue grants to well established organisations</li> <li>- small grants fund up to £3k</li> <li>- lunch clubs fund</li> </ul> </li> <li>• multiple applications tracked by Team but don't always know of other departments use of VCS</li> </ul>
<p>7. A common application process (i.e. common application form, guidance and conditions)</p> <p><b>Treasury recommendation:</b>  <i>Develop a common point of access and application process.</i></p>	<p>Newcastle:</p> <ul style="list-style-type: none"> <li>• common grant aid agreement across authority setting out terms and conditions which apply to any grant aid between City Council and voluntary &amp; community organisations;</li> <li>• Community &amp; Voluntary Sector Support Unit which receives all applications for grant aid before passing them on to budget holders;</li> <li>• Information for applicants to Closing the Gap small grants fund, supported by NRF and Preparing for Change</li> <li>• Ward Committee grant aid application form</li> <li>• Guide for applicants in relation to publicity code of recommended practice</li> <li>• Information on Council website relating to grant aid</li> <li>• Separate assessment guidance for: <ul style="list-style-type: none"> <li>○ Social Services</li> <li>○ Play &amp; Youth</li> <li>○ Housing &amp; Homelessness</li> </ul> </li> <li>• Compact documents: <ul style="list-style-type: none"> <li>○ Funding Code of Practice June 2002</li> <li>○ Compact</li> <li>○ Procedure for resolving disagreements</li> <li>○ Consultation and Liaison Code of Practice</li> </ul> </li> </ul> <p>Gateshead:</p> <ul style="list-style-type: none"> <li>• Information Pack (December 2002) containing application form for grant support; a summary of The Bigger Picture setting out the corporate priorities; and a list of contacts.</li> <li>• Separate application form for grants to sporting individuals;</li> <li>• Compact document covering a shared vision; shared principles; undertakings by the Council; local democracy and better local government; undertakings by the voluntary &amp; community sector; codes of practice (being drawn up) which will refer to community participation, consultation and communication, BME and faith communities,</li> </ul>

Key features and Treasury review recommendations	Some examples of practice in other local authorities
	<p>finance and funding; resolution of disagreements; and annual review of the Compact.</p> <p>Sunderland:</p> <ul style="list-style-type: none"> <li>• Good Practice Agreement between Sunderland Social Services and voluntary sector;</li> <li>• Regeneration &amp; Housing Service provide Strategic Initiatives Budget Community Chest Guidelines and application form;</li> </ul> <p>South Tyneside:</p> <ul style="list-style-type: none"> <li>• Area Management Initiative grant scheme – application form and guidance for applicants;</li> <li>• Code of Good Practice for Funding Third Sector organisations setting out framework for operation of all council funding programmes;</li> <li>• Model application form for departments;</li> </ul> <p>Leeds:</p> <ul style="list-style-type: none"> <li>• Key list (grants over £5k pa) and corporate procedures for funding of voluntary organisations – varied performance by departments at implementing this;</li> <li>• Code of Practice</li> </ul> <p>Manchester:</p> <ul style="list-style-type: none"> <li>• Compact launched in September 2003</li> <li>• Voluntary Sector Policy &amp; Grant team (VSPG) set up in 1992 to rationalise and co-ordinate the City Council's non-contractual funding to voluntary groups and improve grants monitoring systems and practice;</li> <li>• BV review completed February 2003</li> </ul> <p>Sandwell:</p> <ul style="list-style-type: none"> <li>• Conditions of funding signed by all funded voluntary orgs</li> <li>• Did try common application process through Council for Voluntary Service but was too large for them although they do administer some small grants.</li> </ul>
<p>8. Arrangements for developing common approaches with other public bodies (e.g. PCTs)</p>	<p>Sunderland:</p> <ul style="list-style-type: none"> <li>• Compact or Code of Practice prepared by City of Sunderland Partnership</li> </ul> <p>Leeds:</p> <ul style="list-style-type: none"> <li>• Looking to share information on grants with LSP members</li> </ul> <p>Sheffield:</p> <ul style="list-style-type: none"> <li>• Hold meeting 2 or 3 times a year with other funders in the City e.g. Lloyds TSB, Trust funds, etc</li> </ul>

Key features and Treasury review recommendations	Some examples of practice in other local authorities
	<ul style="list-style-type: none"><li>• Trying to build relationship with funders so that applicants can be passed on to other appropriate funders using Council's application form and one set of monitoring.</li></ul>

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## **Appendix eight: Background documents**

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# **CABINET REPORT**

**23<sup>rd</sup> February, 2009**



**Report of:** Corporate Management Team

**Subject:** QUARTER 3 – CORPORATE PLAN AND REVENUE  
FINANCIAL MANAGEMENT REPORT 2008/2009

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## **SUMMARY**

### **1. PURPOSE OF REPORT**

1.1 To inform Cabinet of: -

- The progress made towards achieving the Corporate Plan Actions in order to provide timely information and allow any necessary decisions to be taken;
- To provide details of progress against the Council's overall revenue budget for 2008/2009.

### **2. SUMMARY OF CONTENTS**

2.1 The report describes progress towards achieving the actions within the Corporate Plan using the traffic light system of Green, Amber and Red. The report provides an overview of Council performance, with separate sections providing more detailed information for each Portfolio Holder to consider.

2.2 The Revenue Budget Monitoring report covers the following areas:

- General Fund Emerging Financial Issues
- Review of High Risk Budget Areas;
- Progress against Planned Efficiency Targets Identified in the 2008/2009 Budget Strategy;
- Key Balance Sheet information.

### **3. RELEVANCE TO CABINET**

3.1 Cabinet has overall responsibility for the monitoring of the Council's Corporate Plan and the Revenue budget.

### **4. TYPE OF DECISION**

4.1 Non-Key

**5. DECISION MAKING ROUTE**

5.1 Cabinet, 23<sup>rd</sup> February, 2009.

**6. DECISION(S) REQUIRED**

6.1 Cabinet is asked to: -

- Note the current position with regard to performance and revenue monitoring;
- Agree to the proposed revised due dates for those actions in table NC2.

**Report of:** Corporate Management Team

**Subject:** QUARTER 3 – CORPORATE PLAN AND  
REVENUE FINANCIAL MANAGEMENT  
REPORT 2008/2009

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## 1. PURPOSE OF REPORT

- 1.1 To inform Cabinet of the progress made towards achieving the Corporate Plan outcomes through identified actions and of progress against the Council's own 2008/2009 Revenue Budget, for the period to 31<sup>st</sup> December, 2008.

## 2. BACKGROUND

- 2.1 In line with previous monitoring reports, this report is an integrated document that is page numbered, thus allowing Members easier navigation around the report. (See contents table below). The report firstly provides an overall picture of performance and progress against the approved 2008/2009 revenue budget.

Section	Heading	Page
3.	Overall Performance and Progress on Actions and key Performance Indicators	2-3
4.	Revenue Financial Management Information	3-8
5.	<b>Detailed Performance Monitoring Sections</b>	9
6.	Adult and Public Health Portfolio	9-12
7.	Children's Services Portfolio	12-16
8.	Culture, Leisure and Tourism Portfolio	16-17
9.	Finance and Efficiency Portfolio	18-20
10.	Neighbourhoods and Communities Portfolio	20-22
11.	Performance Management Portfolio	23-24
12.	Regeneration and Liveability Portfolio	24-26
13.	Area Based Grants	26
14.	Conclusions	26-27
15.	Recommendations	27
Appendix A	Summary Revenue Financial Position to 31 <sup>st</sup> December, 2008, by Department	28
Appendix B	High Risk Budget Areas by Department	29
Appendix C	Progress against Planned 2008/2009 Efficiencies	30-37

Appendix D	Performance against Schedule of Budget Reserves to be treated as Contingency Items	38
Appendices E-K	Revenue Financial Management Report to 31 <sup>st</sup> December, 2008, by Portfolio	39-45
Appendix L	Area Based Grant Financial Management Statement	46-47

- 2.2 This report will be submitted to Scrutiny Co-ordinating Committee on 20<sup>th</sup> March, 2009. This will ensure that Scrutiny Co-ordinating Committee is able to review the report at the earliest opportunity.

### 3. **OVERALL PERFORMANCE AND PROGRESS ON ACTIONS AND KEY PERFORMANCE INDICATORS**

- 3.1 The Council identified 121 actions with specific completion dates and 118 key performance indicators (KPIs) as measures of success in the 2008/2009 Corporate Plan. Overall performance is good, and in line with expectations at the start of the municipal year with 94% of actions and 92% of the KPIs (when annually reported PIs, or PIs with no targets have been removed) judged to be either on or above targets. Tables 1 and 2 below summarise officers' views on progress as at 31<sup>st</sup> December 2008, for each Portfolio Holder's responsibilities: -

- A RED traffic light signifies the Action/KPI is not expected to meet target.
- An AMBER traffic light signifies the Action/KPI is expected to meet target.
- A GREEN traffic light signifies the target for the Action/KPI has been achieved.

**Table 1 – Progress on Actions within the Corporate Plan**

Portfolio	Actions by Traffic Light					
	Green		Amber		Red	
	No.	%	No.	%	No.	%
Adult Services and Public Health	1	4%	22	96%	0	0%
Children's Services	3	12%	23	88%	0	0%
Culture, Leisure and Tourism	0	0%	4	100%	0	0%
Finance and Efficiency	1	10%	7	70%	2	20%
Neighbourhood and Communities	0	0%	11	79%	3	21%
Performance	0	0%	11	92%	1	8%
Regeneration and Liveability	6	18%	26	79%	1	3%
<b>Total</b>	<b>11</b>	<b>9%</b>	<b>103</b>	<b>85%</b>	<b>7</b>	<b>6%</b>

NB: One action (CS A11) impacts on two portfolio areas (Neighbourhood & Communities and Regeneration & Liveability) Finance and Efficiency – 2 actions without expected outcome

**Table 2 – Progress on Key Performance Indicators**

Portfolio	KPIs by Traffic Light					
	Green		Amber		Red	
	No.	%	No.	%	No.	%
Adult Services and Public Health	1	17%	5	83%	0	0%
Children's Services	0	0%	3	100%	0	0%
Culture, Leisure and Tourism	2	67%	1	33%	0	0%
Finance and Efficiency	2	67%	1	33%	0	0%
Neighbourhood and Communities	0	0%	7	100%	0	0%
Performance	0	-	0	-	0	-
Regeneration and Liveability	1	7%	11	73%	3	20%
<b>Total</b>	<b>6</b>	<b>16%</b>	<b>28</b>	<b>76%</b>	<b>3</b>	<b>8%</b>

\*figure may not always add to 100% due to rounding

### 3.3 Key areas of progress included: -

- A further 3 schools have achieved the National Healthy School Status, meaning a total of 31 (out of 36) schools have now achieved the award
- There has been a substantial reduction in the number of young people who are Not in Education, Employment or Training (NEET)
- Renewed Renaissance funding for museums has been secured for a further 2 years
- The number of people claiming the reductions that they are entitled to from their Council Tax has increased
- The number of retail and catering establishments offering Fairtrade as an alternative has already exceeded targets for 2008/2009
- The Council's Annual report was published in Hartbeat
- Violent crime has reduced significantly in the last 12 months

## 4. REVENUE FINANCIAL MANAGEMENT 2008/2009 - SUMMARY

### 4.1 This section provides details covering the following areas: -

- Progress against departmental and corporate budgets and High Risk Budget Areas;
- Overview of anticipated 2008/2009 revenue outturn;
- Progress against Efficiency Savings Targets Identified in the 2008/2009 Budget Strategy;
- Performance against Budget Pressures to be treated as Contingency Items;
- Key Balance Sheet information.

#### 4.2 **Progress against Departmental and Corporate Budgets and High Risk Budget Areas**

4.3 For 2008/2009, as well as monitoring department and corporate budgets at a global level, high risk budget areas are also identified and explicitly monitored. These arrangements ensure any problem areas are identified at an earlier stage to enable appropriate corrective action to be taken. The areas identified as high risk budgets are attached at **Appendix B**, which indicates that there are adverse variances on a number of budgets. As indicated below detailed comments on these variances are provided later in the report.

4.4 Detailed revenue financial management reports are attached at **Appendix E to K**. These reports are prepared on a Portfolio basis to enable each Portfolio Holder to readily review their area of responsibility. However, the Council's budget is managed on a departmental basis and the overall position is summarised at **Appendix A**, Table 1. **Appendix L** shows the financial position of activities funded by Area Based Grant

#### 4.5 **Summary of Financial Position 2008/2009**

4.6 An initial view of the progress against the current year's budget for the first half year and forecast outturns was reported to Cabinet on 13<sup>th</sup> October, 2008.

4.7 This report indicated that a number of adverse trends had begun to emerge covering the following areas:

- Increased expenditure on demand lead services for Looked After Children.
- Demand lead pressure on Learning Disabilities and services for Older People.
- Inflationary pressures – fuel costs;
- Reduction in income – owing to the impact of the credit crunch on a range of income streams, including planning/development control fees, land charges, car parks and Shopping Centre income;
- Delays in the achievement of efficiencies.

4.8 At that stage it was anticipated that there would be an overspend on departmental budgets in the order of £2.6m at the year end. Following detailed work by individual Directors this position has now reduced to £2.3m.

4.9 The outturn position has reduced favourably mainly owing to Children's Services outturn variance reducing by £250,000. This is owing to careful management of the Children and Families Best Value Group and some one-off vacancy savings.

- 4.10 The forecast anticipated variance includes using additional temporary income from the Shopping Centre to create an equalisation reserve. Additional income in the current year is from one-off factors including terminating rentals. Owing to the economic downturn it is expected that Shopping Centre income will reduce in 2009/2010. Therefore, it is prudent to earmark this windfall income to offset any future losses. This strategy will protect the Authority's budget position in 2009/2010.
- 4.11 The financial position is summarised at **Appendix A** and below.

#### Forecast Departmental Outturn 2008/2009

Department	Forecast Overspends/(Underspends)	
	Quarter 2 Net Forecast Variance £'000	Quarter 3 Net Forecast Variance £'000
Adult & Community Services	1,415	1,452
Chief Executive	0	125
Children's Services	741	473
Neighbourhood Services	441	476
Regeneration & Planning	0	0
<b>Total</b>	<b>2,597</b>	<b>2,526</b>

- 4.12 Cabinet agreed at their meeting on 9<sup>th</sup> February, 2009, to fund this overspend from capitalising various one-off projects from the current year's revenue budget. This proposal releases revenue resources to offset departments overspends. This existing capital commitment would need to be funded and the only alternative funding source is Prudential Borrowing.
- 4.13 **Progress against Departmental Efficiency Savings Targets Identified in the 2008/2009 Budget Strategy**
- 4.14 The table below shows the summary of savings included in the 2008/2009 Budget Strategy. Delays in the achievement of some efficiencies is contributing to the adverse trends beginning to emerge in some areas. A comprehensive schedule of progress in achieving these savings is attached at **Appendix C** and further details regarding the overall monitoring position for each Portfolio are set out in sections 6 - 12 of this report.



	Target	Savings Expected to be achieved from Efficiency £'000
Adult & Community Services	836	484
Chief Executives	145	145
Children's Services	490	490
Neighbourhood Services	451	451
Regeneration & Planning	129	129
<b>Total</b>	<b>2,051</b>	<b>1,699</b>

4.15 **Performance against Budget Pressures to be treated as Contingency Items**

4.16 Members will recall that as part of the review of budget pressures for 2008/2009, it was determined that a number of pressures are not certain to arise, or the value of the pressure is not certain. These items were therefore classified as "contingency" items and a budget provision was made to underwrite these risks.

4.17 **Appendix D** provides a schedule of the pressures that are to be treated as contingency items and at this stage this indicates that they are all expected to require funding in the current year.

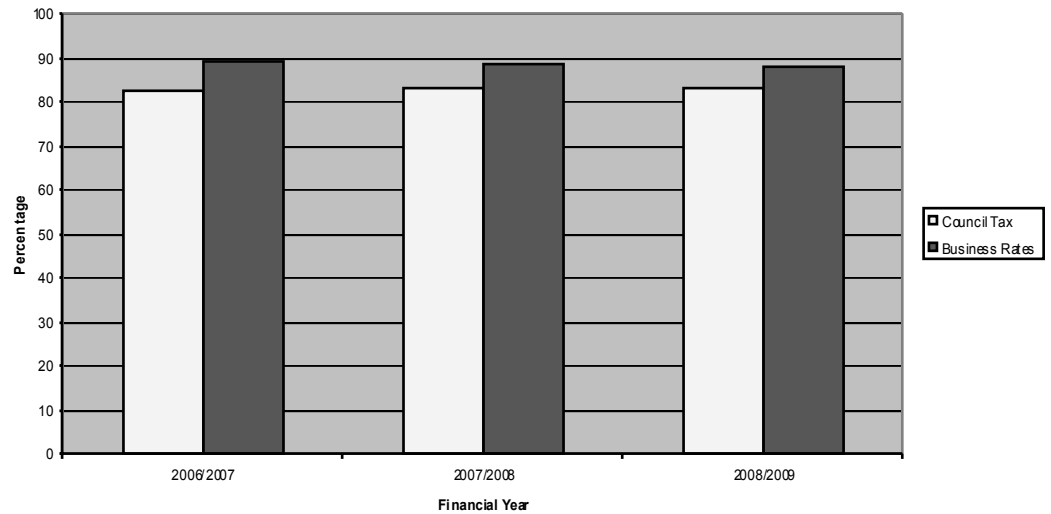
4.18 **Key Balance Sheet Information**

4.19 A Balance Sheet provides details of an organisation's assets and liabilities at a fixed point in time, for example, the end of the financial year or other fixed accounting periods. Traditionally local authorities have only produced a Balance Sheet on an annual basis and have managed key Balance Sheet issues through other more appropriate methods. However, under CPA arrangements there is a greater emphasis on demonstrating effective management of the Balance Sheet. The Audit Commission's preferred option is the production of interim balance sheets throughout the year. In my opinion the option is neither practical nor beneficial as a Local Authority Balance Sheet includes a large number of notional valuations for the Authority's fixed assets and pension liabilities. It is therefore more appropriate to monitor the key cash balance sheet items and these are summarised below:-

- Debtors

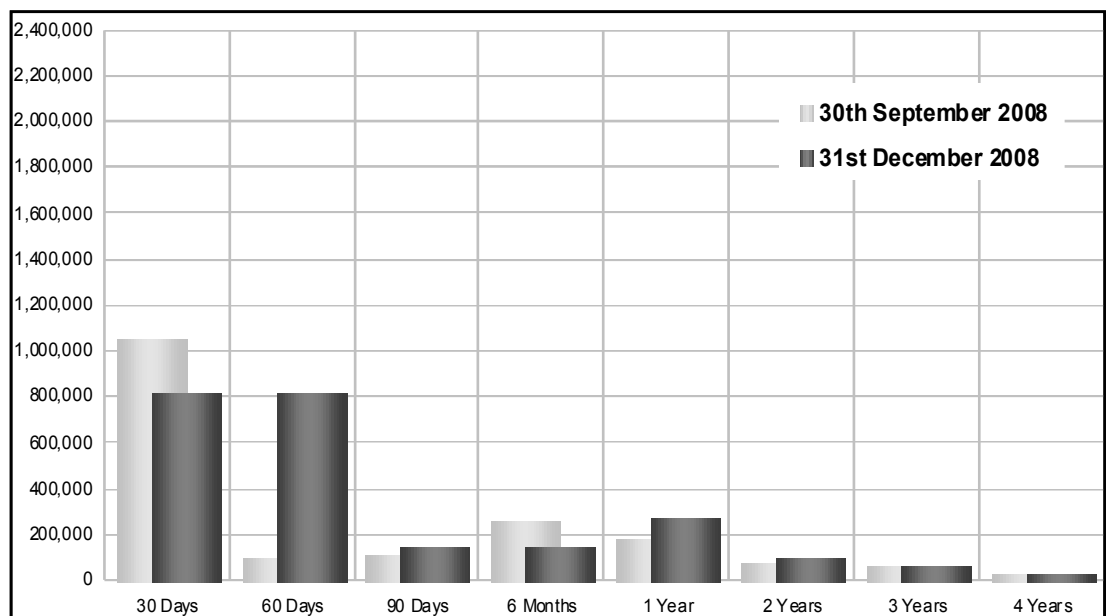
The Council's key debtors arise from the non payment of Council Tax, Business Rates and Sundry Debtors. These areas are therefore subject to detailed monitoring throughout the year. The position on Council Tax and Business rates are summarised below:-

Percentage of Debt Collected at 31st December



The Council Tax collection rate is up slightly by 0.29% and the NNDR collection rate is down by 0.33% when compared to the same period last financial year. In year collection rates are affected by the timing of week/month ends. Whilst the Council Tax collection rate is slightly up there has been a recent increase in the number of failed direct debit payments, which is indicative of issues in the wider economy.

The position in relation to Sundry Debtors is summarised below:



At the start of the current financial year the Council has outstanding sundry debts of £2.172m. During the period

1<sup>st</sup> April, 2008 to 31<sup>st</sup> December, 2008, the Council issued 8,788 invoices with a value of £10.178m. As at the 31<sup>st</sup> December, 2008, the Council had collected £7.366m, leaving £2.813m outstanding, which consist of: -

- Current Debt - £1.945m

With regard to current outstanding debt, this totals £1.945m at 31<sup>st</sup> December, 2008, inclusive of approximately £0.821m of debt less than thirty days old.

- Previous Years Debt - £0.868m

These debts relate to the more difficult cases where court action or other recovery procedures are being implemented. At the 31<sup>st</sup> December, 2008, debts older than one year totalled £0.868m.

- Borrowing Requirements

The Council's borrowing requirement is the most significant Balance Sheet item. Decisions in relation to the Council's borrowing requirements are taken in accordance with the approved Treasury Management Strategy.

	Position as at 31 <sup>st</sup> December 2008 £m	Position at 30th January 2009 £m	Latest Average Rate
PWLB	24.3	4.3	4.77%
LOBO	45.0	45.0	4.00%
Temporary Loans	7.9	25.5	1.33%
Gross Debt (a)	69.3	74.8	3.14%
Investments (b)	53.9	45.9	5.13%
Net Debt (a) – (b)	23.3	28.9	

The table above reflects the recent repayment of £20m PWLB loans, which has been achieved at no cost to the Council. This has been possible because of rising interest rates for very long term loans, which has meant the Council has been able to repay without incurring a premium. This borrowing has been temporarily replaced by very low interest short term loans which will be repaid as investments mature. This will enable the Council to reduce the level of its investments and reduce exposure to the risk of counterparty default, which is endemic in the financial markets at the present time.

## 5. DETAILED PORTFOLIO REPORTS

5.1 Detailed monitoring reports for individual portfolios are set out in **Appendices E - K** as follows:

- Appendix E - Adult and Public Health
- Appendix F - Children's Services
- Appendix G - Culture, Leisure & Tourism
- Appendix H - Finance & Efficiency
- Appendix I - Neighbourhood & Communities
- Appendix J - Performance Management
- Appendix K - Regeneration & Liveability

5.2 Detailed comments on each portfolio are set out in the following sections.

## 6. ADULT AND PUBLIC HEALTH PORTFOLIO

### 6.1 Performance Update for the Period Ending 31<sup>st</sup> December, 2008

6.1.1 Within the Adult and Public Health Portfolio there are a total of 23 actions that were identified in the 2008/2009 Corporate Plan. All actions have been assessed as being on target for completion, or already completed, by the agreed date.

6.1.2 There are 6 Performance Indicators that are within the Corporate Plan for the Adult and Public Health Portfolio that are not reported only on an annual basis. All of these have been assessed as being expected to achieve target.

6.1.3 Key areas of progress made to date in the Adult and Public Health Portfolio include: -

- Crucial Crew Event has taken place in November;
- A further 3 schools have achieved the National Healthy School Status, meaning a total of 31 (out of 36) schools have now achieved the award.

### 6.2 Revenue Financial Management Position Statement for Period Ending 31<sup>st</sup> December, 2008

6.2.1 Details of Adult & Public Health Services actual expenditure and expected expenditure as at 31<sup>st</sup> December, 2008, are shown at **Appendix E**.

6.2.2 The projected outturn is £26,974,000, compared to the latest budget of £25,448,000, resulting in a forecast adverse variance of £1,526,000.

- 6.2.3 The anticipated expenditure includes the 2008/2009 approved budget along with the planned use of Departmental Reserves created in previous years.
- 6.2.4 The main items to bring to Portfolio Holder's attention are: -

**Line 4: Learning Disabilities****Current Variance: £539,000 Adverse****Forecast Variance: £812,000 Adverse**

Increased demand for the service is reflected in the current adverse variances on residential placements (£229,000, of which £173,000 relates to nine months worth of residential care costs for one individual as reported last quarter) and additional care placements (£274,000).

Owing to increase in demand for care and increases in care needs for some already receiving support we currently have care costs in excess of budget for community based social care support of £343,000 in this area. This includes some one-off expenditure for equipment, etc, which is not expected to continue, as individuals choose to access their social care in more flexible ways. This variance is partly offset by a reduction in costs against traditional domiciliary care services of £106,000.

Day service transport costs continue to be an issue until the Integrated Transport Unit is in place.

The overall projected outturn has reduced since the last report owing to some one-off income received from the PCT, there has also been unfortunately, a number of service users who have passed away which will have an impact on the financial position this year.

**Line 5: Mental Health****Current Variance: £112,000 Adverse****Forecast Variance: £160,000 Adverse**

The current adverse variance relates to increased demand for this service. Residential placement costs are currently overspent by £94,000 and community social care support demand has meant that care costs are currently greater than budget by £127,000. A favourable variance on income linked to additional expenditure and staffing underspends account for the overall projected outturn.

**Line 7: Physical Disabilities****Current Variance: £305,000 Adverse****Forecast Variance: £497,000 Adverse**

The majority of this current adverse variance relates to increased demand for community based social care. There is currently expenditure in excess of budget in this area of £280,600. This includes some one-off expenditure for equipment, etc., which is not expected to continue, as individuals choose to access their social care in more flexible ways.

Day service transport costs continue to be an issue until the Integrated Transport Unit is in place. Current outturn projections include a £50,000 overspend for this area.

**Line 11: Supporting People****Current Variance: £70,000 Adverse****Forecast Variance: £40,000 Adverse**

The current adverse variance is the result of a delay in restructuring this area and this is reflected in the anticipated outturn.

**Line 12: Consumer Services****Current Variance: £149,000 Favourable****Forecast Variance: £86,000 Favourable**

£53,000 relates to savings on vacant posts. Market forces make it extremely difficult to recruit staff into these posts. Any favourable variance in this area will be used to provide the service by alternative methods.

Licence income is currently above expectation and accounts for £114,000 of the variance. Income is anticipated to level out by the end of the financial year. The level of income received in advance is currently being evaluated and appropriate adjustments will be made at the year end.

**Line 13: Environmental Standards****Current Variance: £96,000 Adverse****Forecast Variance: £85,000 Adverse**

Reduced level of income in Burials and Cremations reflects seasonal trends and this is expected to level out over the winter period. Market income is not expected to recover and the shortfall will need to be met from other departmental budgets. These are currently being identified.

- 6.2.5 The Director of Adult & Community Services has approved revenue contributions to capital outlay of £64,974. These have

been agreed by the Chief Financial Officer and are reflected in the full year projected outturn figures detailed in this report.

## **7. CHILDREN'S SERVICES PORTFOLIO**

### **7.1 Performance Update for the Period Ending 31<sup>st</sup> December, 2008**

7.1.1 Within the Children's Services Portfolio there are a total of 26 actions that were identified in the 2008/2009 Corporate Plan. All of these actions have been assessed as being on target for completion by the agreed date or as target achieved.

7.1.2 There were a total of 3 key performance indicators (KPIs) included in the corporate plan as measures of success that are not reported only on an annual basis. All have been assessed as being on target.

7.1.3 Key areas of progress made to date in the Children's Services Portfolio include: -

- There has been a substantial reduction in the number of young people who are Not in Education, Employment or Training (NEET);
- Strategy for Change 2 (Secondary Schools) submitted and approved by Cabinet;
- A substantial reduction in the under 18 conception rate has been achieved. The latest figures available are for 2006 and this showed a reduction in the conception rate for the under 18s from 77.5 to 64.5.

### **7.2 Revenue Financial Management Position Statement for Period Ending 31<sup>st</sup> December, 2008**

#### **7.2.1 Background**

7.2.2 Members will be aware that 2006/2007 saw a significant change in the funding of the Education Service with the introduction of a specific ring-fenced grant (called the Dedicated Schools Grant – DSG) replacing the Revenue Support Grant in funding the 'schools' budget. The 'schools' budget includes not only all of the funding devolved to individual schools but other centrally retained school related expenditure such as the Pupil Referral Unit, Independent and Extra District School fees and Education Out of School.

7.2.3 The DSG finances £58.5m of the total 2008/2009 Children's Services base budget of £80.5m. As the DSG is ring-fenced, the Authority has the option to fund from its own resources any overspend, or alternatively this overspend could be carried

forward as the first call on the 2009/2010 schools budget. Any underspend on the schools budget, however, must be retained and carried forward into 2009/2010 for use on the schools budget.

- 7.2.4 This significantly reduces the flexibility within the Children's Services Department to offset any variances across the entire Children's Services budget.

#### 7.2.5 **Current Year Budget Monitoring Position**

- 7.2.6 In overall terms actual expenditure amounts to £15,205,000, compared to anticipated expenditure of £15,197,000, resulting in a current adverse variance of £8,000. This position is expected to worsen by the year end resulting in a net LA overspend of £473,000 (see **Appendix F**).

- 7.2.7 Owing to the complexities of the Dedicated Schools Grant this variance needs to be considered as follows:

**Table 1 – Forecast Outturn split between DSG and LA Funding**

Funding	2008/2009 Budget  £'000	2008/2009 Project Outturn  £'000	2008/2009 Projected Variance: Adverse/ (Favourable) £'000
Schools ISB – DSG	54,451.6	54,451.6	0.0
Centrally Retained – DSG	4,073.4	3,784.6	(288.8)
	58,525.0	58,236.2	(288.8)
Local Authority	21,983.6	22,456.8	473.2
<b>Total</b>	<b>80,508.6</b>	<b>80,693.0</b>	<b>184.4</b>

- 7.2.8 The projected outturn (including schools) is £80,693,000, compared to the latest budget of £80,508,600, resulting in a forecast adverse variance of £184,400, of which £288,800 is 'ring-fenced' DSG funding resulting in the £473,000 adverse variance shown in **Appendix F**.

- 7.2.9 The main items to bring to Portfolio Holder's attention are: -

#### **Line 1: Access to Education**

**Current Variance: £67,000 Favourable**

**Forecast Variance: £49,000 Favourable**

Charges to the department's Asset Management Team from Neighbourhood Services and external consultants to support the LA's traditional school capital programme have been lower than expected. This reflects the increased emphasis on the Building Schools for the Future and Primary Capital programmes.



Income from primary schools for attendance at the Carlton Outdoor Centre has increased reflecting the high take up of places offered to Hartlepool schools under the joint authority arrangement.

Vacancies in the Exclusions Team from November onwards have resulted in staff salary savings.

The Home to School Transport Service is also underspending this year but year end savings will be required to help meet the Integrated Transport Unit's corporate efficiency target.

**Line 3: Children and Families**

**Current Variance: £424,000 Adverse**

**Forecast Variance: £685,000 Adverse**

As reported throughout 2007/2008 and in the first two quarters of 2008/2009, the Department has experienced significant pressures relating to a net increase in the number and cost of Looked After Children. Based on the projected cost of current placements the overall budget will exceed the existing budget by £754,900 at the year end. This is in line with previous estimates and costs are expected to continue at this level throughout next year, as reflected in the Department's 2009/2010 budget submission.

The costs of care proceedings have also increased significantly as a direct consequence of the Public Law Outline introduced in April, 2008, to replace an earlier protocol for managing public law Children Act cases. This was designed to improve the overall system and provide better outcomes for children while ensuring court resources are used in a timely and effective way. The reform significantly changed the way in which local authorities make applications to the Court for orders where children are suffering or are at risk of suffering significant harm. The process increases Local Authority spending owing to the need to incur costs on specialist assessments prior to hearings but the additional costs to the Children's Services Department could not be predicted at the time the budget was set. So far this year additional costs have totalled £70,300 and it is likely that this will rise to at least £100,000 by the year end.

During the year attempts have been made to curtail spending on other areas within the Children and Families Division including the use of external grants to offset overspendings on care packages. Staff vacancy savings and underspends on running costs have also been achieved. In total net savings of £170,000 are anticipated by the year end which will reduce the overall divisional overspend to £685,000.

**Line 4: Early Years****Current Variance: £18,000 Favourable****Forecast Variance: £30,000 Favourable**

Expenditure on private sector nursery provision continues to be less than expected due to low take up of the Nursery Education Grant for 4 year olds.

**Line 5: Information, Sharing & Assessment****Current Variance: £77,000 Favourable****Forecast Variance: £77,000 Favourable**

The Department undertook a minor restructuring earlier in the year to increase staffing resources attached to the development of the Children's Trust. Delays in filling posts have resulted in high vacancy savings.

The costs of printing the new Children's and Young People's Plan was lower than expected. Delays on implementation of the Integrated Working project also resulted in savings.

**Line 7: Play and Care Children****Current Variance: £32,000 Adverse****Forecast Variance: £33,000 Adverse**

This overspend mainly relates to OSCARs, the all year round childcare service offering after school and holiday provision from three locations across the Borough. Costs in the current year have been higher than normal owing to maternity cover and at the same time income from fees and charges has been lower than expected. An action plan to review the sustainability of the service is being implemented and the Portfolio Holder agreed an increase in charges earlier this year.

**Line 8: Raising Educational Achievement****Current Variance: £52,000 Favourable****Forecast Variance: £70,000 Favourable**

Demand for support to schools in difficulty has been relatively low this year. Expenditure on advisory consultants has been low as more support has been provided from in house staff. Consultancy costs have also been partly offset by the use of Standards Fund grants carried forward from 2007/2008.

**Line 9: Special Education Needs****Current Variance: £125,000 Favourable****Forecast Variance: £169,000 Favourable**

Various underspends are being experienced on these DSG funded services and cannot be used to offset other departmental

overspends. Areas of saving are staff vacancy and running costs at the Pupil Referral Unit, lower than expected recharges for Home and Hospital teaching and reduced spending on special needs pupils placed with other Local Authorities.

**Line 10: Strategic Management**

**Current Variance: £106,000 Favourable**

**Forecast Variance: £98,000 Favourable**

Following a review of vacancies earlier in the year new posts were created to enhance the in-house Commissioning Team. Delays in filling posts resulted in high vacancy savings.

Vacancies and staff changes in the Senior Management Team have resulted in lower than expected salary costs. The Finance Team have also reduced the use of external funding consultants to assist in the local formula for funding schools.

Expenditure on staff training has also been lower than expected partly owing to the availability of external grant to fund some programmes.

**Line 12: Youth Service**

**Current Variance: £24,000 Favourable**

**Forecast Variance: £39,000 Favourable**

Various underspends are occurring across the Youth Service owing to staff vacancies and lower than expected premises costs.

**8. CULTURE, LEISURE AND TOURISM PORTFOLIO**

**8.1 Performance Update for the Period Ending 31<sup>st</sup> December, 2008**

8.1.1 Within the Culture, Leisure and Tourism Portfolio there are a total of 4 actions that were identified in the 2008/2009 Corporate Plan. All of these actions have been assessed as being on target for completion by the agreed date.

8.1.2 A total of 3 key performance indicators (KPIs) were included in the corporate plan as measures of success that are not reported on an annual basis. All of the indicators have been assessed as being on target to achieve their target by the end of the year.

8.1.3 Key areas of progress made to date in the Culture, Leisure and Transportation Portfolio include: -

- Both Summerhill and Ward Jackson Park have been awarded Green Flag Status;

- Renewed Renaissance funding for museums has been secured for a further two years.

## 8.2 **Revenue Financial Management Position Statement for Period Ending 31<sup>st</sup> December, 2008**

- 8.2.1 Details of Culture, Leisure and Transportation's actual expenditure and expected expenditure as at 31<sup>st</sup> December, 2008, are shown at **Appendix G**.
- 8.2.2 The projected outturn is £6,685,000, compared to the latest budget of £6,760,000, resulting in a forecast favourable variance of £75,000 at the end of the financial year.
- 8.2.3 The anticipated expenditure includes the 2008/2009 approved budget along with the planned use of Departmental Reserves created in previous years. A breakdown of these reserves is provided at **Appendix G**, Note 1.
- 8.2.4 The main items to bring to Portfolio Holder's attention are: -

### **Line 11: Sport and Recreation** **Current Variance: £93,000 Adverse** **Forecast Variance: Nil**

The current adverse variance mainly relates to increased utility costs across the service caused by supplier price increases. It is anticipated that this will be funded from Corporate Budgets set aside. The outturn projection reflects this.

### **Line 12: Strategic Arts** **Current Variance: £58,000 Adverse** **Forecast Variance: £48,000 Adverse**

This variance is mainly owing to an adverse variance against the Maritime Festival as previously reported and adverse variances on staff costs and income at the Borough Hall to support the office accommodation refurbishment strategy. The majority of these costs have now been realised and the outturn projection reflects this.

- 8.2.5 The Director of Adult & Community Services has approved revenue contributions to capital outlay of £53,488. These have been agreed by the Chief Financial Officer and are reflected in the full year projected outturn figures detailed in this report.

## 9. FINANCE AND EFFICIENCY PORTFOLIO

### 9.1 Performance Update for the Period Ending 31<sup>st</sup> December, 2008

- 9.1.1 Within the Finance and Efficiency Portfolio there are a total of 10 actions that were identified in the 2008/2009 Corporate Plan. 8 of these actions (80%) have been assessed as having been completed or on target to be completed by the agreed date. However, 2 actions (20%) have been assessed as not being achieved by their target date, and these actions are detailed in table FE1, below: -

**Table FE1 – Actions assessed as being “Target not Achieved”**

Outcome: Improve efficiency and effectiveness of the organisation			
Code	Action	Due Date	Note
OD A17	Develop Financial Strategy and Management	31/12/08	Details for 2009/10 to be reported to Cabinet and Council in February 2009
OD A18	Develop Capital Strategy and Asset Management	30/09/08	Details to be reported to Cabinet and Council in February 2009

- 9.1.2 There are 3 indicators within the Corporate Plan for the Finance Portfolio which are not reported on an annual basis, all of which have been assessed as being expected to hit their year end target or as target achieved.
- 9.1.3 Key areas of progress made to date in the Finance Portfolios include: -
- The number of people claiming the reductions that they are entitled to from their Council Tax has increased.

### 9.2 Revenue Financial Management Position Statement for Period Ending 31<sup>st</sup> December, 2008

- 9.2.1 There is a current favourable variance of £448,000, (see **Appendix H**).
- 9.2.2 The projected outturn is £1,604,000, compared to the latest budget of £1,629,000, resulting in a forecast favourable variance of £25,000.

9.2.3 The anticipated expenditure includes the 2008/2009 approved budget along with the planned use of Departmental Reserves created in previous years. A breakdown of these Reserves is provided at **Appendix H**, Note 1.

9.2.4 The main items to bring to Portfolio Holder's attention are: -

**Lines 1-6: Finance Division**

**Forecast Variance: £207,000 Favourable**

The Finance Division is projecting a favourable variance at outturn as a result of one-off staff vacancies. This favourable variance will offset the adverse variances projected by the Legal Section and contribute to the adverse variance projected on Administrative Buildings which is reported to Performance Management Portfolio. The remaining variance will enable the following reserves to be established.

**Line 17: Reserve – HR/Payroll System £300,000**

**Line 18: Reserve – Social Inclusion/Credit Union £100,000**

It is proposed to establish these reserves from savings in Finance Departmental budgets. The HR/Payroll systems reserve will be used to fund one-off costs associated with the implementation of a new HR/Payroll System which will enable ongoing efficiencies to be achieved in 2009/2010 and future years. The Social Inclusion/Credit Union reserves will be used to promote financial awareness and Social Inclusion, which will include working with Secondary schools in the town.

**Line 7: Legal Services**

**Current Variance: £105,000 Adverse**

**Forecast Variance: £77,000 Adverse**

The adverse variance is a result of staff vacancies and pending staff restructure which has resulted in the use of Agency staff and caused increased staffing costs to the Section.

Several areas within the Chief Executive's Department will be showing favourable variances at the year end. These favourable variances will offset this adverse variance.

**Line 8: Shopping Centre**

**Current Variance: £228,000 Favourable**

**Forecast Variance: £250,000 Favourable**

The forecast variance is based on information received from the Shopping Centre owners regarding the position expected for the final quarter of the year and reflects the difficult economic climate we are currently operating within.

The favourable variance is partly owing to the receipt, by Shopping Centre owners, of terminating rentals when tenants vacate properties. Whilst this situation will result in favourable variances in 2008/2009, it is likely to have an adverse impact on rental income received in the forthcoming financial year. Subject to other budget areas within the Chief Executive's Department being on target at the end of the year, it would be prudent to earmark this income to offset any potential Shopping Centre income shortfall next year.

**Line 16: Benefit Subsidy Income**

**Forecast Variance: £250,000 Favourable**

The favourable variance arises from Benefit Subsidy regulations which have applied for 2008/2009 having a beneficial impact for Hartlepool. This favourable variance will be utilised along with the variance on lines 1 to 6 shown above.

**10. NEIGHBOURHOOD AND COMMUNITIES PORTFOLIO**

**10.1 Performance Update for the Period Ending 31<sup>st</sup> December, 2008**

- 10.1.1 Within the Neighbourhood and Communities Portfolio there are a total of 14 actions that were identified in the 2008/09 Corporate Plan. 11 of these (79%) have been identified as being on target to be completed by the agreed date. However, there are 3 actions (21%) that have been identified as not expected to be achieved by the target date. Table NC1 below details these actions.

**Table NC1 – Actions assessed as being “Not Expected to Achieve Target” or “Target not Achieved”**

<b>Outcome:</b> Make better use of natural resources and reduce the generation of waste and maximise recycling			
sustainable, safe, efficient, effective and accessible transport system			
<b>Code</b>	<b>Action</b>	<b>Due Date</b>	<b>Note</b>
En A09	To give advice on the issues concerning the natural and built environment and to enforce environmental legislation when appropriate	31/03/09	Progress has been made to improve the recycling service. Due to the economic climate the bring centre recycling contract will be not be tendered this year, as such the target date of 31. 3.09 will not be achieved. Focus for the last quarter of this financial year is on environmental sustainability and design.
<b>Outcome:</b> Provide a sustainable, safe, efficient, effective and accessible transport system			
<b>Code</b>	<b>Action</b>	<b>Due Date</b>	<b>Note</b>

En A07	Develop and implement an Integrated Transport Strategy	30/11/08	Reorganisation forms are now being completed. Final phase of staffing to be implemented early March 09
<b>Outcome:</b> Promote community involvement in positive action to reduce poverty through fair trade and promoting peace and security			
Code	Action	Due Date	Note
En A11	Promote Hartlepool as a Fairtrade town	30/09/08	Work continues on the campaign to promote Fairtrade products. The Fairtrade Town Steering Group is focusing on Fairtrade Fortnight which will be held between 23rd February and 8th March. Various activities have been planned including a Ceilidh. The targets for both retail and catering premises have already been achieved however, the number of retail premises providing Fairtrade products has been reduced by one this quarter

10.1.2 It is proposed that the due dates for two of the above actions are revised, to take into account the delays that have been encountered. More information is provided in table NC2, below: -

**Table NC2 – Proposed revisions to Action due dates**

Code	Action	Due Date	Proposed New Date	Reasons for Date Change
En A07	Develop and implement an Integrated Transport Strategy	31/10/08	01/04/09	Further review of additional services (Road Safety)
En A11	Promote Hartlepool as a Fairtrade town	30/09/08	31/03/09	The action is of an ongoing nature and therefore it is requested that the due date is amended to the year end to reflect this.

10.1.3 There are a total of 7 key performance indicators (KPIs) that have been identified as measures of success that are not reported only on an annual basis. All of these indicators have been assessed as being expected to achieve their target by year end.

10.1.4 Key areas of progress made to date in the Neighbourhood and Communities Portfolio include: -

- The Biodiversity Action Report was produced in December, 2008;
- The number of retail and catering establishments offering Fairtrade as an alternative has already exceeded targets for 2008/2009.



## 10.2 Revenue Financial Management Position Statement for Period Ending 31<sup>st</sup> December, 2008

- 10.2.1 There is a current adverse variance of £594,000, (see **Appendix I**).
- 10.2.2 The projected outturn is £14,666,000, compared to the latest budget of £14,432,000 resulting in a forecast adverse variance of £234,000.
- 10.2.3 The anticipated expenditure includes the 2008/2009 approved budget along with the planned use of reserves created in previous years detailed in Note 1 of the **Appendix I**.
- 10.2.4 The main items to bring to Portfolio Holder's attention are: -

### **Line 1: Highway Services**

**Current Variance: £251,000 Adverse**

**Forecast Variance: £113,000 Adverse**

This is mainly owing to Highways Maintenance, which is currently projecting to be overspent by £110,000. This is currently being reassessed and should be brought back in line by the year end.

### **Line 7: Car Parking**

**Current Variance: £253,000 Adverse**

**Forecast Variance: £159,000 Adverse**

Car parking income is currently £92,000 below target levels. The effect of the recent price increase is expected to resolve this issue, however, it is too early to determine if there will be customer resistance to the increases. Should previous years trends continue this will balance at the year end. Similarly, with car parking fine income we have £100,000 of potential income which is currently locked up in the appeals procedure. Again should this be determined in our favour this account will break even. For information we are currently suffering because of the use of counterfeit £1 coins which are currently costing approximately £30 per day (£27,000 YTD).

### **Line 13: Housing**

**Current Variance: £4,000 Favourable**

**Forecast Variance: £50,000 Favourable**

It was reported at Quarter 2 that policy decisions in this service area may alter the anticipated spending pattern during the remainder of the year. The recent decision regarding the location of the new Housing Option Centre has significantly reduced the budget resource required to make the new office 'fit for purpose'. It is anticipated that a one off saving in 2008/2009 of £50,000 will occur.

**11. PERFORMANCE MANAGEMENT PORTFOLIO****11.1 Performance Update for the Period Ending 31<sup>st</sup> December, 2008**

- 11.1.1 Within the Performance Portfolio there are a total of 12 actions that were identified in the 2008/2009 Corporate Plan, 11 of which (92%) have been assessed as being expected to be completed by the agreed date. However, there is 1 action (8%) that has been identified as not expected to be achieved by the target date. Table Pe1 below details these actions.

**Table Pe1 – Actions assessed as being “Not Expected to Achieve Target”**

Outcome: Improve Elected member and Workforce arrangements			
Code	Action	Due Date	Note
OD A12	Implement Pay and Grading and Single Status arrangements	31/03/09	Appeals will not be processed on target due to letters to schools employees being delayed and the number of appeals received from non school employees. Some sub actions have been delayed due to the long term absence of an Advisor and the secondment of a key member of the Pay and rewards team to Business Transformation

- 11.1.2 There are no indicators within the Corporate Plan for the Performance Portfolio which are not reported on an annual basis.
- 11.1.3 Key areas of progress made to date in the Performance Portfolio include: -
- Progress continues to be made on Business Transformation, and a report will be produced for Cabinet in January;
  - The Council's Annual report was published in Hartbeat.

**11.2 Revenue Financial Management Position Statement for Period Ending 31<sup>st</sup> December, 2008**

- 11.2.1 There is a current adverse variance of £168,000, (see **Appendix J**).
- 11.2.2 The projected outturn is £5,013,000, compared to the latest budget of £4,670,000, resulting in a forecast adverse variance of £343,000.

- 11.2.3 The anticipated expenditure includes the 2008/2009 approved budget along with the planned use of Departmental Reserves created in previous years, as detailed in Note 1 of the Appendix.
- 11.2.4 The main items to bring to Portfolio Holder's attention are: -

**Line 2: Neighbourhood Services Internal Works**  
**Current Variance: Nil**  
**Forecast Variance: £200,000 Adverse**

The forecast variance results from increased fuel costs.

**Line 11: Other Office Services**  
**Current Variance: £93,000 Adverse**  
**Forecast Variance: £125,000 Adverse**

The current and forecast variance arises from the income budget for Land Charges being unachievable. This is owing to the market conditions and the economic conditions arising from the 'credit crunch'.

**Line 16: Administration Buildings Running Expenses**  
**Current Variance: £132,000 Adverse**  
**Forecast Variance: £55,000 Adverse**

The adverse variance is owing to an increase in responsive and cyclical maintenance. This variance will be offset by favourable variances in Lines 6-8 and from the favourable variances on the Finance and Efficiency Portfolio.

## **12. REGENERATION AND LIVEABILITY PORTFOLIO**

### **12.1 Performance Update for the Period Ending 31<sup>st</sup> December, 2008**

- 12.1.1 Within the Regeneration, Liveability and Housing Portfolio there are a total of 33 actions that were identified in the 2008/2009 Corporate Plan. 32 of these (97%) have either been completed or have been assessed as being on target for completion by the agreed date. The remaining action (3%) has been identified as having not achieved target. This action can be seen in table RL1 below.

**Table RL1 – Action assessed as being “Not Expected to Achieve Target”**

<b>Outcome:</b> Improved neighbourhood safety and increased public confidence, leading to reduced fear of crime and anti-social behaviour			
<b>Code</b>	<b>Action</b>	<b>Due Date</b>	<b>Note</b>
CSA10	Development of an improved Community Engagement model, under the auspices of Neighbourhood Policing and Partnership activity	31/10/08	Model has been trialled in 2 wards and Throston NAP area. Will now be utilised in other areas or with specific groups, as required

- 12.1.2 There are 15 key performance indicators (KPIs) included in the Corporate Plan as measures of success that are not reported on an annual basis, of which 12 (80%) have been assessed as either having achieved target or being on target to do so. The remaining 3 indicators (20%) have been assessed as not being expected to achieve target, and more detail is provided in table RL3, below: -

**Table RL 3 – Performance Indicators assessed as being not expected to achieve target**

<b>PI</b>	<b>Indicator</b>	<b>Target 08/09</b>	<b>2<sup>nd</sup> Qtr Outturn</b>	<b>Comment</b>
RPD P045	Employment Rate (16-24) (Performance expected with reward) (LAA H9)	53.8%	45%	The employment rate has shown a significant decrease. It is difficult to provide a comprehensive explanation for this however the confidence rate of +/- 8 percentage points effectively means that the data must be considered with caution. JSU has given some consideration to the outturn and the reduction rate may also be connected to more people staying on at school
RPD P056	Number of carers completing education or training and achieving NVQ level 2 or equivalent or higher	120	18	Both indicators are LPSA targets which cease in March 2009. Currently the actual delivery is significantly below target and therefore the target will not be achieved
RPD P057	Number of carers remaining in employment for a minimum of 16 hours per week and for at least 32 weeks in the year	149	19	

- 12.1.3 Key areas of progress made to date in the Regeneration and Liveability Portfolio includes: -

- The planning application for the development of the Hartlepool College of Further Education has been agreed;
- Violent crime has reduced significantly in the last 12 months.

**12.2 Revenue Financial Management Position Statement for Period Ending 31<sup>st</sup> December, 2008**

- 12.2.1 In overall terms actual expenditure amounts to £3,399,000 compared to expected expenditure of £3,454,000, resulting in a current favourable variance of £55,000, (see **Appendix K**).
- 12.2.2 The projected outturn is £4,766,000, compared to the latest budget of £4,716,000, resulting in a forecast adverse variance of £50,000.
- 12.2.3 The anticipated expenditure includes the 2008/2009 approved budget along with the planned use of Departmental Reserves created in previous years as described in Note 1 of the **Appendix K**.
- 12.2.4 The main item to bring to Portfolio Holder's attention is: -

**Line 2: Building Control****Current Variance: £38,000 Adverse****Forecast Variance: £50,000 Adverse**

The increasingly competitive private sector market and the economic downturn have contributed to lower than budgeted fee income levels on this service at the third quarter stage. Current trends suggest an adverse position of around £50,000 is likely to exist at year end.

**13. AREA BASED GRANTS**

- 13.1 In overall terms actual expenditure amounts to £6,832,000, compared to anticipated expenditure of £7,064,000, resulting in a current favourable variance of £232,000, (see **Appendix L**).
- 13.2 The projected outturn is £10,572,000, compared to the latest budget of £10,652,000, resulting in a forecast underspend of £80,000.
- 13.3 This forecast underspend relates to staff vacancies within the Connexions Service and the related Positive Activities for Young People project.

**14. CONCLUSIONS**

- 14.1 The report details progress towards achieving the Corporate Plan outcomes and progress against the Council's own 2008/2009 Revenue Budget for the period to 31<sup>st</sup> December 2008.
- 14.2 Performance towards delivering the actions included in the Corporate Plan are progressing well, with 94% of all actions either

having been completed or being on target to be completed by the agreed date. Over 92% of all KPIs, that can be assessed, have also been assessed as either having achieved target, or being expected to achieve target by year end.

- 14.3 With regard to departmental outturns Cabinet agreed at their meeting on the 9<sup>th</sup> February to fund these overspends by releasing revenue resources set aside for capital projects and funding these projects from prudential borrowing.

**15. RECOMMENDATIONS**

- 15.1 Cabinet is asked to: -

- Note the current position with regard to performance and revenue monitoring;
- Agree to the proposed revised due dates for those actions in tables NC2.

TABLE 2 - GENERAL FUND - REVENUE MONITORING REPORT TO 31ST DECEMBER 2008

Line No	Actual Position 31/12/08			Description of Expenditure	Projected Outturn Position		
	Expected Expenditure/ (Income)	Actual Expenditure/ (Income)	Variance Adverse/ (Favourable)		2008/09	2008/09	
	Col. B	Col. C	Col. D		Latest Budget	Projected Outturn	Projected Variance: Adverse/ (Favourable)
	£'000	£'000	(D=C-B) £'000		Col. F	Col. G	Col. H (H=G-F) £'000
				<u>TABLE 1 - Departmental Expenditure</u>			
	15,197	15,205	8	Children's Services (Excluding Schools)	22,875	23,059	184
	15,914	16,457	543	Neighbourhood Services	15,143	15,619	476
	3,985	3,926	(59)	Regeneration & Planning	5,633	5,633	0
	6,825	6,547	(278)	Chief Executives	6,083	6,208	125
	24,690	25,695	1,005	Adult and Community Services	30,796	32,248	1,452
	66,611	67,830	1,219	Total Departmental Expenditure	80,530	82,767	2,237
				<u>TABLE 2 - Corporate Costs</u>			
				<u>EXTERNAL REQUIREMENTS</u>			
	34	53	19	Flood Defence Levy	46	53	7
	44	44	0	Magistrates, Probation and Coroners Court	182	182	0
	20	21	1	North Eastern Sea Fisheries Levy	20	21	1
				<u>CORPORATE COMMITMENTS</u>			
	253	239	(14)	Audit Fees	337	365	28
	0	499	499	Centralised Estimates	5,630	3,424	(2,206)
	22	26	4	Designated Authority Costs	87	87	0
	(22)	(146)	(124)	Emergency Planning	91	91	0
	1,921	1,654	(267)	I.T	2,561	2,555	(6)
	0	0	0	Insurances	369	369	0
	56	52	(5)	Mayoral Allowance	75	75	0
	271	270	(1)	Members Allowances	357	357	0
	620	620	0	Pensions	398	398	0
				<u>NEW PRESSURES</u>			
	(15)	0	15	2006/07 Final Council Commitments	31	31	0
	0	0	0	2007/08 Provision for Grants/Pressures/Priorities	76	76	0
	0	0	0	2007/08 and 2008/09 Corporate efficiencies	(1,070)	(670)	400
	0	0	0	LPSA 2 Grant	(407)	(407)	0
	0	2	2	Contingency	22	22	0
	0	0	0	Job Evaluation	2,360	2,360	0
	11	14	2	Members ICT	15	15	0
	184	175	(9)	Business Transformation Programme	0	0	0
	0	5	5	Teesside Airport Study	0	0	0
	0	345	345	Redundancies	0	0	0
	0	5	5	Receipts for Government Pool	0	0	0
	0	16	16	Youth Offending	0	0	0
	0	0	0	LABGI income (release of reserve)	(370)	(370)	0
	0	0	0	Planning Delivery Grant terminated	114	12	(102)
	0	0	0	Provision for Cabinet projects	51	51	0
	0	0	0	Reduction in pay inflation from 3% to 2.5%	(174)	(174)	0
	0	0	0	NNDR holding account	(7)	(7)	0
	0	0	0	Strategic Contingency	1,146	1,046	(100)
	3,399	3,892	493	COUNCIL BUDGET REQUIREMENT	11,940	9,962	(1,978)
	21	21	0	PARISHES PRECEPTS	21	21	0
	(6)	(6)	0	CONTRIBUTION FROM RESERVES	(3,249)	(3,249)	0
				CONT. TO / (FROM) STOCK TRANSFER RESERVE			
	70,025	71,737	1,712	Total General Fund Expenditure	89,242	89,501	259

Best Value Unit / Best Value Sub Unit	2008/2009 Budget £'000	Variance to 31 December 2008 (Favourable) / Adverse £'000	Forecast Outturn Variance (Favourable) / Adverse £'000
<b>Adult &amp; Community Services</b>			
Strategic Arts, Museums & Heritage, Sports & Recreation - Income	1,460	(224)	(180)
Building Maintenance	304	7	14
Learning Disabilities Purchasing	3,110	194	412
Occupational Therapy Equipment	315	(35)	0
Older People Purchasing	7,415	212	210
Social Care - Direct Payments	1,213	857	1,250
<b>Total</b>	<b>13,817</b>	<b>1,011</b>	<b>1,706</b>
<b>Regeneration &amp; Planning</b>			
Economic Development - Rent Income	(187)	21	0
Planning & Building Control - Fee Income	(620)	(33)	(33)
<b>Total</b>	<b>(620)</b>	<b>(33)</b>	<b>(33)</b>
<b>Neighbourhood Services</b>			
Car Parking	(826.4)	184.0	183.8
Environment, Environmental Action & Town Care Management	7,343.4	21.0	35.0
Property Services	465.9	13.4	0.8
<b>Total</b>	<b>6,982.9</b>	<b>218.4</b>	<b>219.6</b>
<b>Corporate Budgets</b>			
Centralised Estimates	5,629.9	(1,000.0)	(2,206.0)
IT Partnership Contract	2,561.0	0.0	0.0
<b>Total</b>	<b>58,112.9</b>	<b>(1,000.0)</b>	<b>(2,206.0)</b>
<b>Children's Services</b>			
Building Schools for the Future	906	0	0
Children Looked After Placements	4,393	580	755
Home to School Transport Costs	1,430	0	0
Independent School Fees (SEN)	643	(60)	(80)
Individual Pupils Budget for SEN	1,383	0	0
Individual School Budget	54,452	0	0
Integrated Children's System	129	0	0
<b>Total</b>	<b>63,336</b>	<b>520</b>	<b>675</b>



**ADULT & COMMUNITY SERVICES DEPARTMENT PLANNED EFFICIENCIES**

Budget Heading	Description of Efficiency/Saving	Risk - Red, Amber, Green	Risk Assessment of implementing efficiency/saving	Impact of efficiency/saving service performance)	Value of efficiency/saving £'000's	Projected Outturn £000	Comments
Support Services	Re-examination of staffing and processes following joint commissioning, and introduction of CONTROCC computer system. Also review management of Supporting People programme, absorbing some of the work into other sections	R	Review is at an early stage	This is a growing area of work, and reduced staffing could affect capacity to support developments	40	0	Expected to slip into 2009-10
Domestic support Swinburne House	Proposed closure of Swinburne will reduce requirement for domestic support staff	A	1 x vacancy to be 'given up' and 1 x domestic post to be deleted. This will leave 1 x 20hr domestic post to remain for re-provisioning Swinburne elsewhere.	This will not directly affect the service provision	33	0	Expected to slip into 2009-10
Assessment & Care Mgt	Review management arrangements for social work teams	R	Diminishes management capacity and potentially increases span of control for remaining managers above an acceptable level.	May result in delays in allocation and completion of statutory assessments	45	45	
Libraries	Staffing efficiencies in library service delivery	A	These will be achieved through a revised and improved way of allocating staff – i.e. adjustment of rotas to allow 3x scale 2 fte posts to be saved whilst delivering services as are currently provided. These staff rotas are across the whole service but will be significantly achieved through the Central Library.	reduction in CPA 'cost per visit' provided visit levels maintained. Necessary to ensure service standard and user satisfaction measures are maintained.	41	41	
Libraries	Reduction in relief driver requirement for library mobile bus service	A	The new structure was introduced April 2007. First quarter indicates that a lower demand for driver cover is needed. This is a little early and demand needs monitoring full 12 months including winter	reduction in CPA 'cost per visit' provided visit levels maintained. Necessary to ensure service standard and user satisfaction measures are maintained.	4	4	
Libraries	Strategic reduction in target areas of printed materials fund where consortium/supplier purchasing agreements facilitate efficiencies	A	failure to provide continually improving stock and maintenance of PI statistics.	Hope to be minimized but stock provision of the highest quality is principal aim of the service.	14	14	
Libraries	Improved efficiency in online resource provision	A	Risk of not meeting public demand by changing suppliers	Aim to maintain similar service provision through improved supplier contracts.	4	4	
Warren Road & Havelock	Review and integrate the management and staff structure across the two day services, this will reduce ancillary and management costs. The impact on direct service provision will be minimal as this is based on meeting assessed needs through individual support plans.	A	Business continuity & training required for staff to work across Learning & Physical disabilities	Performance measures, impact on PSSEX1 cost of day care.	103	26	On target for implementation by Jan 09. £29k given for ITU worker.
Home Care Service	Transfer 100 hrs from in-house provision to independent provider and review management arrangements.	A	Reconfiguration of home care and amalgamation with Intensive Social Support Team under service heading of 'Direct Care and Support Service' will help provide sustainability going forward and alleviate stress challenges. Potential for complaints if service users prefer local authority service provision. However statutory responsibilities will be still be achieved.	Long term cases in home care (dementia) will be transferred to alternative independent provision. Leaving in house home care services to focus upon rapid response operations. In comparison with all other Providers in Hartlepool, the Local Authority Home Care Service is best placed to do this.	53	53	

Budget Heading	Description of Efficiency/Saving	Risk - Red, Amber, Green	Risk Assessment of implementing efficiency/saving	Impact of efficiency/saving service performance)	Value of efficiency/saving £'000's	Projected Outturn £000	Comments
Older People Purchasing	Change commissioning and contractual arrangements for 'step up / step down' beds, moving away from spot contract towards block purchase. Anticipated demand base on analysis over three year period indicates 15 vulnerable people can be supported more efficiently using this approach	A	This proposal increases capacity and provides the LA with more value for money through securing a lower rate per bed.	Service performance would be enhanced. However this work does require support from the Commissioning Team to tender for the revised contractual arrangement.	39	39	
Intensive Social Support Team	Reorganisation of intensive social support team to cover SP contract only.	A	Supporting People element of this service will continue to function but transitional care / intermediate care support will be limited.	The impact could be minimized by amalgamating the ISSTeam with the Home Care Service, one service to be created 'Direct Care and Support Service under more stream-lined managerial arrangement.	58	58	
Support Services	Efficiency improvements in Finance Section as indicated by CSED	A	Review is still in early stages	Loss of staffing could affect service to users and income levels	19	19	
Support Services	Cut in audio-visual and technical support to department	A	This will impact on Children's Service (40% funding for post) and corporate projects which are supported by this post.	Lost opportunity for improved presentation of information for public and staff	15	15	
Libraries	Reduction of agency advertising for vacant posts	G	Increased internal recruitment/advertising.	Where deemed necessary for maintenance of service standards posts will still be advertised externally.	2	2	
Libraries	Reduction in energy costs	G	Limited-according to predictions of energy consumption based on new lighting system efficiency savings should be achieved.	Improved lighting, saving of money and improved carbon footprint.	2	2	Efficiency achieved but energy price increases negating saving.
Parks & Countryside	Weekend Litter Picking additional staffing plus bank holiday and event cover in parks.	G	Not undertaking this work will result in increased user dissatisfaction and greater amounts of litter in parks. The work will be undertaken by a new staff team based within parks and countryside to react to sites including playgrounds and provide a 7 day service across all parks and play grounds undertaking inspections and maintenance.	The ad hoc approach to cover in parks on weekends will be formalised with a dedicated team of staff covering weekends and providing cover where necessary for events.	4	4	
Parks & Countryside	Lifebelt checks to be undertaken by Playground Inspector will allow additional income to be brought in by the Beach safety Officer in delivering First Aid Courses.	G	Lifebelt Checks are essential in maintaining safe areas around water. Most landowners now pay the Department to undertake the checks. The work will be undertaken by a new staff team based within parks and countryside to react to sites including playgrounds and provide a 7 day service across all parks and play grounds undertaking inspections and maintenance.	The incorporation of lifebelt checks into the work programme of the new staff team identified as a budget pressure will greatly increase the capacity of the Beach Safety Officer to deliver first aid courses to increase income into the department. The pressure is a combination of additional income from first aid courses and the lifebelt management.	5	5	
Parks & Countryside	Annual Cost to Department to maintain and clean the paddling pools. The maintenance to be undertake by play ground inspection team and the cleaning to be undertaken by the beach lifeguards. To implement this the Block Sand Paddling Pool would need to come in line with the start of the Lifeguard Season.	G	The cleaning and maintenance of paddling pools are essential to the service. The maintenance work will be undertaken by a new staff team based within parks and countryside to react to sites including playgrounds and provide a 7 day service across all parks and play grounds undertaking inspections and maintenance. For cleaning tasks it is proposed that the beach lifeguards undertake this duty but this would rely on the Block Sands facility opening at the same time as the Beach Lifeguards Service (May not Easter).	The work is currently undertaken by Neighbourhood services agency staff at a cost of £11k to the department. This money would be used to fund the playground inspection pressure and also increase the duties and resources into this post.	11	11	
Grounds Maintenance Contract	Contribution from Parks and Countryside to Neighbourhood Services for Playground Inspections. This is not easily identified through the contracts but believed to be in the region of £30K	G	The contribution to NHS is supplemented by insurance funding to operate a playground inspection and maintenance operation. Under new proposals the playground inspection would transfer to Parks and Countryside but would increase to a 7 days service to incorporate other tasks such as lifebelt checks.	The playgrounds would be inspected 7 days per week which will increase user satisfaction and reduce impact of anti social behaviour.	30	30	

Budget Heading	Description of Efficiency/Saving	Risk - Red, Amber, Green	Risk Assessment of implementing efficiency/saving	Impact of efficiency/saving service performance)	Value of efficiency/saving £'000's	Projected Outturn £000	Comments
Parks & Countryside	To replace the Weekend Leisure Assistant Post at Summerhill with the extended playground and site inspection service.	G	The loss of a staff post at Summerhill would result in increased man hours to keep the site cleaned and maintained. Weekend site cleansing and maintenance would be undertaken by the Playground Inspection post on weekends therefore reducing the need for the Weekend leisure assistant	The playground inspection service will be increased to 7 days per week and will incorporate Summerhill site cleaning and maintenance into the weekend work programme.	10	10	
The Firs	De-commissioning the Firs as an office base	G	No Risk to Service, but un-occupied property may be vulnerable to vandalism	Service will be re-provisioned from alternative site, no impact identified.	19	19	The Firs de-commissioned.
17057 Warren Road	Reduction in the number of ancillary hours at warren road	G	Minimum risk as change is around processes for delivery of meals	Limited impact on service	8	8	
17057 Warren Road	Reduction in vacant staffing hours at Warren Road, 42 hours vacant due to setting up of independent theatre and drama groups	G	Reduction in the number of direct support staff, reflected by the number of people leaving the service to take up direct payments	Corporate management database, impact on the number of people attending FE, leisure, sport, as a reduction in the number of people attending day services. Increase in the number of people accessing a direct payment	23	23	
17100 Havelock N/HOOD SERVICES IMPACT	Reduction in the use of ancillary staff in the cleaning of the building by using more flexible rotas	G	Flexibility in Rota creating efficiencies	No impact on PI's	2	2	Rota changed and efficiency met.
17058 LD Agency	Bringing people back home / campus reprovision - review of complex out of area packages of care in partnership with PCT.	R	Returning of high cost packages to Hartlepool for people who have been living out of area in specialist provision	24 people over 5 years - Teesside initiative including PCT's	220	18	Relates to one Out of Borough Placement to be moved back to Hartlepool. Not yet achieved owing to Legal issues. On target for March 09.
Stair lift Contract	Change contractual arrangement for stair lifts away from comprehensive cover to costed model	G	Limited	More appropriate contractual arrangement to be established	20	20	Target expected to be achieved however full year's usage required to confirm.
Assessment & Care Management	Replace Social Worker top of Level E plus two, with Social Care Officer through management of vacancies	G	This will be a short term saving to the Local Authority, going forward there will be additional training implications	Social worker due to retire	12	12	
<b>TOTAL OF 3% EFFICIENCIES</b>					<b>836</b>	<b>484</b>	

**CHIEF EXECUTIVES DEPARTMENT PLANNED EFFICIENCIES**

Budget Heading	Description of Efficiency/Saving	Risk - Red, Amber, Green	Risk Assessment of implementing efficiency/saving	Impact of efficiency/saving service performance)	Value of efficiency/saving £'000's	Projected Outturn £000	Comments
Accountancy 21412	A recent mini reorganisation produces an ongoing salary saving, from the deletion of 0.5 FTE Accountancy Technician post.	A	Reduction in capacity available to support none core activities, such as financial support for additional corporate initiatives (e.g. Job Evaluation) , or support of departmental finance teams when they have vacancies, or support of new grant regimes.	None - provided there are no new demands for higher service levels and existing staff are retained.	11	11	
Internal Audit 21414	A review of the Internal Audit sections senior management structure resulted in the amalgamation of the roles of Chief Internal Auditor and Group Auditor into a single post - Head of Audit and Governance. Only Part of this saving was taken in the 2007/08, pending a review of the new arrangements.	A	New arrangements are working satisfactorily. It is therefore not inappropriate to take the remaining saving in 2008/09. However, the continued success of current arrangements is dependant upon the retention of existing employees and/or the recruitment of appropriate replacements (which cannot be guaranteed).	None - provided remaining staff are retained, particularly Head of Audit and Governance.	28	28	
Revenues Recovery 21453	Income Generation from extending the Internal Bailiff function pilot to 2 officers. A greater proportion of bailiff activity will in future be undertaken by in house bailiffs, with the associated bailiff charges accruing to the Council instead of external bailiff companies.	A	Internal Bailiff pilot exercise to be extended from Sept 07. Performance monitoring of activity levels and values of fees levied in 2007/8 from early stages of pilot indicate relatively low risk of failure but dependency is on available recovery caseloads.	None. Internal Bailiffs will be "certificated" , work within defined codes of conduct / protocols and will be subject to robust performance management controls including using comparative performance data from external bailiffs. These arrangements will ensure effectiveness / accountability.	30	30	
HR	Income generation from extending charging arrangements for information in respect of mortgage applications and CRB. Restructure of section will result in deletion of 2 FTE during 2008/9.	A	Risk that charging employees to supply employment details will be controversial. Reduced employee /health & safety monitoring capacity will place greater reliance on managers, employees and trade unions to operate safely. Implementing Single Status will initially create additional workload therefore reducing HR posts will impact on ability to support managers and employees.	Greater reliance on managers to implement HR policies without personal support. Significant risk of subsequent litigation/claims, absenteeism, poor performance, etc	76	76	
<b>TOTAL OF 3% EFFICIENCIES</b>					<b>145</b>	<b>145</b>	

**CHILDREN'S SERVICES DEPARTMENT PLANNED EFFICIENCIES/SAVINGS**

Budget Heading	Description of Efficiency/Saving	Risk - Red, Amber, Green	Risk Assessment of implementing efficiency/saving	Impact of efficiency/saving service performance)	Value of efficiency/saving £'000's	Projected Outturn £000	Comments
Home to School Transport	Full year savings arising from 1st September 2007 renewal of home to school and school to swimming pools transport contracts including agreed rationalisation of escort service LESS £100,000 allocated against the corporate efficiency target.	G	The exact transport requirements of children varies from year to year depending on pupil numbers. In addition the requirements of special needs pupils can vary at any time. Projected savings are based on the costs of current needs and provide limited scope to absorb increases above inflation.	This will have a positive effect on VFM indicators	61	61	
Advisory Service	Part saving on Senior Adviser salary following recruitment to a lower graded redesigned post. Savings assume regrade from Soulbury sp 27 to Soulbury sp 13.	G	Re-allocation of responsibilities to Assistant Director and other Senior Advisers required.		20	20	
Premature Retirement Costs	Reduced base budget to meet level of current spending on former employees and their dependants deleting scope to fund new costs.	A	The department has a PRC budget which funds the ongoing additional years element of early retirement costs. Reducing the base budget will delete any contingency for new cases. Over time the departments commitments will reduce as former teachers/staff and their dependants die.	The departments policy since 2002 has been that schools must meet the costs of any premature retirements from their delegated budgets. Schools can however, in exceptional financial circumstances, approach the department to request financial assistance.	60	60	
Carlton Outdoor Centre - Usage	Increased income assumption from Hartlepool schools and other customers following reopening of the centre.	A	The budgeted level of income from Hartlepool schools attending the Centre was set pessimistically due to concerns that customers may not return following closure during refurbishment. Increased income of approximately £15,000 will be received if schools take up their full allocation of days and the centre's external income target for summer and weekend customers is achieved.	If this increased income is sustainable the Council's net cost of running the centre would reduce by 25%.	15	15	
Carlton Outdoor Centre - Charges	13% Increased charges to Hartlepool schools for attendance at the centre (up to the levels charged by Redcar and Cleveland) will reduce the net costs of Hartlepool's subsidy.	A	Increased charges to schools could lead to reduced demand which would adversely affect overall income levels - see above	Although joint user authorities pay proportionate contributions towards Carlton centre costs each Council sets its own charges for schools in their areas. Hartlepool charges are currently substantially below Middlesbrough and Redcar.	5	5	
Youth Service	Review of Service Level Agreements to provide savings on overheads with minimal impact of front line delivery.	A	It is envisaged that savings can be achieved on repairs and maintenance and that better value for money can be achieved from more robust monitoring of some SLA's	There is a risk of a reduction in service delivery depending on how services are reconfigured.	10	10	
Departmental Contingency	Delete contingency fund held by Director	A	During setting of the 2007/08 base budget, within the departments overall cash limit, all uncommitted budgets were deleted to create one strategic contingency against unexpected departmental costs. This budget is held by the Director and is allocated out to meet identified pressures as part of the departments monthly monitoring procedures.	If deleted the department will be unable to absorb any unexpected cost pressures	64	64	

Budget Heading	Description of Efficiency/Saving	Risk - Red, Amber, Green	Risk Assessment of implementing efficiency/saving	Impact of efficiency/saving service performance)	Value of efficiency/saving £'000's	Projected Outturn £000	Comments
Departmental Administration	Reduction in admin support	A	Reduced admin support will have an impact on the operations of various departmental teams and some areas of work will have to be absorbed. It may be possible to automate some functions via use of ICT.		110	110	Proposed Restructurings of Admin Support on hold owing to Job Evaluation but savings are being achieved through non-filling vacant posts.
Children and Families Admin	Reduction of admin support in Social Care	A	A reduction in staffing levels has already been committed relating to the new ICS system	The new ICS system will streamline the administration of care records and as this is embedded admin support will be reviewed.	40	40	Proposed Restructurings of Admin Support on hold owing to Job Evaluation but savings are being achieved through non-filling vacant posts.
Department wide Salaries	Increase to salary abatement target from 2.4% to 3.0%	A	Over recent years the department has achieved its salary abatement target (currently £160,000 equating to approximately 2.4%) through natural vacancy savings. All vacant posts are reviewed by CSMT prior to submission to the MOV panel and "forced delays" in the recruitment process may need to be made to maximise vacancy savings.	The projected saving assumes a 25% increase in vacancy / turnover savings, requiring savings of 3.0%. CSMT would try to focus this on (non grant funded) support services rather than frontline services wherever possible.	40	40	
Childcare - Summer Play scheme	Deletion of the summer play scheme.	A	The existing provision for play schemes is not necessarily targeting those most in need. Managers will be assessing the need within the Children's Centres localities and will commission new summer activities from the voluntary and community sector funded from Sure Start grant.	Overall provision may be slightly reduced but should be better matched to local need.	65	65	
<b>TOTAL OF 3% EFFICIENCIES</b>					<b>490</b>	<b>490</b>	

**NEIGHBOURHOOD SERVICES DEPARTMENT PLANNED EFFICIENCIES**

Budget Heading	Description of Efficiency/Saving	Risk - Red, Amber, Green	Risk Assessment of implementing efficiency/saving	Impact of efficiency/saving service performance)	Value of efficiency/saving £'000's	Projected Outturn £000	Comments
	<b>3% EFFICIENCIES</b>						
1010/36740	Restructure of Senior Management of Public Protection	G	Alternative but inadequate management arrangements of Public Protection functions could result in inefficiencies and not meeting performance standards in several statutory functions	Minimal impact provided adequate arrangements are in place, otherwise not meeting PI's could result in external auditing of the service by e.g.. FSA	35	35	
	Do not increase costs through inflation where possible	A	small risk	Some revenue budgets pressured	169	169	
	School crossing patrol - remove from controlled crossings	A	Some public reaction	N/A	32	32	The anticipated changes to the provision of school crossing patrol did not materialise when the regulations reached there final stage. This has realised itself in the inability to achieve the required efficiencies in this area. Alternative efficiencies have been identified and achieved..
	Xmas lights - full sponsorship	A	Sponsorship may not be achieved	Possible reduction in standard	18	18	
	Restructure B.H.H admin team	G	Increased workload on other staff	Reduced admin performance	18	18	
	Not replacing Technical Officer when he retires in April 2008	G	Increased workload on other staff	Reduced Technical performance	28	28	
	Reorganise drug related litter service	A	Possible injury to people who find litter	Drug litter will not be collected after 8pm	10	10	
	Reduce Pest Control	G	Minimal	Promised increased service not provided. 20k additional funding agreed by Council last year to improve service - insufficient to employ additional pest control operative.	20	20	
	Redesign staffing in transport section	A	Minimal	Management capacity reduced. Increased workload on remaining staff	55	55	
	Don't replace one member of admin team in civic centre	A	Workload too high - deadlines missed	Increased workload for remaining staff	17	17	
	Redesign of building management and maintenance services (including energy)	A	Building management services (including energy) efficiencies may not be achieved	Workload on remaining staff members / change of services to customers	37	37	
	Restructuring of licensing service in Public Protection	A	Taxi inspections not carried out on time	Performance indicators will suffer and criticism from licence holders	12	12	
<b>TOTAL EFFICIENCIES</b>					<b>451</b>	<b>451</b>	

**REGENERATION & PLANNING DEPARTMENT PLANNED EFFICIENCIES**

Budget Heading	Description of Efficiency/Saving	Risk - Red, Amber, Green	Risk Assessment of implementing efficiency/saving	Impact of efficiency/saving service performance)	Value of efficiency/saving £'000's	Projected Outturn £000	Comments
Youth Offending Service	Reduce the budget for the payments of carers and fostering allowances	G	It is anticipated that this budget can be reduced with minimal risk and impact by not recruiting to one of the vacant Carer's positions	It is not anticipated that service performance will be adversely affected by this reduction.	14	14	
Economic Development	HBC Contribution to Joint Strategy Unit	G	It is expected that the JSU will again reduce their budget to reflect national cashable efficiency target. The precise saving to Hartlepool will depend on the final inflation indicator and population statistics applied by the JSU but a budget reduction in the region of £5,000 should be possible.	This reduction will have no direct impact on the Economic Development service. The department currently passports some £230k to the JSU but has no control over this budget. In view of the total reductions required and the growing pressures on HBC budgets, Members may wish to seek a revised JSU budget formula for future years in conjunction with the other Tees Valley authorities.	5	5	
Staff Turnover	Increase in Vacancy Abatement target by 0.5%	A	The Vacancy Abatement target for 2007/8 has been achieved albeit largely through three long term vacancies. It is expected these vacancies will shortly be filled. Achievement of the 2008/9 target will depend on HBC funded staff leaving a relatively stable department in recent years and therefore some risk does exist in increasing this target.	An impact on service performance may occur if to meet this target, posts had to be held vacant for longer than appropriate.	20	20	
Community Safety	Reduce Staffing Budgets / Efficiency Review	A	Community Safety is one of the areas undergoing a departmental review in the current year as part of the overall Efficiency Strategy. No final conclusions have yet been reached in the review but it is felt that some efficiencies may be achievable.	It is anticipated that the impact on the part of the service where efficiencies are likely to be generated can be managed without a major affect on performance. However potential pressures in other areas of Community Safety most notably those previously funded via NRF mean that the overall risk to the service has been judged as 'Amber' at this stage.	20	20	The intended departmental review and subsequent restructuring did not deliver the original anticipated efficiency. Further work is required to identify how an alternative efficiency amount could be generated. However at this stage it is still assumed this can be achieved.
Housing Division	Reduce Staffing Budgets / Efficiency Review	A	The Housing Service is another area undergoing a departmental efficiency review in the current year. Scope for modifications to the staffing structure may also exist. No actions have been agreed at this stage but it is anticipated that some efficiencies would be achievable in 2008/09.	The main impact of this reduction would be that no budget flexibility would exist to address in-year changes or the unexpected small scale pressures which regularly arise in this increasingly high profile service. The Amber risk shown might however need to be upgraded to 'Red' should adequate funding not be agreed for Housing related pressures including the introduction of Choice Based Lettings and Selective Licensing, details of which are set out elsewhere in the budget process.	30	30	
General	Inflation freeze imposed on various budget headings	A	It is proposed to freeze inflation increases for a number of non contractual departmental budget headings.	The impact on service performance would be spread across a number of headings and is expected therefore to be manageable.	30	30	
Planning Policy and Regeneration	Reduce the Major Regeneration Projects Budget	A	It is proposed to reduce this budget by £10,000 in order to meet the 3% target.	Though this is a high priority project for HBC it is anticipated that a reduction at this modest level could be managed.	10	10	

<b>TOTAL OF 3% EFFICIENCIES</b>	<b>129</b>	<b>129</b>
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<b>TOTAL OF 3% EFFICIENCIES FOR ALL DEPARTMENTS</b>	<b>2051</b>	<b>1699</b>
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<b>CORPORATE 3% EFFICIENCIES TARGET</b>	<b>254</b>	<b>254</b>
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<b>TOTAL 2008/09 3% EFFICIENCIES TARGET</b>	<b>2305</b>	<b>1953</b>
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**SCHEDULE OF 2008/09 BUDGET PRESSURES TO BE  
TREATED AS CONTINGENCY ITEMS**

**6.2 Appendix D**

Budget Heading/Description	Risk - Red, Amber, Green	Gross Value of Budget Pressure in 2008/09	Value of Budget Pressure included in 2008/09 Contingency	Forecast Outturn for 2008/09	Variance	Comments
		£'000	£'000	£'000	£'000	
<b><u>Adult &amp; Community Services</u></b>						
Hartfields Extra Care Village	R	60	51	51	0	Hartfields now open one-off set up costs of £30k have already been incurred, remainder of contingency expected to be utilised.
Self Directed Support - Adult Social Care	R	100	60	60	0	Transitional costs have been incurred throughout the year although difficult to quantify. Community based social care budgets are under increasing pressure and are currently overspent.
Housing Hartlepool - Extra Care Developments @ Bamburgh Court/Bramley Court	A	50	30	30	0	Expected to be required.
Adult Education Service - Staffing		20	12	12	0	Costs will be contained within the £12,000 included in the 2008/09 contingency.
<b>Total for Adult &amp; Community Services</b>		<b>230</b>	<b>153</b>	<b>153</b>	<b>0</b>	

<b><u>Childrens Services</u></b>						
Children and Families - placements	R	250	250	856	606	Sustained increase in LAC numbers requiring external placements. This is £125,000 lower than reported at Q2, illustrating the volatility of this area of expenditure.
Performance and Achievement - School Improvement Partners	A	20	17	0	(17)	Demand has been relatively low for support for schools in difficulty. Expenditure on advisory consultants has been low as there has been greater support from in-house staff. Carried forward Standards Fund grants have also been utilised to offset consultancy costs.
<b>Total for Childrens Services</b>		<b>270</b>	<b>267</b>	<b>856</b>	<b>589</b>	

<b><u>Neighbourhood Services</u></b>						
Car Parking	R	131	105	105	0	
Waste Management	R	50	43	43	0	
Corporate Property	R	100	85	85	0	
Environment - Removal of Toxic Waste	R	15	13	13	0	
School Catering	A	35	21	21	0	
<b>Total for Neighbourhood Services</b>		<b>331</b>	<b>267</b>	<b>267</b>	<b>0</b>	

<b><u>Regeneration and Planning</u></b>						
Conservation Area Appraisal	R	20	12	12	0	
<b>Total for Regeneration and Planning</b>		<b>20</b>	<b>12</b>	<b>12</b>	<b>0</b>	

<b>Overall Total</b>		<b>851</b>	<b>699</b>	<b>1288</b>	<b>589</b>	
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**REVENUE FINANCIAL MANAGEMENT REPORT PERIOD ENDING 31ST DECEMBER 2008**

Line No	Actual Position 31/12/08			Description of Best Value Unit	Projected Outturn Position		
	Expected Expenditure/ (Income)	Actual Expenditure/ (Income)	Variance Adverse/ (Favourable)		2008/09 Latest Budget	2008/09 Projected Outturn	Projected Variance: Adverse/ (Favourable)
Col. A	Col. B	Col. C	Col. D (D=C-B)	Col. E	Col. F	Col. G	Col. H (H=G-F)
	£'000	£'000	£'000		£'000	£'000	£'000
1	9	9	0	Adult Education	12	12	0
2	2,515	2,346	(169)	Assessment and Care Management	3,617	3,494	(123)
3	889	771	(118)	Home Care	1,261	1,101	(160)
4	4,131	4,670	539	Learning Disability	4,929	5,741	812
5	919	1,031	112	Mental Health	1,291	1,451	160
6	6,400	6,717	317	Older People - Purchasing	8,477	8,845	368
7	1,338	1,643	305	Physical Disability	1,820	2,317	497
8	248	297	49	Sensory Loss and Occupational Therapy	331	361	30
9	62	59	(3)	Service Strategy & Regulation	257	266	9
10	1,580	1,479	(101)	Support Services	1,920	1,814	(106)
11	91	161	70	Supporting People	121	161	40
12	568	419	(149)	Consumer Services	872	786	(86)
13	262	358	96	Environmental Standards	540	625	85
14	19,012	19,960	948	TOTAL	25,448	26,974	1,526

**Note 1 - Use of Reserves**

The above figures include the 2008/2009 approved budget along with the planned use of Departmental Reserves created in previous years. The table below provides a breakdown of these reserves.

Best Value Group	Description of Reserve	Projected Outturn Position		
		2008/09 Latest Budget	2008/09 Projected Outturn	Projected Variance: Adverse/ (Favourable)
		Col. A	Col. B	Col. C (C=B-A)
		£'000	£'000	£'000
Environmental Standards	Pride in Hartlepool	35	35	0
Support Services	CONTROCC Implementation	74	74	0
Older People	LPSA Improving Pre-admission	44	44	0
Support Services	LPSA Carefirst Upgrade	56	56	0
		209	209	0

**REVENUE FINANCIAL MANAGEMENT REPORT PERIOD ENDING 31ST DECEMBER 2008**

Line No	Actual Position 31/12/08			Description of Best Value Unit	Projected Outturn Position		
	Expected Expenditure/ (Income)	Actual Expenditure/ (Income)	Variance Adverse/ (Favourable)		2008/09 Latest Budget	2008/09 Projected Outturn	Projected Variance: Adverse/ (Favourable)
Col. A	Col. B	Col. C	Col. D (D=C-B)	Col. E	Col. F	Col. G	Col. H (H=G-F)
	£'000	£'000	£'000		£'000	£'000	£'000
1	2,198	2,131	(67)	Access to Education	2,503	2,454	(49)
2	37	37	0	Central Support Services	964	964	0
3	6,993	7,417	424	Children, Young People and Families	9,602	10,287	685
4	(202)	(220)	(18)	Early Years	363	333	(30)
5	167	90	(77)	Information, Sharing & Assessment	163	86	(77)
6	247	268	21	Other School Related Expenditure	1,799	1,797	(2)
7	75	107	32	Play & Care of Children	100	133	33
8	1,006	954	(52)	Raising Educational Achievement	1,716	1,646	(70)
9	1,699	1,574	(125)	Special Educational Needs	2,873	2,704	(169)
10	1,891	1,785	(106)	Strategic Management	1,373	1,275	(98)
11	236	236	0	Youth Justice	344	344	0
12	850	826	(24)	Youth Service	1,075	1,036	(39)
13	0	0	0	Cont to Dedicated Schools Grant Reserve	0	289	289
14	15,197	15,205	8	TOTAL	22,875	23,348	473

**Note 1 - Use of Reserves**

The above figures include the 2008/2009 approved budget along with the planned use of Departmental Reserves created in previous years. The table below provides a breakdown of these reserves.

Best Value Group	Description of Reserve	Projected Outturn Position		
		2008/09 Latest Budget	2008/09 Projected Outturn	Projected Variance: Adverse/ (Favourable)
		Col. A	Col. B	Col. C (C=B-A)
		£'000	£'000	£'000
Access to Education	Building Schools for the Future	906	906	0
Children, Young People and Families	Teenage Pregnancy Prevention	19	19	0
Early Years	Early Years	47	47	0
Other School Related Expenditure	14-19 Agenda	54	54	0
Other School Related Expenditure	Connexions	20	20	0
Other School Related Expenditure	Dedicated Schools Grant - Brierton	22	22	0
Raising Educational Achievement	Parenting Support	5	5	0
Raising Educational Achievement	Playing for Success	33	20	(13)
Youth Service	Youth	9	9	0
		1,115	1,102	(13)

**REVENUE FINANCIAL MANAGEMENT REPORT PERIOD ENDING 31ST DECEMBER 2008**

Line No	Actual Position 31/12/08			Description of Best Value Unit	Projected Outturn Position		
	Expected Expenditure/ (Income)	Actual Expenditure/ (Income)	Variance Adverse/ (Favourable)		2008/09 Latest Budget	2008/09 Projected Outturn	Projected Variance: Adverse/ (Favourable)
Col. A	Col. B	Col. C	Col. D (D=C-B)	Col. E	Col. F	Col. G	Col. H (H=G-F)
	£'000	£'000	£'000		£'000	£'000	£'000
1	14	27	13	Allotments	59	59	0
2	4	2	(2)	Archaeology Service	38	38	0
3	707	715	8	Community Support	766	761	(5)
4	315	293	(22)	Countryside	405	400	(5)
5	127	129	2	Foreshore	152	152	0
6	1,364	1,327	(37)	Libraries	1,903	1,837	(66)
7	251	258	7	Maintenance	305	319	14
8	869	835	(34)	Museums & Heritage	834	813	(21)
9	115	109	(6)	Parks	554	554	0
10	701	667	(34)	Recharge Accounts	(11)	(51)	(40)
11	753	846	93	Sports & Physical Recreation	1,358	1,358	0
12	344	402	58	Strategic Arts	399	447	48
13	(129)	(131)	(2)	Tall Ships Event 2010	(2)	(2)	0
14	5,435	5,479	44	TOTAL	6,760	6,685	(75)

**Note 1 - Use of Reserves**

The above figures include the 2008/2009 approved budget along with the planned use of Departmental Reserves created in previous years. The table below provides a breakdown of these reserves.

Best Value Group	Description of Reserve	Projected Outturn Position		
		2008/09 Latest Budget	2008/09 Projected Outturn	Projected Variance: Adverse/ (Favourable)
		Col. A	Col. B	Col. C (C=B-A)
		£'000	£'000	£'000
Sports and Physical Recreation	Sports Awards	13	1	(12)
Community Support	Community Pool Grants	124	124	0
Countryside	Countryside	14	14	0
Libraries	Libraries - RFID Self-Issue	46	46	0
Libraries	LPSA - Social Inclusion - Home Library Survey	26	26	0
Strategic Arts	Maritime Festival	31	31	0
Sports and Physical Recreation	Football Development	1	1	0
Parks	Tree Management	6	6	0
Tall Ships Event 2010	Tall Ships Event - Office	140	140	0
Tall Ships Event 2010	Tall Ships Event - Management	5	5	0
Tall Ships Event 2010	Tall Ships Event - Marketing and Publicity	43	43	0
Tall Ships Event 2010	Tall Ships Event - Sponsorship / Corporate	82	82	0
	LPSA - Social Inclusion - Participation in Sports	33	20	(13)
		564	539	(25)

## REVENUE FINANCIAL MANAGEMENT REPORT PERIOD ENDING 31ST DECEMBER 2008

Line No	Actual Position 31/12/08			Description of Best Value Unit	Projected Outturn Position		
	Expected Expenditure/ (Income)	Actual Expenditure/ (Income)	Variance Adverse/ (Favourable)		2008/09 Latest Budget	2008/09 Projected Outturn	Projected Variance: Adverse/ (Favourable)
Col. A	Col. B	Col. C	Col. D (D=C-B)	Col. E	Col. F	Col. G	Col. H (H=G-F)
	£'000	£'000	£'000		£'000	£'000	£'000
1	1,148	1,117	(31)	Accountancy & Payments	1,142	1,085	(57)
2	(16)	(98)	(82)	Benefits	62	(38)	(100)
3	323	157	(166)	Internal Audit	331	311	(20)
4	905	855	(50)	Revenues	1,211	1,191	(20)
5	209	178	(31)	Fraud	185	180	(5)
6	352	371	19	R & B Central	(70)	(75)	(5)
7	420	525	105	Legal Services	552	629	77
8	(653)	(881)	(228)	Shopping Centre	(871)	(1,121)	(250)
9	76	76	0	Financial Management	103	103	0
10	56	59	3	Registration of Electors	85	85	0
11	81	90	9	Municipal and Parliamentary Elections	86	91	5
12	340	340	0	Central Administration	(1,351)	(1,351)	0
13	40	40	0	Single Status	0	0	0
14	0	0	0	Council Tax and Housing Benefit Payments	164	164	0
15	0	4	4	Finance Miscellaneous	0	0	0
16	0	0	0	Benefit Subsidy Income	0	(250)	(250)
17	0	0	0	Creation of Reserve - New HR / Payroll System	0	300	300
18	0	0	0	Creation of Reserve - Social Inclusion / Credit Union	0	100	100
19	0	0	0	Creation of Reserve - Shopping Centre Equalisation Reserve	0	200	200
20	3,281	2,833	(448)	TOTAL	1,629	1,604	(25)

**Note 1 - Use of Reserves**

The above figures include the 2008/2009 approved budget along with the planned use of Departmental Reserves created in previous years. The table below provides a breakdown of these reserves.

Best Value Group	Description of Reserve	Projected Outturn Position		
		2008/09 Latest Budget	2008/09 Projected Outturn	Projected Variance: Adverse/ (Favourable)
		Col. A	Col. B	Col. C (C=B-A)
		£'000	£'000	£'000
Accountancy & Payments	Agency staff	70	70	0
Internal Audit	Audit software and IT equipment	93	93	0
Legal Services	Honoraria and agency staff	9	9	0
Revenues	Hartlepool Financial Inclusion Partnership	30	30	0
Revenues	Business Improvement District Initiative	35	35	0
R & B Central	R & B Wireless Benefits	47	47	0
R & B Central	R & B Home Working	50	50	0
R & B Central	R & B Agency Staff	50	50	0
R & B Central	R & B IT Developments	16	16	0
R & B Central	R & B General	37	37	0
R & B Central	R & B Grant Flow Pilot	30	30	0
R & B Central	R & B Two Scanners	37	37	0
R & B Central	R & B Internal Bailiff Development	30	30	0
R & B Central	R & B Intercept Software	6	6	0
R & B Central	R & B Financial Inclusion Programme	50	50	0
				0
		590	590	0

**REVENUE FINANCIAL MANAGEMENT REPORT PERIOD ENDING 31ST DECEMBER 2008**

Line No	Actual Position 31/12/08			Description of Best Value Unit	Projected Outturn Position		
	Expected Expenditure/ (Income)	Actual Expenditure/ (Income)	Variance Adverse/ (Favourable)		2008/09 Latest Budget	2008/09 Projected Outturn	Projected Variance: Adverse/ (Favourable)
Col. A	Col. B	Col. C	Col. D (D=C-B)	Col. E	Col. F	Col. G	Col. H (H=G-F)
	£'000	£'000	£'000		£'000	£'000	£'000
1	1,666	1,917	251	Highways Services	2,983	3,096	113
2	182	190	8	Transport Services	262	274	12
3	1,047	1,047	0	Engineering Consultancy	1,050	1,050	0
4	376	378	2	Transportation Management Acct	389	389	0
5	265	350	85	Highways Management Account	330	330	0
6	13	13	0	Traffic Management	13	13	0
7	(588)	(335)	253	Car Parking	(784)	(625)	159
8	1,621	1,619	(2)	Traffic & Transportation	1,843	1,843	0
9	5,848	5,851	3	Environment	6,921	6,921	0
10	195	194	(1)	Environmental Action	260	260	0
11	130	129	(1)	Town Care Management	173	173	0
12	102	102	0	Minor Works	75	75	0
13	531	527	(4)	Housing Services	917	867	(50)
14	11,388	11,982	594	TOTAL	14,432	14,666	234

**Note 1 - Use of Reserves**

The above figures include the 2008/2009 approved budget along with the planned use of Departmental Reserves created in previous years. The table below provides a breakdown of these reserves.

Best Value Group	Description of Reserve	Projected Outturn Position		
		2008/09 Latest Budget	2008/09 Projected Outturn	Projected Variance: Adverse/ (Favourable)
		Col. A	Col. B	Col. C (C=B-A)
		£'000	£'000	£'000
Housing Services	LPSA Reward Grant Reserve	69	69	0
		69	69	0

## REVENUE FINANCIAL MANAGEMENT REPORT PERIOD ENDING 31ST DECEMBER 2008

Line No	Actual Position 31/12/08			Description of Best Value Unit	Projected Outturn Position		
	Expected Expenditure/ (Income)	Actual Expenditure/ (Income)	Variance Adverse/ (Favourable)		2008/09 Latest Budget	2008/09 Projected Outturn	Projected Variance: Adverse/ (Favourable)
Col. A	Col. B	Col. C	Col. D (D=C-B) £'000	Col. E	Col. F £'000	Col. G £'000	Col. H (H=G-F) £'000
1	570	573		3 Property Services & Procurement	256	259	3
2	3,228	3,228		0 Neighbourhood Services Internal Works	(463)	(263)	200
3	367	362	(5)	Client Services	398	398	0
4	62	62		0 Technical Services and Public Protection Admin	25	15	(10)
5	99	94	(5)	Public Relations	136	136	0
6	181	164	(17)	Democratic Services	245	235	(10)
7	535	531	(4)	Corporate Strategy & Public Consultation	684	674	(10)
8	400	382	(18)	Corporate Management and Running Expenses	473	463	(10)
9	62	60	(2)	Registration Services	92	92	0
10	139	109	(30)	Support to Members	185	185	0
11	(84)	9	93	Other Office Services	(91)	34	125
12	80	67	(13)	Printing	101	101	0
13	643	699	56	Human Resources	784	784	0
14	262	263	1	Training & Equality	328	328	0
15	375	347	(28)	Contact Centre	501	501	0
16	736	868	132	Administration Buildings Running Expenses	902	957	55
17	76	76	0	Central Council Expenses	86	86	0
18	40	45	5	Performance Management Miscellaneous	28	28	0
19	7,771	7,939	168	TOTAL	4,670	5,013	343

**Note 1 - Use of Reserves**

The above figures include the 2008/2009 approved budget along with the planned use of Departmental Reserves created in previous years. The table below provides a breakdown of these reserves.

Best Value Group	Description of Reserve	Projected Outturn Position		
		2008/09 Latest Budget	2008/09 Projected Outturn	Projected Variance: Adverse/ (Favourable)
		Col. A £'000	Col. B £'000	Col. C (C=B-A) £'000
Contact Centre	Contact Centre Staffing	5	5	0
Corporate Strategy & Public Consultation	Performance Management Development	9	9	0
Corporate Strategy & Public Consultation	Corporate Consultation	10	10	0
Corporate Strategy & Public Consultation	CCS Divisional Restructure	35	35	0
Corporate Strategy & Public Consultation	Divisional costs relating to Civic Centre refurb	20	20	0
Corporate Strategy & Public Consultation	ICT Implementation	56	56	0
Corporate Strategy & Public Consultation	Enhancing Council Profile	15	15	0
Corporate Strategy & Public Consultation	ICT Project 2011	75	75	0
Registration Services	Building maintenance	30	30	0
Printing	Print Unit Reserve	3	3	0
Human Resources	Corporate Workforce Development	30	30	0
Human Resources	Support to Members	25	25	0
Human Resources	Election Services	8	8	0
Human Resources	HR Service Improvement	12	12	0
Human Resources	Resouce Investment IT	2	2	0
Training & Equality	National Graduate Development Reserve	1	1	0
Neighbourhood Services Internal Works	Remedial Repairs Reserve	41	41	0
		377	377	0

**REVENUE FINANCIAL MANAGEMENT REPORT PERIOD ENDING 31ST DECEMBER 2008**

Line No	Actual Position 31/12/08			Description of Best Value Unit	Projected Outturn Position		
	Expected Expenditure/ (Income)	Actual Expenditure/ (Income)	Variance Adverse/ (Favourable)		2008/09 Latest Budget	2008/09 Projected Outturn	Projected Variance: Adverse/ (Favourable)
	Col. B	Col. C	Col. D (D=C-B)		Col. F	Col. G	Col. H (H=G-F)
	£'000	£'000	£'000		£'000	£'000	£'000
1	415	413	(2)	Administration	(17)	(17)	0
2	52	90	38	Building Control	137	187	50
3	54	67	13	CADCAM	51	51	0
4	997	981	(16)	Community Safety	1,050	1,050	0
5	178	180	2	Community Strategy	308	308	0
6	47	37	(10)	Development Control	178	178	0
7	77	86	9	Divisional Management	(1)	(1)	0
8	37	37	0	Drug Action Team	0	0	0
9	412	381	(31)	Economic Development	1,467	1,467	0
10	244	236	(8)	Landscape & Conservation	366	366	0
11	733	697	(36)	Planning Policy & Regeneration	927	927	0
12	(69)	(69)	0	Regeneration Staff Savings	(91)	(91)	0
13	277	263	(14)	Youth Offending Service	341	341	0
14	3,454	3,399	(55)	TOTAL	4,716	4,766	50

**Note 1 - Use of Reserves**

The above figures include the 2008/2009 approved budget along with the planned use of Departmental Reserves created in previous years. The table below provides a breakdown of these reserves.

Best Value Group	Description of Reserve	Projected Outturn Position		
		2008/09 Latest Budget	2008/09 Projected Outturn	Projected Variance: Adverse/ (Favourable)
		Col. A	Col. B	Col. C (C=B-A)
		£'000	£'000	£'000
Admin - Regeneration & Planning	Youth Offending Reserve	10	10	0
Admin - Regeneration & Planning	Regeneration Reserve - Specific	36	36	0
CADCAM	Economic Development Reserve	20	20	0
Community Safety	Anti Social Behaviour Unit	8	8	0
Community Safety (ASB)	Regeneration Reserve - Specific	20	20	0
Community Strategy	Regeneration Reserve - Specific	5	5	0
Development Control	Regeneration Reserve - Specific	27	27	0
Landscape & Conservation	Regeneration Reserve - Specific	8	2	(6)
Planning Policy & Regeneration	Local Plan Reserve	7	7	0
Planning Policy & Regeneration	Regeneration Reserve - Specific	20	3	(17)
Youth Offending Service	Youth Offending Reserve	105	35	(70)
		266	173	(93)



## REVENUE FINANCIAL MANAGEMENT REPORT PERIOD ENDING 31st DECEMBER 2008

Line No	Actual Position 31/12/08			Description of Best Value Unit	Projected Outturn Position		
	Expected Expenditure/ (Income)	Actual Expenditure/ (Income)	Variance Adverse/ (Favourable)		2008/09 Latest Budget	2008/09 Projected Outturn	Projected Variance: Adverse/ (Favourable)
Col. A	Col. B	Col. C	Col. D (D=C-B)	Col. E	Col. F	Col. G	Col. H (H=G-F)
	£'000	£'000	£'000		£'000	£'000	£'000
				<b>Adult &amp; Community Services</b>			
1	89	89	0	WNF - Mental Health Development Project	89	89	0
2	13	13	0	WNF - Mobile Maintenance Worker	21	21	0
3	40	40	0	WNF - PCT Occupational Care for Kids	40	40	0
4	43	43	0	WNF - Belle Vue Sports Project	43	43	0
5	40	40	0	WNF - Integrated Health & Social Care Team	40	40	0
6	20	20	0	WNF - Cardiac Rehabilitation through Exercise	27	27	0
7	31	31	0	WNF - Connected Care / Health Trainers	30	30	0
8	(5)	(5)	0	WNF - Reducing Childhood Obesity	95	95	0
9	0	0	0	WNF - Skills to Work	50	50	0
10	187	114	(73)	Adult Social Care Workforce	281	281	0
11	195	176	(19)	Adult Carers - split 80% Adult and 20% Children's	384	384	0
12	78	71	(7)	Learning and Disability Development Fund	105	105	0
13	99	102	3	Local Involvement Networks	99	99	0
14	44	8	(36)	Mental Capacity Act and Independent Mental Capital Advocate Service	52	52	0
15	252	284	32	Mental Health	336	336	0
16	131	131	0	Preserved Rights	314	314	0
17	109	109	0	Supporting People Administration	146	146	0
				<b>Childrens Services</b>			
18	37	40	3	WNF - Hartlepool On-Track Project	50	50	0
19	4	4	0	WNF - Project Co-ordination	5	5	0
20	37	37	0	WNF - Education Business Links	50	50	0
21	33	33	0	WNF - Boys Underachieving	40	40	0
22			0	WNF - Primary/Secondary Schools Direct Funding	400	400	0
23	(48)	(48)	0	Children 14-19 Flexible Funding Pot	31	31	0
24	52	52	0	Care Matters White Paper	69	69	0
25	79	79	0	Children's Carers	96	96	0
26	179	179	0	Child and Adolescent Mental Health Services	214	214	0
27	13	13	0	Child Death Review Processes	17	17	0
28	32	32	0	Children's Social Care Workforce (formerly HRDS and NTS)	42	42	0
29	307	313	6	Children's Fund	395	395	0
30	1	1	0	Children's Trust	1	1	0
31	20	13	(7)	Choice Advisers	25	25	0
32	832	788	(44)	Connexions	1,114	1,074	(40)
33	39	39	0	Education Health Partnerships	52	52	0
34	14	14	0	Extended Rights to Free Transport	18	18	0
35	199	199	0	Extended Schools Start Up Costs	265	265	0
36	240	205	(35)	Positive Activities for Young People	332	292	(40)
37	0	0	0	Preventing Violent Extremism	5	5	0
38	32	32	0	Secondary National Strategy - Behaviour and Attendance	68	68	0
39	44	44	0	Secondary National Strategy - Central Co-ordination	108	108	0
40	21	21	0	Primary National Strategy - Central Co-ordination	75	75	0
41	155	155	0	School Development Grant (Local Authority Element)	287	287	0
42	42	42	0	School Improvement Partners	42	42	0
43	2	2	0	School Intervention Grant	26	26	0
44	0	0	0	Sustainable Travel General Duty	7	7	0
45	73	56	(17)	Teenage Pregnancy	144	144	0
				<b>Neighbourhood Services</b>			
46	115	98	(17)	WNF - Community Safety Wardens	154	154	0
47	75	63	(12)	WNF - Environment Team	100	100	0
48	19	13	(6)	WNF - Environmental Education	23	23	0
49	2	0	(2)	WNF - NAP Meetings	2	2	0
50	96	96	0	Road Safety Grant	188	188	0
51	0	0	0	Rural Bus Subsidy	29	29	0
52	26	26	0	School Travel Advisers	35	35	0

## REVENUE FINANCIAL MANAGEMENT REPORT PERIOD ENDING 31st DECEMBER 2008

Line No	Actual Position 31/12/08			Description of Best Value Unit	Projected Outturn Position		
	Expected Expenditure/ (Income)	Actual Expenditure/ (Income)	Variance Adverse/ (Favourable)		2008/09 Latest Budget	2008/09 Projected Outturn	Projected Variance: Adverse/ (Favourable)
	Col. B	Col. C	Col. D (D=C-B)		Col. F	Col. G	Col. H (H=G-F)
Col. A	£'000	£'000	£'000	Col. E	£'000	£'000	£'000
				<b>Regeneration and Planning</b>			
53	43	43	0	WNF - Anti Social Behaviour Officer	70	70	0
54	24	24	0	WNF - Partnership Working with Communities	200	200	0
55	85	85	0	WNF - Prolific Offender	125	125	0
56	16	16	0	WNF - Project Assistant	24	24	0
57	65	65	0	WNF - COOL Project	65	65	0
58	149	149	0	WNF - Families Changing Communities	190	190	0
59	7	7	0	WNF - Landlord Accreditation Scheme	10	10	0
60	15	15	0	WNF - Young Firefighters	33	33	0
61	82	82	0	WNF - Management & Consultancy	142	142	0
62	32	32	0	WNF - Neighbourhood Renewal Officer	44	44	0
63	20	20	0	WNF - NAP Development	54	54	0
64	137	137	0	WNF - Community Empowerment Network	137	137	0
65	4	4	0	WNF - Administration of Lifelong Learning Partnership	4	4	0
66	81	81	0	WNF - Level 3 Progression	81	81	0
67	26	26	0	WNF - Active Skills - West View Project	26	26	0
68	3	3	0	WNF - Hartlepool Deaf Centre	3	3	0
69	36	36	0	WNF - Career Coaching HVDA	36	36	0
70	6	6	0	WNF - Dyke House/Stranton/Grange NAP	46	46	0
71	6	6	0	WNF - Central NAP(North Hartlepool)	7	7	0
72	25	25	0	WNF - W View/K Oswy NAP(North Hartlepool)	37	37	0
73	(4)	(4)	0	WNF - Jobsmart	35	35	0
74	77	77	0	WNF - Targetted Training	107	107	0
75	42	42	0	WNF - Womens Opportunities	72	72	0
76	22	22	0	WNF - JobsBuild	29	29	0
77	142	142	0	WNF - Intermediate Labour Market	204	204	0
78	2	2	0	WNF - Marketing Assistant	7	7	0
79	1	1	0	WNF - Employment Co-ordinator	3	3	0
80	7	7	0	WNF - Improving the Employment Offer	17	17	0
81	90	90	0	WNF - North Central Hartlepool-DeliveryTeam Staff Cost	120	120	0
82	151	151	0	WNF - Assisting Local People into Work	248	248	0
83	192	192	0	WNF - Incubator System	224	224	0
84	81	81	0	WNF - Volunteering into Employment	81	81	0
85	1	1	0	WNF - Skills & Knowledge	5	5	0
86	142	142	0	WNF - Community Employment Outreach	154	154	0
87	68	68	0	WNF - STEP(Homelessness Project)	91	91	0
88	34	34	0	WNF - Positive Choice for Carers	45	45	0
89	40	40	0	WNF - Owton Manor West NWRA	40	40	0
90	36	36	0	WNF - West View Project	36	36	0
91	90	90	0	WNF - Community Chest	90	90	0
92	46	46	0	WNF - WNF Local Employment Assistance - OFCA	46	46	0
93	39	39	0	WNF - WNF Youth into Employment Wharton Trust	39	39	0
94	16	16	0	WNF - WNF Introduction to Construction	16	16	0
95	39	39	0	WNF - WNF Adventure Traineeship	39	39	0
96	50	50	0	WNF - WNF Employment Support MIND	50	50	0
97	26	26	0	WNF - Family Case Load Workers	56	56	0
98	4	4	0	WNF - Burbank Neighbourhood Action Plan	16	16	0
99	5	5	0	WNF - Rift House / Burn Valley Neighbourhood Action Plan	21	21	0
100	18	18	0	WNF - Owton Neighbourhood Action Plan	27	27	0
101	2	2	0	WNF - Rossmere Neighbourhood Action Plan	7	7	0
102	0	0	0	WNF - Headland Neighbourhood Action Plan	3	3	0
103	0	0	0	WNF - Throston Neighbourhood Action Plan	19	19	0
104	0	0	0	WNF - North Neighbourhood Action Plan Meeting Costs	1	1	0
104	23	23	0	Cohesion	26	26	0
105	391	391	0	Stronger Safer Communities Fund (Neighbourhood Element)	460	460	0
106	81	80	(1)	Stronger Safer Communities Fund	126	126	0
107	108	108	0	Drugs Action Team	56	56	0
108	2	2	0	Young Peoples Substance Misuse	41	41	0
109	7,064	6,832	(232)	TOTAL	10,652	10,572	(80)

# CABINET REPORT

23 February 2009



**Report of:** Chief Executive

**Subject:** PRE BUDGET REPORT – DEVOLVING  
RESPONSIBILITIES TO CITY REGIONS

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## SUMMARY

### 1. PURPOSE OF REPORT

- 1.1 The report explains the Government's invitation to upper tier Local Authorities in England to submit a proposal to become a City Region Pilot as proposed in the Pre Budget Report which was published in November 2008.

### 2. SUMMARY OF CONTENTS

- 2.1 The report seeks permission for the Borough Council to sign up to a joint proposal with the four other Tees Valley authorities for Pilot status and details the powers, functions and funding that will be sought from Government and importantly what functions, powers and funding would be at the individual Borough Council level.
- 2.2 The key points in the report are:
- The proposal is seeking Pilot status that will enable, in the short term, the delivery of the fundamental requirements that cannot be delivered through the existing Tees Valley Multi Areas Agreement (long term funding commitment and a single capital programme).
  - It proposes, in the medium – longer term, the consideration of statutory arrangements at Tees Valley level to achieve the devolution of new legislation, powers and funding to the Tees Valley. It does not commit any of the Tees Valley authorities to the establishment of such arrangements at this stage.
  - The proposal is based on the principle that it is to achieve the devolution of functions, powers and funding down from central government to the Tees Valley level and not the passing up of functions, powers and funding from the Borough Councils.
  - Functions, powers and funding that would require new legislation and potentially statutory arrangements at the Tees Valley level might include:

- delegation of approval of projects for RDA and HCA funding,
- establishment of a Tees Valley Integrated Transport Authority,
- greater flexibility for RSLs to provide flexible tenures,
- ability to influence the Department for Work and Pensions (DWP) contracts, the Skills Funding Agency funding, the Young Peoples Learning Agency funding and the Business Link contract,
- designation of City Strategy status with the associated funding, and
- devolution of DWP funding and ability to commission activity within Tees Valley.

2.3 There is much work to be done to establish the detail of these options and to determine which, if any, the Tees Valley authorities would wish to pursue. However, to be granted City Region Pilot status it is essential that we demonstrate a willingness to pursue a dialogue on issues such as these.

2.4 The Government sent a letter on 22 December 2008 to all upper tier local authority chief executives inviting them to submit an Expression of Interest by 12 January 2009, become a City Region Pilot. The five Tees Valley Chief Executives, together with the Chair of Tees Valley Unlimited, submitted a letter confirming the interest of the Tees Valley. We are now required to submit a full proposal by 27 February 2009.

### **3. RELEVANCE TO CABINET**

This matter relates to issues of strategic importance to the authority and therefore Cabinet.

### **4. TYPE OF DECISION**

Non-Key

### **5. DECISION MAKING ROUTE**

Cabinet on 23 February 2009

### **6. DECISION(S) REQUIRED**

Cabinet is recommended to:

1. support the development and submission of a Tees Valley City Region Pilot bid, based on the attached table;
2. support the development of new statutory arrangements which will allow the devolution of additional functions, powers and funding to the City Regions
3. require that detailed proposals for the creation of statutory arrangements for new functions, powers and funding at City Region level be brought back to Cabinet.

**Report of:** Chief Executive

**Subject:** PRE BUDGET REPORT – DEVOLVING  
RESPONSIBILITIES TO CITY REGIONS

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## **1. PURPOSE OF REPORT**

- 1.1 This report explains the Government's invitation to upper tier Local Authorities in England to submit a proposal to become a City Region Pilot as proposed in the Pre Budget Report which was published in November 2008. It seeks permission for the Borough Council to sign up to a joint proposal with the four other Tees Valley authorities for Pilot status and details the powers, functions and funding that will be sought from Government and importantly what functions, powers and funding would be at the individual Borough Council level.

## **2. BACKGROUND**

- 2.1 The Pre Budget Report announced that:

*“Building on the Sub National Review, and Multi Area Agreements in particular, the Government will support city regions to fulfil this role (driving regional and national prosperity and responding to new challenges) by agreeing, on a voluntary and tailored basis, a set of devolutionary proposals with local authorities in city regions, to increase further their ability to drive economic growth and contribute to sustainable development.”*

*“The proposals will be underpinned by new statutory arrangements for sub regional cooperation between local authorities, supporting strong local capacity, governance and accountability at the city region level.”*

*“New arrangements will be developed with the local authority city region leadership, in order to suit particular needs. The Government envisages that the following components will be available:*

- *increased statutory responsibilities for strategic transport issues;*
- *integration of the DWP three levels of devolution model, as announced in the Welfare Reform Green Paper;*
- *a city region Employment and Skills Board, with strong employer representation and formal powers to influence provision in line with employer demand;*
- *a joint board between the city region and the Homes and Communities Agency to provide strategic direction of housing and regeneration spending, in line with the Agency's area based approach to working with local and regional partners;*

- *integrated city region planning within the context of the Single Regional Strategy; and*
- *joint investment planning with key partners. As part of this, Government would consider the merits of greater flexibility over capital funding to support the more effective programme management of projects.”*

2.2 The Government is proposing through the Pre-Budget Report (PBR), its Sub National Review Response (SNRR) and then the Local Democracy, Economic Development and Construction Bill (The Bill), the following:

- Economic Prosperity Boards (EPBs) – statutory sub regional authorities for economic development. Government expects that these will evolve out of existing sub regional partnerships such as MAAs. The establishment of such Boards requires the completion of legislation which is expected to be in place before 2010.
- Pilot arrangements for city regions in advance of the legislation for EPBs. These Pilots may evolve into EPBs once the legislation is in place.

2.3 Government sent a letter (Appendix A) on 22 December 2009 to all upper tier local authority Chief Executives in England inviting them to submit an Expression of Interest in becoming a PBR : City Region Pilot by 12 January 2009 and a full proposal by 27 February 2009. The five Tees Valley Chief Executives together with the Chair of Tees Valley Unlimited (TVU) submitted an Expression of Interest letter (attached). This briefly outlined Tees Valley's interest in developing a new agreement with Government that would include initially:

- a joint board between the city region, the Homes and Communities Agency and the Regional Development Agency (RDA - One NorthEast) to provide strategic direction of housing, economic development and regeneration spending; and
- joint investment planning with key partners, including greater flexibility over capital funding to support the more effective programme management of projects. TVU would initially wish to pursue a single capital programme with a long term funding commitment (on the 3+2 years principle) and in the medium term real delegation of funding (i.e. local approval of projects within the investment plan and the Government's Green Book limits).

2.4 Medium - longer term TVU would also wish to consider:

- a city region Employment and Skills Board, with strong employer representation and formal powers to influence provision in line with employer demand; and
- increased statutory responsibilities for strategic transport issues in accord with the recently published guidance on transport governance.

### 3. WHY DOES TEES VALLEY NEED TO BE A PILOT WHEN IT HAS A MULTI AREA AGREEMENT (MAA) ALREADY?

- 3.1 Government never envisaged that areas would ask for the type of devolved powers put forward in the Tees Valley MAA. Some of the Tees Valley proposals require fundamental changes to the way Government funds capital investment, particularly economic development and regeneration. Because the MAAs were not established under any legal framework, Government was unable to agree the Tees Valley long term funding commitment without being open to legal challenge from other areas.
- 3.2 In discussing the long term funding commitment with Government officials and Ministers in October, they raised the issue of a single capital programme and asked the Tees Valley Joint Strategy Unit to demonstrate why it would be beneficial. Government is very interested in developing such approaches, however in order to avoid legal challenges from other areas, they need to be developed within the legal framework of a “Pilot”.
- 3.3 Additionally, the Tees Valley MAA proposed that decision making on RDA funding, within an agreed investment programme, be delegated to the City Region. Unfortunately, at the time, Government decided not to put in place the legislation required to enable real decision making to be delegated to City Regions or local authorities. An amendment to the Bill to allow such delegation has been tabled in the House of Lords and is due to be considered shortly. The outcome of the consideration of this amendment will need to be reflected in our submission to Government.
- 3.4 Without the long term funding commitment the approval we have through the MAA on reprofiling our capital programme is essentially unworkable, and the lack of real delegation means that the delays currently experienced in achieving project approvals for RDA funds will continue. This means that the outcomes and targets that were detailed in the MAA cannot be achieved. Additionally, the potential for a single capital programme cannot be achieved through the MAA process.

### 4. WHAT EXACTLY IS ON OFFER?

- 4.1 The letter from Government states that Government is seeking to:
- in the **short term**, explore the powers and funding that might be given to sub-regional partnerships under existing legislation, and further powers and funding that might be given once stronger arrangements for sub-regional governance are in place, such as EPBs. EPBs will provide city-regions with an accountable decision-making body that could provide a platform for the process going forwards.
  - in the **medium term**, test in practical terms, in real time and within current and proposed legislation, the established theoretical case for significant devolution to strong city-regions;
  - understand the impact of devolution on the city-regions selected;

- allow the Government to explore whether there are any subsequent changes to national policy and/or further legislative measures that should be taken to support city-regions in their ambitions to really drive growth and prosperity; and
- in the **longer term**, examine whether to expand this approach to sub-regions, and whether there are any wider lessons for areas looking to improve economic outcomes in their area.

4.2 Within these objectives it is down to the City Region to propose what it is looking to achieve within the existing legislation, and under current governance arrangements, and to identify what it wishes to do that might require new legislation and / or the establishment of statutory arrangements.

## **5. WHAT COULD BE ON OFFER WITHIN THE EXISTING LEGISLATION?**

5.1 The long term funding commitment and the single capital programme, both of which would enable the City Region to improve the flow of funding, thereby enabling capital developments to be undertaken as efficiently and effectively as possible, should be possible under the existing legislation. There would also appear to be no reason why a single capital programme couldn't be delivered through existing legislation. The creation of the old Single Regeneration Budget brought together several funding streams.

5.2 At present Government needs some quick wins. Very few, if any, MAAs are delivering anything of substance. The Tees Valley MAA is unable to be effective because Government has not been able to agree some of the most fundamental elements. Pilot status would enable Tees Valley to make significant progress without the need for new legislation.

## **6. WHAT COULD ONLY BE DELIVERED UNDER STATUTORY ARRANGEMENTS?**

6.1 Whilst the Government considers that much can be achieved through the existing legislation, it is not clear whether or not this includes the ability for project approvals to be taken solely by the City Region. If this is not the case, new legislation will be required and Government would want the City Region to be accountable through new statutory arrangements. Alternatively, the consideration of the amendment to the Bill, currently tabled in the House of Lords, could mean that delegation would be possible. We will have to await the outcome of these considerations and reflect them in the submission to Government.

6.2 If the City Region wishes to have new powers at the City Region level linked to skills, transport or enterprise then these would only be devolved from Government if there were statutory arrangements in place that satisfied Government's need for accountability.



**7. ARE THERE ANY DISADVANTAGES IN THIS APPROACH?**

- 7.1 *Removal of local powers and decision making?* – The area of potential greatest concern is around the establishment of new statutory arrangements at the City Region level. However, the proposal is not based on taking powers away from the Borough Councils to the City Region level, unless this was to be seen advantageous by all five Borough Councils. The proposal is about the ability for Government to devolve powers from the centre down to the City Region. It is therefore down to the City Region to establish what powers it might want to ask of Government.
- 7.2 *Exclusion of the private sector?* - The Tees Valley authorities have been working together very effectively for a number of years and over the last year and a half have developed an effective partnership with the private sector through the development of Tees Valley Unlimited. If the Tees Valley authorities wish to pursue the development of statutory arrangements for the City Region the private sector may see that as a way of excluding them from the process. However, Government has already recognised the benefits of public / private partnerships and would wish to retain these partnerships where they are effective.

**8. WHAT IS THE BASIS OF THE TEES VALLEY PROPOSAL?**

- 8.1 The attached table (Appendix B) details the Tees Valley proposal in relation to the functions to be held at City Region level (new or existing), powers / funding to be held at City Region level under existing legislation, powers and funding that would require new legislation and functions, powers and funding that would be at the five individual Borough Councils level.
- 8.2 The proposal would be seeking Pilot status which would enable, in the short term, the delivery of the fundamental requirements that cannot be delivered through the existing Tees Valley Multi Areas Agreement (long term funding commitment and a single capital programme).
- 8.3 It proposes, in the medium – longer term, the consideration of the means by which the Tees Valley governance arrangements can be placed on the statutory footing necessary for the devolution of further powers and funding. It does not commit any of the Tees Valley authorities to the establishment of such arrangements at this stage. The proposal is based on the principle that it is to achieve the devolution of functions, powers and funding down from central government to the Tees Valley level and not the passing up of functions, powers and funding from the Borough Councils.
- 8.4 Functions, powers and funding that would require new legislation and potentially statutory arrangements at the Tees Valley level might include:
- delegation of approval of projects for RDA and HCA funding,
  - establishment of a Tees Valley Integrated Transport Authority,
  - greater flexibility for RSLs to provide flexible tenures,

- ability to influence the Department for Work and Pensions (DWP) contracts, the Skills Funding Agency funding, the Young Peoples Learning Agency funding and the Business Link contract,
- designation of City Strategy status with the associated funding, and
- devolution of DWP funding and ability to commission activity within Tees Valley.

8.5 There is much work to be done to establish the detail of these options and to determine which, if any, the Tees Valley authorities would wish to pursue. However, to be granted City Region Pilot status it is essential that we show willing to pursue a dialogue on these issues.

## **9. WHAT ARE THE CHANCES OF BECOMING A PILOT?**

9.1 Government has indicated that it will announce at least two City Region Pilots in the Budget in March 2009. Whilst, Tees Valley has been referred to in the press and by others as a frontrunner for the Pilot there are no guarantees of success. There are several other areas very interested in becoming a Pilot, including Manchester, Leeds, Birmingham, and the Black Country. With six other MAA signed in July with the Tees Valley MAA and three more signed on 12 January 2009 there will be serious competition.

## **10. ADDITIONAL BENEFITS THAT COULD BE ACHIEVED?**

10.1 Part of Government's response to the current economic conditions was the introduction of the Homebuy scheme. To fund this scheme Government has raided the RDAs' budgets. In the North East this has led to a £30m reduction in the RDAs budgets over the next 2 years. Therefore, at a time when regeneration activity is even more critical, the RDA will not have the necessary funds to support it.

10.2 The Tees Valley MAA had included a planning figure of £20m per annum from the RDA. However, after the budget raid, they are unlikely to be able to provide this level of funding. If Tees Valley was chosen to be a Pilot, the development of a single capital programme could be negotiated at national level and thus could potentially secure additional funds for the region.

## **11. CONCLUSION**

11.1 Unfortunately, the Government was not able to progress all we asked for through the MAA process. However, this process has opened up detailed discussions with Government and raised their interest in making fundamental changes to the way in which it funds capital developments. The Pilot offers the opportunity to make the capital funds work in an effective and efficient way that will enable greater impacts to be achieved. Work is currently being undertaken to detail and quantify these benefits. What is clear is that the MAA as agreed will not deliver significant benefits.

## **12. RECOMMENDATIONS**

### **12.1 Cabinet is recommended to:**

1. support the development and submission of a Tees Valley City Region Pilot bid, based on the attached table;
2. support the development of new statutory arrangements which will allow the devolution of additional functions, powers and funding to the City Regions
3. require that detailed proposals for the creation of statutory arrangements for new functions, powers and funding at City Region level be brought back to Cabinet.



please reply to: ☐

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Helen Bailey  
Director for Public Services, HM Treasury

Reference : LE / HL / CEs

Chris Womald  
Director General, Local Government and  
Regeneration, CLG

Date: January 2009

Phillippa Lloyd  
Director, Regions, BERR

Direct Line: 01642 264908

Dear Helen, Chris and Phillippa

## **PRE-BUDGET REPORT : CITY REGIONS**

We are writing in response to your letter of 22 December 2008 to the Tees Valley local authority Chief Executives. We write as the five local authority Chief Executives on Tees Valley Unlimited and the Chair of Tees Valley Unlimited. Tees Valley Unlimited (TVU) is the public / private partnership in Tees Valley tasked with the development and delivery of the Tees Valley City Region Business Case and Multi Area Agreement. TVU is currently overseen by a Leadership Board which is Chaired by Hugh Lang, Group Director, Peel Holdings and has five other private sector members together with the five Tees Valley local authority Leaders and Mayors. The full governance arrangements for TVU are detailed in the attached Annex.

Having signed the Tees Valley Multi Area Agreement with Government in July 2008 we were encouraged to see Government's commitment to city regions being reconfirmed in the Pre-Budget Report. In particular, we welcome the opportunity to put forward a proposal to enable Government to extend a comprehensive range of powers and freedoms to Tees Valley which will deliver real improvements in economic growth and resilience, jobs, skills, housing and transport.

You will recall that our MAA submission did include investment planning with the RDA, long term funding, and certainty delegation of RDA funding. We are

....2/continued

progressing our investment planning with One NorthEast and are in the process of agreeing our investment plan for the next two years. We are also in discussions with the HCA on their investment within Tees Valley and we would be keen to move to a joint Tees Valley, HCA and One NorthEast joint investment planning approach under one single conversation, potentially facilitated by Government Office North East.

We were obviously very disappointed that Government could not agree to the long term funding commitment through our MAA but are pleased that this can now be considered through the pre budget report proposals. I'm sure you'll agree that it is even more critical in the current economic climate that public sector investment is made to count efficiently and effectively to create the conditions for renewed growth. You'll also be aware following our meeting with John Healey and officials in October 2008 that we see a single capital programme as the next logical progression to improving the flow of funding to enable capital developments to be undertaken as efficiently and effectively as possible.

We were also very disappointed that the Government's response to the Sub National Review consultation has not led to the opportunity for real delegation of decision making from RDAs to local authorities and city regions. We still believe that this is critical to the speed of delivery of economic development and regeneration activity and in the private sector's confidence in the public sector's ability to be responsive and deliver activity without significant delays through lengthy processes and procedures.

In relation to the activities detailed in the Pre Budget Report, TVU would wish to develop a new agreement with Government that would include initially:

- a joint board between the city region, the Homes and Communities Agency and the Regional Development Agency (One NorthEast) to provide strategic direction of housing and regeneration spending; and
- joint investment planning with key partners, including greater flexibility over capital funding to support the more effective programme management of projects. TVU would initially wish to pursue a single capital programme with a long term funding commitment (on the 3+2 years principle) and in the medium term real delegation of funding (i.e. local approval of projects within the investment plan within the Green Book limits).

Medium - longer term TVU would also wish to consider:

- a city region Employment and Skills Board, with strong employer representation and formal powers to influence provision in line with employer demand; and

.../3continued

- increased statutory responsibilities for strategic transport issues.

We would be keen to retain the well developed public / private partnership that we have built in Tees Valley but recognise that the Government requires the establishment of statutory bodies to provide the accountability required to deliver the increased freedoms and powers that are under consideration. TVU would therefore work towards providing a statutory basis for Tees Valley Unlimited incorporating the objectives and the private sector engagement that is so positive in the current model.

We have been working successfully as a joint public, private sector partnership within Tees Valley and with the regional bodies. Our expression of interest has support within Tees Valley but also from the key regional funding bodies.

We will submit our detailed proposal to Government by the deadline of 27 February 2009 as detailed in your letter.

Yours sincerely

Hugh Lang  
Chair, TVU

Neil Schneider  
Chief Executive  
Stockton on Tees Borough Council

Ada Burns  
Chief Executive  
Darlington Borough Council

Jan Richmond  
Chief Executive  
Middlesbrough Borough Council

Paul Walker  
Chief Executive  
Hartlepool Borough Council

Amanda Skelton  
Chief Executive  
Redcar & Cleveland Borough Council

## 6.3 Appendix B

### FUNCTIONS, POWERS AND FUNDING AT THE CITY REGION LEVEL

Functions to be held at City Region level / new or existing	Powers / Funding to be held at City Region level under existing legislation	Powers and Funding that would require new legislation	Functions, powers and funding at the five individual Borough Councils level
Activity identified in green = existing arrangement, in red = new functions	Activity identified in green = short – medium term, in red = medium – longer term		Activity identified in green = existing arrangement, in red = new functions
<b><i>Integrated Functions</i></b>			
Development of Vision for Tees Valley (incorporating economic development, regeneration, transport, employment and skills and enterprise)			
Preparation of City Region Economic Assessment under the new duty- however already prepare a state of the Tees Valley report and the economic analysis and evidence which underpins all city regional strategies			Development of Borough level profiles which are developed in conjunction with the City Region Economic Assessment
Input to development of Regional Integrated Strategy – however, already provide input to RSS and RES			
Capital investment planning incorporating transport, housing, economic development and regeneration	Single capital programme (incorporating transport – Bus Network Improvements, LTP funding, Metro funding if approved, housing – HRM, Growth Point, and CIF, economic development and regeneration funding – ONE and HCA)		See transport, housing economic development and regeneration sections below

## 6.3 Appendix B

Functions to be held at City Region level / new or existing	Powers / Funding to be held at City Region level under existing legislation	Powers and Funding that would require new legislation	Functions, powers and funding at the five individual Borough Councils level
	Long term funding commitment (3+2 principle) with year end flexibility		
	Delegation of project approvals from HCA and ONE		
	Ability to share savings locally achieved through the MAA and the PBR pilot		
Programme management of single capital programme –currently manage housing funds and previously programme managed ONE funds			Project management of individual schemes
<b>Housing</b>			
Development of Vision and Strategy (already sits with TVU)	Housing Market Recovery Programme (currently being discussed with HCA)	Greater flexibility for RSLs to provide flexible tenure	Implementation of HMR and Housing Growth Point activity
Strategic Housing Market Assessment			
Potential to jointly procure activity e.g. demolition programme			



## 6.3 Appendix B

Functions to be held at City Region level / new or existing	Powers / Funding to be held at City Region level under existing legislation	Powers and Funding that would require new legislation	Functions, powers and funding at the five individual Borough Councils level
<b>Transport</b>			
Local Transport Plans:	<p>Preparation of a single 10 year Transport Strategy for Tees Valley</p> <p><b>If an ITA was to be created :</b></p> <p>ITA receives all prioritised RFA major scheme funding and distributes to Boroughs and other delivery bodies (agreed formula on strategic/local)</p> <p>Mechanisms for re-distribution/daw-back into strategic budgets managed centrally by ITA</p> <p>ITA may secure additional funding streams (delegated RDA funds, fares, Community Infrastructure Levy, BIDs) subject to relevant legislation and agreement of partners</p> <p>Voluntary agreement to align funding across key partners and stakeholders to deliver City Region Transport Strategy, including national agencies, LTP funding, RDA and RFA priorities</p>	<p><b>Consideration of the creation of an Integrated Transport Authority for Tees Valley</b></p>	<p>Preparation of individual 3 year Action Plans in line with individual Local Area Agreements</p> <p><b>If an ITA was to be created :</b></p> <p>Duty to provide information and co-operate with ITA on agreed strategic policies</p> <p>Consultation/contribution to LTP preparation by ITA</p> <p>Shared delivery of strategic transport functions (mechanisms to be developed alongside or within ITA)</p> <p>Plan and deliver transport measures aligned with Local Area Agreements and other key local priorities</p> <p>Districts agree ITA levy on multi-year basis linked to LTP and associated strategies</p> <p>Proportion of LTP capital funding passed directly to Boroughs for LAA/local priorities (formula/mechanism to be agreed)</p>

## 6.3 Appendix B

Functions to be held at City Region level / new or existing	Powers / Funding to be held at City Region level under existing legislation	Powers and Funding that would require new legislation	Functions, powers and funding at the five individual Borough Councils level
<p>Bus:</p> <p>Planning, co-ordination and promotion of public transport, including development of Statutory Quality Partnerships</p> <p>Negotiation of concessionary bus fares with operators</p> <p>Planning, funding, co-ordination, commissioning, and possible direction of strategic improvements through LTP</p> <p>Direct planning, procurement and delivery of major bus schemes</p>			<p>Planning, co-ordination and promotion of public transport, including development of Statutory Quality Partnerships</p> <p>Negotiation of concessionary bus fares with operators</p> <p>Strong local input for delivery of local services</p> <p>Delivery of on-street infrastructure and operational measures/outcomes in LTP</p> <p>Planning, procurement and delivery of local improvements</p>
<p>Rail:</p> <p>Lead on rail strategy for Tees Valley (including progression of wider City Region priorities)</p> <p><b>If an ITA were to be created :</b></p> <p>ITA co-signature on key passenger rail franchises</p> <p>Promotion and passenger information for rail</p> <p>Planning, funding, commissioning of interchange improvements through</p>			<p><b>If an ITA were to be created :</b></p> <p>Identification of local interchange and service issues to ITA</p>

## 6.3 Appendix B

<p>LTP/RFA</p> <p>ITA leads on rail on behalf of City Region, including strengthened partnership with Network Rail and Train Operators</p> <p>Alignment of programmes and budgets with Network Rail within framework of Transport Strategy and MAA</p>			
<p>Highways:</p> <p>Planning and delivery of Major Schemes with strategic impact or crossing Borough boundaries</p> <p>Strategic highway and traffic priorities set within LTP over a defined network agreed with Local Authorities</p> <p><b>If an ITA was to be created :</b></p> <p>Development of non-statutory advice or memoranda of understanding with the Highways Agency</p> <p>Strengthened partnership arrangements and alignment of programmes and budgets with Highways Agency within framework of Transport Strategy and MAA</p>			<p>Highway, traffic and street powers</p> <p>Strategic highway and traffic priorities set within LTP over a defined network agreed with Local Authorities</p> <p><b>If an ITA was to be created :</b></p> <p>Duty to co-operate with ITA on key policies for Strategic Road Network</p> <p>Delivery of on-street infrastructure and operational measures/outcomes in LTP</p> <p>Planning, procurement and delivery of local improvements</p>
<b>Economic Development and Regeneration</b>			
Development and implementation of strategic economic development and regeneration projects			Development and implementation of local schemes

## 6.3 Appendix B

Functions to be held at City Region level / new or existing	Powers / Funding to be held at City Region level under existing legislation	Powers and Funding that would require new legislation	Functions, powers and funding at the five individual Borough Councils level
<b>Planning</b>			
Joint Climate Change Strategy			Development of local Climate Change Plans and targets within LAAs
Joint Waste Management Strategy			Development of local Waste Action Plans and targets within LAAs
		TVU as a statutory body to become a statutory consultee on LDFs	Development of Local Development Frameworks
		TVU as a statutory body to become a statutory consultee on all strategic planning applications	Determining of all Planning Applications
<b>Employment and Skills</b>			
Employment and Skills Board – refining structures and membership			
Development of an Employability Framework for Tees Valley		Ability to influence the DWP contracts	
Development of city region employability investment plan	Economic inclusion funding from ONE	Designation of City Strategy status with associated funding DWP funding with ability to commission activity within the City Region.	Delivery of schemes to address gaps in provision utilising local funding through the LAAs.
Development of a Higher Levels Skills Strategy for Tees Valley			
14 – 19 agenda (proposals currently under development) – staff at City Region level working on behalf of the five Boroughs on: employer engagement, identification of demand, feeding upwards to regional planning group and downwards to 14-19 partnerships at Borough level,		Ability to influence the Skills Funding Agency funding and the Young Peoples Learning Agency	14 – 19 agenda – dialogue with HE providers in their area on behalf of the 5 Boroughs  Funding may be at Borough level – to be finalised nationally

## 6.3 Appendix B

overview of commissioning activity, commissioning of activity may sit at sub regional level or Borough level			
<b>Enterprise</b>			
Development of an Enterprise Strategy for Tees Valley		Ability to influence the Business Link contract with regard to provision of business support within Tees Valley	Development and delivery of pre start enterprise schemes and delivery of activity under the Business Link brand as commissioned by Business and Enterprise North East or ONE.
Inward investment, marketing and strategic account management			Indigenous SME engagement
<b>Scrutiny</b>			
Joint scrutiny committee(s) for Tees Valley Unlimited functions detailed above			<p>Boroughs to appoint members to the joint scrutiny committee(s)</p> <p>All scrutiny for Borough level activities detailed below</p>

# **CABINET REPORT**

**23<sup>rd</sup> February 2009**



**Report of:** Director of Children's Services

**Subject:** ANNUAL PERFORMANCE ASSESSMENT OF  
SERVICES FOR CHILDREN AND YOUNG PEOPLE  
IN HARTLEPOOL 2008

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## **SUMMARY**

### **1. PURPOSE OF REPORT**

To present the annual performance assessment rating for services for children and young people in Hartlepool provided by the Ofsted Inspectorate.

### **2. SUMMARY OF CONTENTS**

The report outlines the results of the 2008 Annual Performance Assessment and gives details of the grades achieved, areas of strength and areas for development.

### **3. RELEVANCE TO CABINET**

The annual performance assessment rating for services for children and young people in Hartlepool provided by the Ofsted Inspectorate has implications for all children and young people in Hartlepool and as such requires the attention of Cabinet.

### **4. TYPE OF DECISION**

Non key decision.

### **5. DECISION MAKING ROUTE**

Cabinet on 23<sup>rd</sup> February 2009.

### **6. DECISION(S) REQUIRED**

To note the annual performance assessment for Children's Services for 2008.

**Report of:** Director of Children's Services

**Subject:** ANNUAL PERFORMANCE ASSESSMENT OF  
SERVICES FOR CHILDREN AND YOUNG PEOPLE  
IN HARTLEPOOL 2008

---

## 1. PURPOSE OF REPORT

To present the annual performance assessment rating for services for children and young people in Hartlepool provided by the Ofsted Inspectorate.

## 2. BACKGROUND

The annual performance assessment is based on a range of evaluations and judgments which draw on existing information and data for the period 1<sup>st</sup> April 2007 – 31<sup>st</sup> March 2008. This includes the outcomes of individual inspections e.g. of the fostering service and individual inspections of schools. The Children's Services Department in conjunction with relevant partners completed a detailed self assessment, a required part of the process, which was submitted to the Inspectorate at the end of June 2008. The final letter from the inspectors giving their judgments was released in late December 2008.

A range of qualitative and quantitative data is used by Ofsted to produce judgments on performance for the past year and areas to improve, linked to the five outcomes for children and young people (being healthy, staying safe, enjoying and achieving, making a positive contribution, achieving economic well being). There is an overall grading and a grading for capacity to improve.

## 3. RESULTS FOR 2008

3.1 The following table sets out the grades awarded for performance in 2008.

Assessment judgement area	APA grade
Overall effectiveness of children's services	3
Being Healthy	2
Staying safe	3
Enjoying and achieving	3
Making a positive contribution	4
Achieving economic well being	3
Capacity to improve, including the management of services for children and young people	3

*Inspectors make judgments based on the following scale;  
4 outstanding/excellent, 3 good, 2 adequate, 1 inadequate*

- 3.2 The overall effectiveness of Children's Services in Hartlepool has been graded as good. This maintains the grading received in 2007. Ratings of good were also achieved in relation to staying safe, enjoying and achieving, achieving economic well being and capacity to improve (including the management of services for children and young people). These all maintained their 2007 grading.
- 3.3 The outcome making a positive contribution has improved this year and was awarded an outstanding grade, having been good in 2007.
- 3.4 The grade for being healthy was graded as adequate which represents a decrease from the previous year's grading of good. Whilst areas of strength were identified in this outcome area, the particular difficulty in sustaining progress in reducing teenage conceptions and the low rates of breastfeeding across the town were key issues where the lack of progress led to a reduction in the grade.

#### 4. MAJOR STRENGTHS AND IMPORTANT WEAKNESSES AND AREAS FOR DEVELOPMENT

- 4.1 A summary of the major strengths and important weaknesses and areas for development is given below:

Major Strengths	Important weaknesses and areas for development
<b>Being Healthy</b>	
<ul style="list-style-type: none"> <li>Almost all schools are now participating in the Healthy Schools Standard and two thirds have achieved the expected standards.</li> <li>Some partnerships work very well together, particularly between the council and the Primary Care Trust, which has resulted in many multi-agency initiatives to improve the health of young people.</li> <li>The council provides good support for those under the age of 18 who are involved in substance misuse.</li> </ul>	<ul style="list-style-type: none"> <li>There has been a lack of sustained progress in reducing teenage conceptions. The 2006 figures show a 14.7% reduction in the number of conceptions amongst 15-17 year olds from the base year of 1998, but this result is only in line with the 2004 figure and there has not been a sustained improvement over the last 8 years.</li> <li>The proportion of mothers initiating breastfeeding is 35.7% compared to a benchmark group average of 68.3% and an England average of 69.9%. The rate has actually fallen for each cohort since 2003/04.</li> </ul>
<b>Staying Safe</b>	
<ul style="list-style-type: none"> <li>A fall in the number of referrals to social care services and a rise in the proportion of referrals leading to initial assessments so that these figures are now close to those for similar councils; this is linked to the re-issue of agreed thresholds and the rollout of the common assessment framework.</li> </ul>	<ul style="list-style-type: none"> <li>Despite being raised as a weakness in the last APA, the number of looked after children per 10000 population under 18 has risen in the last year from 63.1 to 73.2, well above the rate for similar councils at 61.7.</li> <li>The percentage of referrals to social care services that are repeat referrals within 12</li> </ul>



<ul style="list-style-type: none"> <li>• Good performance on completing initial assessments, core assessments and undertaking child protection conference reviews in a timely way.</li> <li>• Good performance on the rate of looked after children in family placements, placed for adoption, adopted during the last year and for services for care leavers.</li> </ul>	<p>months rose from 8.9% in 2006/7 to 29.6% in 2007/08 and is now just above that for similar councils.</p>
<b>Enjoy and Achieve</b>	
<ul style="list-style-type: none"> <li>• Attainment and progress at Key Stages 2 and 4 are good and improving faster than the national trend. Attainment at Key Stage 2 is above national and well above similar councils with a sustained trend of improvement. The percentage of learners who gain 5 A*-C grades at GCSE has continued to improve and is above the national average.</li> <li>• Attainment in Key Stage 3 English and mathematics, which was a priority in the last APA, has improved significantly and is well above that of similar council areas and is close to the national average.</li> <li>• There are no permanent exclusions in primary or secondary schools and fewer fixed-term exclusions. This compares very well with national figures, and is well below similar councils.</li> </ul>	<ul style="list-style-type: none"> <li>• Early years children are making less progress than the national average in their communication, development of language and literacy skills and in personal, social and emotional development.</li> <li>• At secondary level, the percentage of learners gaining 5 A*-C grades including English and mathematics is below the national average.</li> <li>• Learners' performance in science at Key Stage 3 is lower than in similar councils.</li> </ul>
<b>Making a positive contribution</b>	
<ul style="list-style-type: none"> <li>• Excellent work to involve young people in the Children's Services Scrutiny Panel has been short-listed for a national award with evidence of impact.</li> <li>• There has been a 13% decrease in numbers of first time entrants to the criminal justice system. A total of 259 young people entered this year compared to 298 last year. This good progress is due to effective work between the police service and schools.</li> <li>• The overall re-offending rate has reduced year on year from the 2002 cohort at 39.6% to the current 2005 cohort at 28.8%. This is a 27.3% reduction over the period, much better than similar councils and the national average.</li> </ul>	
<b>Achieving economic well being</b>	
<ul style="list-style-type: none"> <li>• Good progress on the development of Diplomas with good partnership working across all providers. Plans are clear and comprehensive, based around a detailed</li> </ul>	<ul style="list-style-type: none"> <li>• There has been no change in the proportion of 16-18 year olds whose involvement in employment, education or training is 'not known'.</li> </ul>

<p>audit of need.</p> <ul style="list-style-type: none"> <li>• A comprehensive 14-19 strategy is supporting the ability of an increasing number of young people to achieve Level 2 and Level 3 by 19: the percentage of those who do has continued to improve and is well about similar councils.</li> <li>• Participation rates of 17 year olds in employment, education or training have increased and are now above national levels; and the proportion who are not engaged in employment, education or training has decreased and are lower than that for similar councils.</li> </ul>	
<p><b>Capacity to improve including the management of children's services</b></p>	
<ul style="list-style-type: none"> <li>• The council and its partners provide effective leadership with good corporate parenting.</li> <li>• The council continues to provide excellent partnership working and commissioning arrangements leading to improved outcomes for children and young people. For example, the voluntary and community sector maintain a common strategy across the council to engage and involve young people.</li> <li>• There is a clear track record of sustained improvements for young people especially in enjoying and achieving, being enabled to achieve economic well being and making a positive contribution.</li> </ul>	<ul style="list-style-type: none"> <li>• There has been slow progress in improving some health outcomes.</li> </ul>

## 5. FUTURE PLANNING

- 5.1 Important areas for development are already incorporated in the draft of the new Children and Young People's Plan ensuring that all relevant partners are engaged in delivering sustained improvements in outcomes for children and young people across the town. Additionally, areas for development will be incorporated within the departmental planning process for 2009/10 which is currently underway.
- 5.2 In relation to health indicators, vigorous action is being undertaken in partnership with colleagues in the PCT. A major event involving stakeholders from across Hartlepool has already taken place to identify actions to address high levels of teenage pregnancy in addition to initiatives already underway. A bid has been submitted to the PCT for non recurrent funding to increase services to support breastfeeding.

**6. RECOMMENDATIONS**

- 6.1 That the annual performance assessment for Children's Services for 2008 be noted.

**7. CONTACT OFFICER**

Sue Johnson, Assistant Director, Planning & Service Integration, Children's Services, telephone 523738, email [sue.johnson@hartlepool.gov.uk](mailto:sue.johnson@hartlepool.gov.uk)

**CABINET**  
Report to Cabinet  
23<sup>rd</sup> February 2009



**Report of:** Assistant Chief Executive

**Subject:** QUARTERLY REVIEW OF STRATEGIC RISK REGISTER

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## **SUMMARY**

### **1.0 PURPOSE OF REPORT**

- 1.1. To inform the Cabinet of the current position with regard to the Council's Strategic Risk Register.

### **2.0 SUMMARY OF CONTENTS**

- 2.1 The report describes amendments to existing strategic risks and any additional strategic risks following a review by Corporate Risk Management Group (CRMG) and Corporate Management Team (CMT). The review primarily involves examining risk ratings in terms of impact and likelihood and effectiveness of control measures in place to mitigate the risk in conjunction with the identification of any new risks for inclusion.

### **3.0 RELEVANCE TO CABINET**

- 3.1 The Executive has responsibility for risk management issues.

### **4.0 TYPE OF DECISION**

- 4.1 Non- key.

### **5.0 DECISION MAKING ROUTE**

- 5.1 Cabinet meeting 23<sup>rd</sup> February 2009.

### **6.0 DECISION (S) REQUIRED**

- 6.1 To note the review and amendments to the Council's strategic risk register and actions being taken.

**Report of:** Assistant Chief Executive

**Subject:** QUARTERLY REVIEW OF STRATEGIC RISK REGISTER

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## **1. PURPOSE OF REPORT**

- 1.1 To review the Council's Strategic Risk Register.

## **2. BACKGROUND**

- 2.1 The Risk Management Strategy identifies specific accountabilities and responsibilities for the management of risk at Hartlepool Borough Council. In line with these, at its meeting on 15<sup>th</sup> January 2009, the Council's Corporate Risk Management Group (CRMG) considered the update of the Strategic Risk Register.
- 2.2 The review has been considered by the Corporate Management Team and the changes are now to be reported to the Cabinet.

## **3. REVIEW OF STRATEGIC RISK REGISTER SEPTEMBER 2008**

- 3.1 A comprehensive review of the Strategic Risk Register took place in the summer of 2008. This fundamental review saw the Strategic Risk Register reduce from 42 risks to 34 risks, with 30 being retained from the original register, 12 moving onto Departmental Risk registers or being deleted and 4 new risks being added. This review was presented and approved at Cabinet on 21<sup>st</sup> July 2008. At the end of quarter three for 2008/09 a review of the Strategic Risk Register was completed and the updated Strategic Risk Register is attached as Appendix 1.
- 3.2 The table below summarises the current rating of strategic risks without and with control measures. A description of the risk ratings is provided at Appendix 2.

<b>Strategic Risk Ratings without control measure implementation / with control measures implemented</b>	<b>Dec 2008 (Q3)</b>
Red / Red	4
Red / Amber	13
Red/Green	4
Amber/Amber	11
Amber/Green	1
Green/Green	1
<b>Total</b>	<b>34</b>

**Red/Red risks**

- 3.3 The following 4 risks are identified as still being category red after control measures have been put in place. These are known as 'red/red' risks, and are of particular importance for the Council given their combination of impact and likelihood. The Council is constantly striving to seek improvements in the control measures of these red/red risks with the control measures also being monitored and amended along with the risk ratings. The comments in the table below indicate progress.

<b>Resp. Officer</b>	<b>Risk Ref/Risk Description</b>	<b>Comment</b>
Joanne Machers	STR R021 -Future equal Pay Claims	Single Status Agreement nearing completion and implementation. This may resolve some potential claims. It may however generate a number of equal value claims. This is being monitored by HR and Legal Services.
Joanne Machers	STR R022 - Current Equal Pay Claims including settlement of, or adverse findings of ET of existing equal pay claims	Legal Services continue to present argument to remedies proposals
Denis Hampson	STR R010 – Flu Pandemic	This risk is presently the number one risk identified by central government. The Local Resilience Forum plan was audited by Government Office in December 2008. The pandemic flu plan for Hartlepool BC is being written by Neighbourhood Services staff and both plans will be subject to scrutiny in an exercise on 11 February 2009.
Peter Scott	STR R041 – Failure to realise plans for Victoria Harbour regeneration scheme	Remains Red - Project partners investigating delivery options for the overall projects including consideration of costs, values and funding implications.

**New Risks**

- 3.4 One new risk reflecting the worsening economic situation and overall financial implications for the council is to be added to the Strategic Risk Register and will be the responsibility of the Chief Financial Officer. Departments will add more specific economic/financial risks to their own departmental risk registers as appropriate e.g. increasing demand, loss of income. The Finance Officers Group (chaired by the Chief Financial Officer) will keep all risks categorised as “Financial” under regular review as part of budget and financial management and reporting processes.

**Deleted Risks**

- 3.5 No risks within the Strategic Risk Register have been deleted at this latest review.

**Other Significant Risk Issues**

- 3.6 Corporate Risk Management Group also discussed a number of issues and these are summarised below for information with an indication of measures being taken.
- Child Protection – failure to safeguard children is included as strategic risk (STR R002) and is currently rated amber/amber. Following the Baby P tragedy Children’s Services is conducting a review of procedures and updating practice guidance. In addition an E-safety group has been established and is meeting on a regular basis with E-safety awareness training offered to staff, partner agencies. An ongoing programme of training is being developed.
  - A number of large projects are underway with significant potential impacts. These include Business Transformation (STR R043 rated as red/green), Tall Ships (STR R042 rated as green/green) and BSF (STR R001 rated as amber/amber). All are included in the strategic risk register and have developed more detailed risk assessments and measures to mitigate risks. These are monitored by the project teams on a regular basis.
  - Data Quality – the external audit of data quality identified weaknesses in the council’s arrangements for securing data quality of performance information with potential implications for the Council’s 2009 organisational assessment rating as part of Comprehensive Area Assessment. This risk is currently included in the Chief Executive’s department risk register. Briefing sessions for all departments have been held and reports on progress will be made to Corporate Management Team from February to June.

**Next Review**

- 3.7 The Strategic Risk Register is reviewed by the CRMG on a quarterly basis. The next review will be completed in March and April with the findings reported to CMT and then Cabinet.

**4. RECOMMENDATION**

- 4.1 To note the review and amendments to the Council's strategic risk register and actions being taken.



## Appendix 1

### Status Report for SRR

This report shows the status of all risk within the strategic risk register

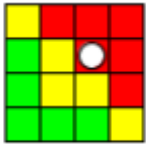
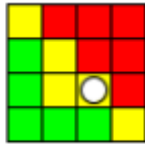
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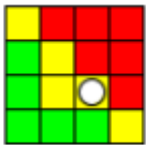
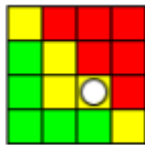
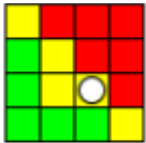
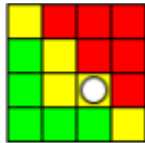
*Rows are sorted by Current Rating.*

#### Adult and Community Services Department

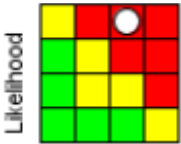
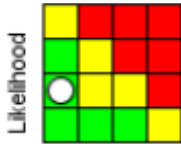
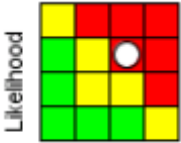
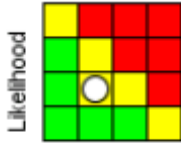
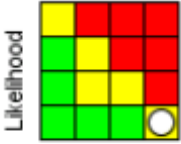
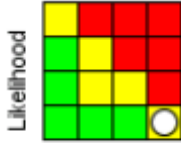
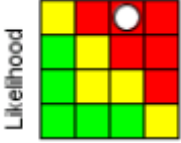
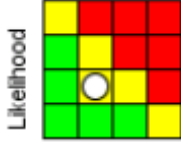
Risk Code	Risk Title	Original Risk Matrix	Current Risk Matrix	Managed By	Last Review Date
STR R042	Tall Ships races - Hartlepool 2010 (ACS R016)			John Mennear	20/01/2009
STR R030	Failure to work in effective partnerships with Health Services			Nicola Bailey	16/01/2009

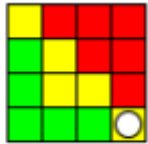
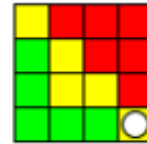
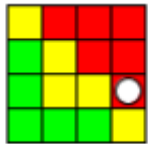
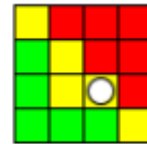
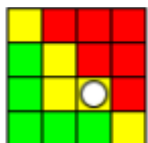
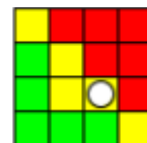
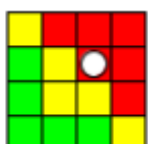
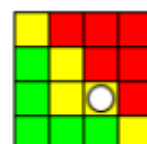
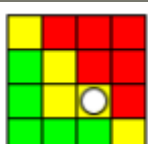
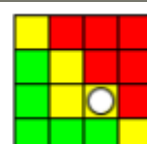
STR R031	Potential for cost shunting between NHS and HBC re CHC	 Likelihood	 Impact	Nicola Bailey	16/01/2009
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### Children's Services Department

Risk Code	Risk Title	Original Risk Matrix	Current Risk Matrix	Managed By	Last Review Date
STR R001	Failure to plan school provision appropriately	 Likelihood	 Impact	Adrienne Simcock	19/01/2009
STR R002	Failure to appropriately safeguard children	 Likelihood	 Impact	Adrienne Simcock	19/01/2009

## Corporate Strategy Division (CED)

Risk Code	Risk Title	Original Risk Matrix	Current Risk Matrix	Managed By	Last Review Date
STR R043	Fail to maximise benefits of implementing the Business Transformation Programme			Andrew Atkin	22/12/2008
STR R008	Loss of Council reputation due to both internal and external factors			Andrew Atkin	15/01/2009
STR R020	Fail to make progress on review of ICT contract in a timely fashion reducing the Council's ability to achieve service improvement through use of ICT and/or service disruption			Joan Chapman	23/12/2008
STR R033	National & regional needs imposed which may not reflect Hartlepool needs			Andrew Atkin; Paul Walker	22/12/2008

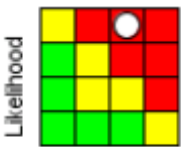
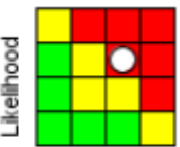
STR R044	Failure to mitigate the effects of a malicious attack	 Likelihood	 Impact	Andrew Atkin; Paul Walker	22/12/2008
STR R007	Experiencing failure or lack of access to Critical ICT systems	 Likelihood	 Impact	Andrew Atkin	15/01/2009
STR R034	Maintaining the 4* rating of the Council will provide opportunities to influence and positively reflect the achievements of the council	 Likelihood	 Impact	Andrew Atkin; Paul Walker	22/12/2008
STR R035	Change programme / Restructuring of the Authority	 Likelihood	 Impact	Andrew Atkin; Paul Walker	22/12/2008
STR R036	Loss of focus on strategic direction and key priorities (political direction)	 Likelihood	 Impact	Andrew Atkin; Paul Walker	22/12/2008

**Finance Division (CED)**

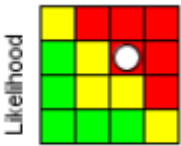
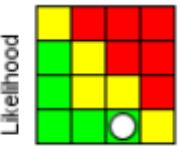
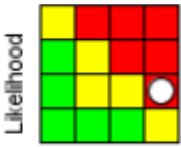
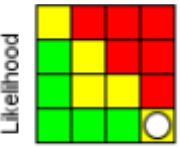
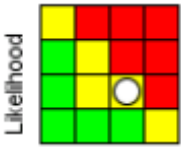
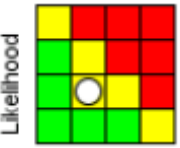
Risk Code	Risk Title	Original Risk Matrix	Current Risk Matrix	Managed By	Last Review Date
STR R025	Absence of robust documentation that sets out the roles and responsibilities of each partner could lead to HBC baring unnecessary responsibility should the partnership fail to deliver			Mike Ward	20/01/2009
STR R026	Sustainability of grant funded services / projects			Mike Ward	20/01/2009

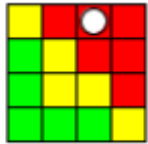
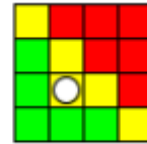
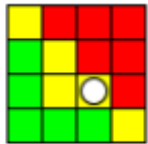
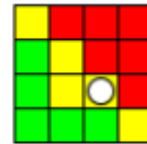
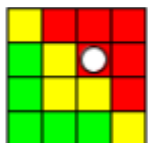
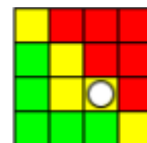
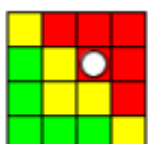
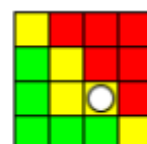
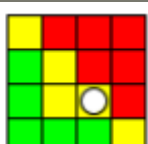
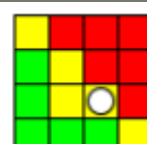
**Human Resources Division (CED)**

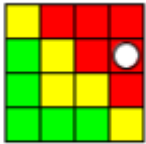
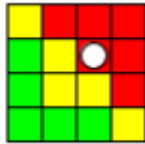
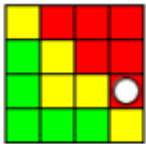
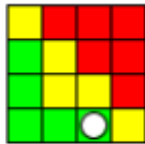
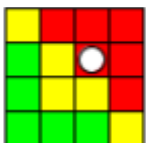
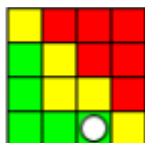
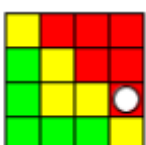
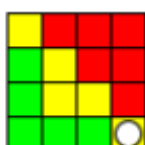
Risk Code	Risk Title	Original Risk Matrix	Current Risk Matrix	Managed By	Last Review Date
STR R021	Future Equal pay claims			Joanne Machers	20/01/2009

STR R022	Current Equal Pay Claims including settlement of, or adverse findings in ET of existing equal pay claims	 Likelihood	 Impact	Joanne Machers	20/01/2009
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### Neighbourhood Services Departmental

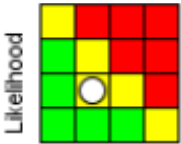
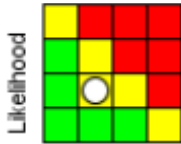
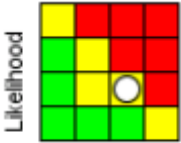
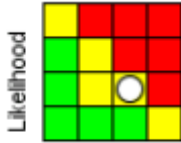
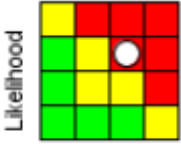
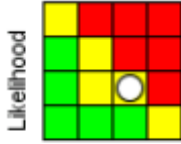
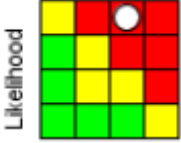
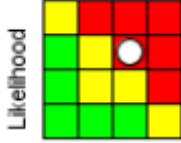
Risk Code	Risk Title	Original Risk Matrix	Current Risk Matrix	Managed By	Last Review Date
STR R024	Failure to maintain trading activity	 Likelihood	 Impact	Keith Smith	15/01/2009
STR R009	Failure to provide council services during emergency conditions	 Likelihood	 Impact	Denis Hampson	03/01/2009
STR R016	Failure to deliver efficiency savings through procurement	 Likelihood	 Impact	Graham Frankland	19/01/2009

STR R017	Financial Viability and capacity of Building Consultancy services	 Likelihood	 Impact	Graham Frankland	17/12/2008
STR R012	Lack of resources to maintain building stock	 Likelihood	 Impact	Graham Frankland	17/12/2008
STR R013	Failure in asset management planning to make best use of assets in terms of acquisition, disposal and occupation	 Likelihood	 Impact	Graham Frankland	17/12/2008
STR R014	Loss of Civic Centre as key building.	 Likelihood	 Impact	Graham Frankland	17/12/2008
STR R015	Environmental and financial consequences of climate change	 Likelihood	 Impact	Graham Frankland	17/12/2008

STR R010	Flu pandemic	 Likelihood	 Impact	Denis Hampson	16/01/2009
STR R006	Contaminated Land	 Likelihood	 Impact	Alastair Smith	15/01/2009
STR R018	Failure to operate vehicles safely	 Likelihood	 Impact	Alastair Smith	09/01/2009
STR R019	Loss of O License	 Likelihood	 Impact	Alastair Smith	19/01/2009



**Regeneration and Planning Services Department**

Risk Code	Risk Title	Original Risk Matrix	Current Risk Matrix	Managed By	Last Review Date
STR R040	Failure to facilitate the redevelopment of HCFE			Peter Scott	19/12/2008
STR R038	Lack of resources for sustainable development including addressing climate change			Peter Scott	19/12/2008
STR R039	Effective delivery of housing market renewal affected by external decisions and funding			Peter Scott	08/01/2009
STR R041	Failure to realise plans for Victoria Harbour regeneration scheme			Peter Scott	03/11/2008

## Appendix 2 – Risk Register Ratings

In line with the risk management strategy, each risk is categorised to help ensure a systematic and comprehensive approach to risk management, the categories being:

- Political
- Financial
- Social
- Environmental
- Personnel
- Physical assets
- Information and technology
- Contractors/partners/suppliers
- Reputation

The risk rating is calculated on the basis of impact and likelihood – and the greater the degree of severity and probability, the higher the risk rating, in line with the following matrix:

		IMPACT			
LIKELIHOOD		1	2	3	4
		Low	Medium	High	Extreme
Almost certain	4	AMBER 4	RED 8	RED 12	RED 16
Likely	3	GREEN 3	AMBER 6	RED 9	RED 12
Possible	2	GREEN 2	AMBER 4	AMBER 6	RED 8
Unlikely	1	GREEN 1	GREEN 2	GREEN 3	AMBER 4

### IMPACT

Extreme	Total service disruption / very significant financial impact / Government intervention / sustained adverse national media coverage / multiple fatalities.
High	Significant service disruption/ significant financial impact / significant adverse Government, Audit Commission etc report / adverse national media coverage / fatalities or serious disabling injuries.
Medium	Service disruption / noticeable financial impact / service user complaints or adverse local media coverage / major injuries
Low	Minor service disruption / low level financial loss / isolated complaints / minor injuries

### LIKELIHOOD

Expectation of occurrence *within the next 12 months* -

- Almost certain
- Likely
- Possible

Unlikely

# **CABINET REPORT**

**23<sup>rd</sup> February 2009**



**Report of:** Director of Regeneration and Planning Services

**Subject:** TEES VALLEY STRATEGIC HOUSING MARKET ASSESSMENT

---

## **SUMMARY**

### **1. PURPOSE OF REPORT**

To inform members of the completion of the Tees Valley Local Housing Assessment Update and Strategic Housing Market Assessment Report and to present an overview of the key findings.

### **2. SUMMARY OF CONTENTS**

The report sets out an overview of the Tees Valley Strategic Housing Market Assessment conducted by Arc4 and Nathaniel Lichfield and Partners on behalf of the Tees Valley local authorities. The report provides an update of Local Housing Assessments across Tees Valley in the form of a comprehensive Strategic Housing Market Assessment (SHMA) which conforms to Communities and Local Government (CLG) Strategic Housing Market Assessment Guidance. The first stage brought together and updated the findings of existing Tees Valley local housing assessments. Stage two comprised a comprehensive sub-regional SHMA which includes an analysis and commentary on geographical housing market areas in the Tees Valley based on existing data and previous studies; and provides an evidence base on the Tees Valley housing markets which will inform housing and other policies to be included in Local Development Frameworks.

The report sets out the findings under the key themes of housing supply, the housing market, affordable housing requirements and housing requirements of specific groups. The implications for Hartlepool are then discussed.

**3. RELEVANCE TO CABINET**

The report provides part of the evidence base for the local Development Framework (LDF) and specifically the Affordable Housing Development Plan Document which is within the Budget and Policy Framework and a responsibility of the Executive. In addition to this it will be used to inform future housing strategy and planning policy within Hartlepool.

**4. TYPE OF DECISION**

Non-key.

**5. DECISION MAKING ROUTE**

Cabinet 23<sup>rd</sup> February 2009.

**6. DECISION(S) REQUIRED**

Cabinet is requested to note the report and accept it as part of the evidence base for the Local Development Framework (LDF).

**Report of:** Director of Regeneration and Planning Services

**Subject:** TEES VALLEY STRATEGIC HOUSING MARKET  
ASSESSMENT

---

**1. PURPOSE OF REPORT**

To inform members of the completion of the Tees Valley Local Housing Assessment Update and Strategic Housing Market Assessment Report and to present an overview of the key findings.

**2. BACKGROUND**

- 2.1 Arc4 Ltd and Nathaniel Lichfield and Partners (NLP) were commissioned in the summer of 2007 to carry out an update of Local Housing Assessments across Tees Valley and prepare a comprehensive Strategic Housing Market Assessment (SHMA) which conforms to Communities and Local Government (CLG) Strategic Housing Market Assessment Guidance. The first stage brought together and updated the findings of existing Tees Valley local housing assessments including the Hartlepool Strategic Housing Market Assessment June 2007 (reported to Cabinet on the 23/07/2007). Stage two comprised a comprehensive sub-regional SHMA which includes an analysis and commentary on geographical housing market areas in the Tees Valley based on existing data and previous studies.
- 2.2 Collectively, the 2 stages of work provide an evidence base on the Tees Valley housing markets which will inform housing and other policies to be included in Local Development Frameworks (LDF's) currently in preparation, including the Hartlepool Core Strategy and Affordable Housing Development Plan Document (AHDPD). The work will also be used as evidence to support bids for Government resources for housing market renewal activities and affordable housing. The key driver behind this study was to provide a more comprehensive Tees Valley level overview which recognised the interactions between housing markets within the Tees Valley and beyond. During the delivery of this work the economic downturn effects were recognised and included in the findings.
- 2.3 The structure, content and methodology of the main document follows the CLG guidance and it has been developed in consultation with a Steering Group comprising representatives from all Tees Valley local authorities, RSL's, private developers and the sub-regional co-ordinating body. There has also been extensive stakeholder consultation and research with estate and lettings agents. The report relates specifically to the five local authority areas in Tees Valley, but

sets this in the context of the wider City Region including adjacent areas of North Yorkshire and County Durham, in line with guidelines produced by CLG.

### **3. SUMMARY OF THE KEY FINDINGS**

- 3.1 Revised statistics and evidence base were combined with the findings and primary research from the original housing market assessments and then tested against a number of key hypotheses to provide policy-relevant views on housing market issues, as set out below.

#### *Population and Economic Growth*

- 3.2 Population projections have shifted over the past two years and currently growth is forecast across the Tees Valley as a whole. The study used latest population projections published in June 2008, which demonstrate a projected population increase resulting, predominantly, from an overall net increase of in-migration across the Tees Valley (with the exception of Middlesbrough). Overall Hartlepool remains a relatively self-contained market area with some, but generally limited, net interactions with other areas.
- 3.3 The Regional Spatial Strategy (2008) sets a requirement for 6,730 dwellings within Hartlepool for 2004-21 based on a 2.5% economic growth rate. The recently acquired growth point status increases the additional homes target overall, although the achievability of this higher target will nevertheless depend on economic conditions and performance. The study confirmed that it is appropriate to plan for housing requirements based on RSS targets but nevertheless does recognise the prevailing uncertain economic conditions and suggests that the vulnerable parts of the housing market should be a priority concern for strategic housing and planning work. The internal housing monitoring system in Hartlepool has now been strengthened and has fed more accurate data into the latest study (in comparison to the earlier study) and links in with evidence gathered by other Council departments to gather a clear picture of the housing market and new build completions across Hartlepool.

#### *Housing Supply*

- 3.4 The study affirmed that there is substantial identified capacity within Hartlepool to meet the RSS targets; it did suggest however that there is doubt as to whether the currently planned supply will meet fully the aspirations of the likely market. It is important to note that 60% of the housing land supply in Hartlepool is at Victoria Harbour. Concern is expressed within the study over the number of flat/apartment developments in the pipeline specifically within the major regeneration areas of the Tees Valley (particularly Victoria Harbour); this may have implications for the future master planning and development of Victoria Harbour. It is suggested in the study that Core Strategies and plans for major regeneration

schemes across Tees Valley are aligned to ensure a mix of housing comes forward to meet future need and aspirations.

#### *The Current Housing Market*

- 3.5 Within the Tees Valley house prices have increased significantly, although later and proportionally less than the national trend. Price increases were least and slowest in Hartlepool and Middlesbrough - which were therefore identified as the weakest parts of the housing market - although a higher turnover of lower-value properties does tend to distort the market picture and overlooks the higher priced markets e.g. Marina and suburban areas. The increase in house prices has led to an affordability problem emerging across the Tees Valley.
- 3.6 The most active part of the housing market in central Hartlepool was identified as the private rented sector which is predominantly occupied with low income households. The evidence also suggests that the interaction with the private rented and social rented sector was very important with 42% of tenants hoping to move into social renting. A reduction in the proportion of terraced dwellings occurred in Hartlepool, this is principally due to housing market renewal activity within the Borough. Within Hartlepool the proportion of detached dwellings has increased from 9.7% in 1991 to 14.2% in 2001.

#### *Housing Market Areas*

- 3.7 The study suggests that housing markets in Tees Valley are complex and several layers of the market were identified as overlaying each other. The main factors distinguishing the markets are different household incomes operating across varying housing market areas. Hartlepool was identified as a self contained local market. However there is a city regional market comprising all the sub-regions and some adjacent areas, including rural areas of Hartlepool operate substantially within this city region market. These people are predominantly owner-occupiers with higher incomes seeking larger detached and semi-detached houses.

#### *The Future Housing Market*

- 3.8 The study identified strong demand for owner occupation and for detached houses within Hartlepool and identified a limited aspiration for flats/ apartments. However some demand was apparent and, given the supply of flats in the pipeline, there is potential for oversupply in the future. Higher aspirations for bungalows were identified across Hartlepool and demand exceeded supply in many wards. The overall imbalances indicate that there will need to be a change over time in the stock balance or a major shift in the image of parts of the stock; this is reinforced by the identification of a weaker terraced housing market that will continue to be an issue for the foreseeable future (and such findings are consistent with the Housing Market Renewal Strategy in Hartlepool). The study

identified the private rented sector as a key element of the overall housing market and it has an important role in meeting housing need with demand expected to increase in the economic downturn. The quality of this stock was identified as an issue which included older terraced areas. The need to enhance stock through management and landlord accreditation schemes was also emphasised. Within Hartlepool the compulsory landlord licensing scheme will help to address this issue, the impacts of which is to be closely monitored and will be the subject to future reports back to Cabinet on its impacts. A stock condition survey is also taking place in Hartlepool and the Council is working in partnership with several other Tees Valley local authorities to deliver this.

#### *Affordable Housing Requirements*

- 3.9 The assessment of affordable housing requirements has been prepared in accordance with the recommended CLG methodology and taking into account the latest guidance and statistics. It identified a net shortfall of 193 units in Hartlepool compared to a net shortfall of 244 units identified in 2007. The gross figure also differs from the 2007 assessment, now identified as 291 units in comparison to 393 units identified in 2007. The identified affordable housing requirement still demonstrates that affordability is a significant issue for Hartlepool. The change in this 'affordability requirement' is the result of a range of influencing factors. Firstly the revised CLG 2004-based sub-national projections were released in February 2008 and have been incorporated into the assessment, they predicted a more modest level of growth than the previous predictions (used within the Hartlepool 2007 SHMA). Secondly the study required a level of sub-regional modelling and a balanced range of assumptions based around newly arising need were adopted and therefore the overall Net/Gross shortfall was reduced. Thirdly it is important to note that the initial 2007 assessment was conducted when the housing market was at its peak, the findings of the 2007 and the current assessment should be interpreted in the context of further analysis of the cyclical nature of the housing market. This is one 'tool' in a range of relevant statistics that inform discussion on delivery of affordable housing.
- 3.10 The 2007 study did not take the provision of new affordable units into account, since then (2007/2008) 69 affordable units have been completed increasing the overall supply of affordable housing and decreasing the overall Net/Gross requirement in Hartlepool. It is important to note that 172 units are planned for 08/09 within Hartlepool, further reducing the overall affordable housing requirement. In addition to this the 'adjustments to take into account supply and demand variations' which produce the Gross requirement have been adjusted taking into consideration the revised evidence base and current economic climate, this and the above Net adjustments has reduced the overall Gross shortfall from 393 units to 291 units. Within the report the Gross shortfall is the total number of absolute need where accommodation fits need correctly and the



Net shortfall is the total Gross shortfall minus any surplus or mismatched stock to need.

- 3.11 The report also reviews existing and proposed affordable housing policies compared to the relative levels of affordable housing needs across the five local authorities. The findings suggest that the affordable housing requirement proposed within the Affordable Housing Development Plan Document Preferred Options report (20-30%) should be reviewed to ensure economic viability and to make it more consistent with other Tees Valley authorities (to avoid Hartlepool been seen as un-economic to developers for the delivery of new housing). It was therefore suggested that an economic viability assessment be conducted in Hartlepool to evidence how differing affordable housing requirements impact on the deliverability of sites. It was also suggested that an assessment of the impact of a projected 20% reduction in house prices should be carried out to analyse the potential impact of the current economic climate (this is being undertaken as part of economic viability testing work currently underway).
- 3.12 Intermediate tenure affordable products were identified as having an important role to play across the Tees Valley and a baseline requirement of 20% intermediate of all affordable provision was suggested. This is in line with the Hartlepool Affordable Housing Preferred Options report. Good marketing and clear affordability targets would ensure that this intermediate affordable housing would be affordable to the target group (intermediate tenure housing includes shared ownership and shared equity products).

#### *The Housing Need of Specific Groups*

- 3.13 Addressing the housing requirements of older people is identified as a key strategic challenge facing the Tees Valley authorities in the future. Population data projection from the Office of National Statistics suggest that by 2031 older people will represent 29.4% of the population. The vast majority of older people (around 80%) want to continue to live in their current home with support when needed, a minority would consider sheltered accommodation and around 25% would consider new forms of older persons accommodation (e.g. extra care facilities at Hartfields). There is a strong preference for 2 bed accommodation with adaptations. The need for supported accommodation is expected to increase into the future and there is a general lack of adapted accommodation for households with disabilities across the sub-region.

## **4. IMPLICATIONS FOR HARTLEPOOL**

- 4.1 The implications of the Tees Valley Strategic Housing Market Assessment on affordable housing policy formation in Hartlepool are significant. The suggestion that Hartlepool reviews its affordable housing policy stance needs to be taken into consideration. In response to this an economic viability assessment is currently being prepared that will test the viability of a range of affordable housing

requirements across a cross-section of sites in Hartlepool. This is scheduled for completion by the end of March 2009. The findings of this assessment will provide evidence to retain the current policy outlined in the Preferred Options report or highlight the need for adjustments to be made to this document. Any amendments to the Affordable Housing DPD will be subject to Cabinet approval.

- 4.2 The revised affordable housing requirement is now more closely aligned to Local Area Agreement targets for the delivery of affordable housing units.
- 4.3 It is important to note the issue of potential oversupply of flats/ apartments and the impact this may have on the Victoria Harbour development. This will be considered in the development of the Victoria Harbour Supplementary Planning Document (SPD) and as future details on design and layout emerge through the planning system.
- 4.4 The study also suggests that no change is needed to the housing regeneration strategy (and reaffirms its findings) but does suggest that rigorous monitoring of the housing market in Hartlepool should continue. The housing monitoring system has now been strengthened, linking together various housing data gathering methods across the Council to give a more accurate picture of the housing market and new build levels. This will be used to inform future policy development as a statistical evidence base.
- 4.5 The issue of stock condition specifically within the private rented sector was raised; a stock condition survey is currently underway in conjunction with Stockton and Darlington local authorities and should be completed by May 2009.

## **5. CONCLUSIONS**

- 5.1 The Tees Valley Strategic Housing Market Assessment provides further evidence to be used in conjunction with a suite of existing information, statistics and data to develop planning policy within the LDF, inform housing policy and support bids for housing market renewal funding and affordable housing. The work strengthens knowledge and understanding of the housing market both locally and sub-regionally enhancing Hartlepool's case for additional affordable housing. The assessment also brings the affordable housing need in Hartlepool closer to Local Area Agreement (LAA) targets suggesting a greater degree of achievability and closer alignment with other nearby Tees Valley authorities.
- 5.2 Where the assessment has highlighted specific issues and concerns for Hartlepool further work is already underway to address these issues and produce possible solutions. Work such as the Affordable Housing Economic Viability Assessment will provide an accurate analysis of the viability of differing affordable housing requirements in Hartlepool and will be used in the production of the Affordable Housing DPD and to rebut any potential challenges from developers. In addition, housing monitoring systems have been strengthened to

provide an accurate picture of development across Hartlepool and the stock condition survey will provide further information on the standards prevailing across private sector housing in Hartlepool. The findings of the assessment still strongly support planning policy, housing strategy and housing regeneration policies within the town.

- 5.3 A copy of the entire Tees Valley Strategic Housing Market Assessment has been placed in the Member library for further information.

## **6 RECOMMENDATIONS**

- 6.1 Cabinet is requested to note the report and accept it as part of the evidence base for the Local Development Framework. (LDF)

# **CABINET REPORT**

**23<sup>rd</sup> February, 2009**



**Report of:** Chief Financial Officer

**Subject:** QUARTER 3 – CAPITAL AND ACCOUNTABLE  
BODY PROGRAMME MONITORING REPORT  
2008/2009

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## **SUMMARY**

### **1. PURPOSE OF REPORT**

To provide details of progress against the Council's overall Capital budget for 2008/2009 and the spending programmes where the Council acts as the Accountable Body for the period to 31<sup>st</sup> December, 2008.

The report considers the following areas: -

- Capital Monitoring
- Accountable Body Programme Monitoring

### **2. SUMMARY OF CONTENTS**

The report provides detailed monitoring information for each Portfolio up to 31<sup>st</sup> December, 2008.

### **3. RELEVANCE TO CABINET**

Cabinet has overall responsibility for the monitoring of the Council's Capital budgets.

### **4. TYPE OF DECISION**

Non-Key

### **5. DECISION MAKING ROUTE**

Cabinet 23<sup>rd</sup> February, 2009

**6. DECISION(S) REQUIRED**

It is recommended that:

- i) Cabinet notes the current position with regard to Capital Monitoring and Accountable Body Programme Monitoring.

**Report of:** Chief Financial Officer

**Subject:** QUARTER 3 – CAPITAL AND ACCOUNTABLE  
BODY PROGRAMME MONITORING REPORT  
2008/2009

## **1. PURPOSE OF REPORT**

- 1.1 To inform Cabinet of progress against the Council's own 2008/2009 Capital budget and the spending programmes where the Council acts as the Accountable Body for the period to 31<sup>st</sup> December, 2008.
- 1.2 This report considers the following areas: -
- Capital Monitoring;
  - Accountable Body Programme Monitoring.

## **2. BACKGROUND**

- 2.1 In line with previous monitoring reports, this document is an integrated comprehensive document that is page numbered, thus allowing Members easier navigation around the report. (See contents table below). The report firstly provides a summary, followed by a section for each Portfolio where more detailed information is provided.

<b>Section</b>	<b>Heading</b>	<b>Page</b>
3	Capital Monitoring	2
4	Accountable Body Programme	2-3
5	Adult and Public Health Service Portfolio	4
6	Children's Services Portfolio	4-6
7	Culture, Leisure and Tourism Portfolio	6-7
8	Neighbourhood and Communities Portfolio	7-9
9	Regeneration and Liveability Portfolio	9
10	Finance and Efficiency Portfolio	9-11
11	Recommendations	12
Appendix A	Capital Monitoring – Summary	13
Appendix B	Accountable Body Monitoring - Summary	14
Appendices C-G & I	Detailed Spend by Portfolio	15-20 & 22
Appendix H	Accountable Body Revenue Monitoring	21

- 2.2 This report will be submitted to Scrutiny Co-ordinating Committee for review at the earliest opportunity.

### 3. CAPITAL MONITORING 2008/2009

- 3.1 Expenditure for all Portfolios is summarised at **Appendix A**.
- 3.2 Actual expenditure to 31<sup>st</sup> December, 2008, totals £17,306,700, compared to the approved budget of £38,615,200, leaving £16,336,200 remaining expenditure expected to be spent in 2008/2009 with £4,971,800 being rephased into 2009/2010.
- 3.3 The main schemes where expenditure is rephased to 2009/2010 are:

Portfolio	£'000
<b>Children's Services, (see section 6.1.4)</b>	
Youth Capital Fund Plus	429.7
Stranton – Extension to Children's Centre	295.7
St John Vianney – Starfish Daycare Outside Play Area	21.1
Throston – Extension to Build Children's Centre	202.0
Sure Start Central – Garage Conversion	32.0
Sure Start South – Outside Play Area	17.5
<b>Culture, Leisure &amp; Tourism (see section 7.1.3)</b>	
Skateboard Park	70.0
Grayfields Sports Junior Pitches	50.0
Burn Valley Park Beck	69.0
Countryside Replacement Vehicle	15.0
Greatham Play Area equipment	9.0
Jutland Road Play Area upgrade	50.0
Nicholson Field Allotments	20.0
Town Moor MUGA	63.0
Ward Jackson Car Park	70.0
<b>Neighbourhood &amp; Communities (see section 8.1.3)</b>	
Housing Market Renewal	1,400.0
Public Conveniences	2.0
Hartlepool Transport Interchange	1,822.5
Anhydrite Mine	125.4
Coast Protection	40.0
King Oswy Drive Cycleway Improvements	9.0
<b>Finance &amp; Efficiency (see section 10.2.3)</b>	
Replace Boilers – Municipal Buildings	144.9

- 3.4 There are no major items to bring to Cabinet's attention.

### 4. ACCOUNTABLE BODY PROGRAMME

- 4.1 The Council acts as Accountable Body for the Hartlepool New Deal for Communities (NDC). As part of its role as Accountable Body the Council needs to be satisfied that expenditure is properly incurred

and is progressing as planned. In addition, the Council has been allocated monies from the Tees Valley Single Programme Partnership (SP). Although, we are not the Accountable Body for the Partnership, the Council still has responsibilities for ensuring that expenditure is properly incurred and progressing as planned. This objective is achieved through a variety of means, including your consideration of monitoring reports for these areas as follows: -

i) **New Deal for Communities (NDC)**

The management of NDC resources is subject to specific Government regulations where the Partnership is able to renegotiate the annual allocation during mid year review with Government Office for the North East. This provides the Partnership with a degree of flexibility in managing the overall programme. NDC has had confirmation from DCLG and GONE of the capital and revenue split of grant approved for the remaining three years of the programme.

The programme is currently forecasting to fully spend the current years NDC Allocation of £4,033,000. There is also another £1,587,417 of expenditure forecast which is funded through other grants, giving a total NDC budget of £5,620,417 for the current financial year.

The latest allocated budget in relation to this target is £5,520,900 and **Appendix B**, Table 1, provides details of the total actual expenditure, as at 31<sup>st</sup> December, 2008, in relation to this target.

In order to ensure that the Partnership achieves as close to its target allocation as possible the NDC Steering Group will approve additional allocations during the final quarter and each project will be closely monitored during the Quarter up to the financial year-end.

There are no major items to bring to Portfolio Holder's attention and expenditure is expected to be on target at year-end.

ii) **Single Programme (SP)**

The Council received revenue monies which are allocated by Tees Valley Single Programme Partnership. The Partnership Board approves the annual delivery plan. There are a few residual Single Programme Capital schemes and these are fully funded from other sources. Details of progress against budgets are summarised at **Appendix B**, Table 2. Schemes are detailed within **Appendices H**, Table 2 and **I**, Table 3.

There are no items to bring to Members attention and expenditure will be on target at the year-end.



## 5. ADULT AND PUBLIC HEALTH SERVICE PORTFOLIO

### 5.1 Capital Monitoring for Period Ending 31<sup>st</sup> December, 2008

5.1.1 Details of anticipated and actual capital expenditure as at 31<sup>st</sup> December, 2008, is summarised in **Appendix C** and shows:

Column A	-	Scheme Title
Column B	-	Budget for Year
Column C	-	Actual expenditure to 31 <sup>st</sup> December, 2008
Column D	-	Expected remaining expenditure to be incurred in the period January to March, 2009
Column E	-	Expenditure Rephased into 2009/2010
Column F	-	2008/2009 Total Expenditure
Column G	-	Variance from Budget
Column H	-	Type of financing

5.1.2 Detailed analysis of these schemes are on deposit in the Member's Library.

5.1.3 Capital expenditure to date amounts to £284,800, compared to the approved budget of £4,571,000, with £4,272,200 of expenditure remaining. It is recognised that the Cemetery Flooding Works will not be fully spent in 2008/2009 so a total £14,000 is to be rephased into 2009/2010.

5.1.4 In terms of the budget actual expenditure to date is minimal. However, it is anticipated that expenditure will be on target at the end of the financial year.

5.15 The Council has entered into a partnership with Housing Hartlepool to provide social care housing for older people at Orwell Walk. This is being funded by the Department of Health.

5.16 There are no major items to bring to the Portfolio Holder's attention.

## 6. CHILDREN'S SERVICES PORTFOLIO

### 6.1 Capital Monitoring for Period Ending 31<sup>st</sup> December, 2008

6.1.1 Details of anticipated and actual capital expenditure as at 31<sup>st</sup> December, 2008, is summarised in **Appendix D** and shows:

Column A	-	Scheme Title
Column B	-	Budget for Year
Column C	-	Actual expenditure to 31 <sup>st</sup> December, 2008
Column D	-	Expected remaining expenditure to be incurred in the period January to March, 2009
Column E	-	Expenditure Rephased into 2009/2010
Column F	-	2008/2009 Total Expenditure

Column G - Variance from Budget  
 Column H - Type of financing

6.1.2 Detailed analysis of these schemes are on deposit in the Member's Library.

6.1.3 **Appendix D** provides a summary of the Children's Service's Capital Programme, which includes schemes funded from specific capital allocations and schemes from the revenue budget which are managed as capital projects owing to the nature of the expenditure and the accounting regulations.

6.1.4 Actual expenditure to date amounts to £4,477,900 compared to the approved budget of £8,430,000, with £2,954,100 expenditure remaining. It is recognised that the following schemes will not be fully spent in 2008/2009 so a total of £998,000 has been rephased into 2009/2010: -

Youth Capital Fund Plus  
 Stranton Extension to Children's Centre  
 Throston Extension to Children's Centre  
 St John Vianney – Starfish Outside Play Area  
 Sure Start South – Outside Play Area  
 Sure Start Central Garage Conversion

All other projects will be in line with budget at outturn.

6.1.5 There are a number of schemes on the appendix from previous years where the final account balance is still outstanding. Officers are currently working to try and finalise any outstanding payments in this financial year.

6.1.6 The items to bring to the Portfolio Holder's attention are: -

Supply and Installation of Mobile Classrooms and Additional Accommodation for the Transfer of Brierton Pupils

The budget for the Supply and Installation of Mobile Classrooms scheme has been reduced by £50,000 and the budget for the Purchase of Additional Accommodation for Transfer of Brierton Pupils scheme has been reduced by £75,000. This is because the current expected costs are significantly lower than initially anticipated. The funding has been transferred to the unallocated contingency fund and the Capital Works Programme is no longer overprovided as previously reported.

Barnard Grove Toilet Refurbishment

The Barnard Grove toilet refurbishment scheme is currently overspent by £7,300. This is because additional works have been

carried out that were not included in the original budget. This is to be funded from schools devolved capital (£4,000) and the unallocated contingency fund (£3,300).

#### St Hilds Classroom of the Future

The anticipated costs in 2008/2009 of the St Hilds classroom of the future scheme, "Space to Learn," have increased by £20,000. This is to pay fees earlier than originally expected. This is to be funded from the unallocated contingency fund.

#### West Park Pipe Work

The West Park pipe work scheme has cost £8,500 less than budgeted. This saving is to be transferred to the unallocated contingency fund.

#### West View Pipe Work

The West View pipe work scheme has been cancelled as the work is not as urgent as initially thought. The funding of £9,700 is to be transferred to the unallocated contingency fund.

#### Demolition of Brierton Upper School Buildings

The previously reported scheme for the demolition of Brierton upper school buildings has been delayed.

## **7. CULTURE, LEISURE AND TOURISM PORTFOLIO**

### **7.1 Capital Monitoring for Period Ending 31<sup>st</sup> December, 2008**

#### **7.1.1 Details of anticipated and actual capital expenditure as at 31<sup>st</sup> December, 2008, is summarised in **Appendix E** and shows:**

- Column A - Scheme Title
- Column B - Budget for Year
- Column C - Actual expenditure to 31<sup>st</sup> December, 2008
- Column D - Expected remaining expenditure to be incurred in the period January to March, 2009
- Column E - Expenditure Rephased into 2009/2010
- Column F - 2008/2009 Total Expenditure
- Column G - Variance from Budget
- Column H - Type of financing

#### **7.1.2 Detailed analysis of these schemes are on deposit in the Member's Library.**

#### **7.1.3 Actual expenditure to date amounts to £433,800, compared to the approved budget of £1,207,200, with £357,400 of expenditure**

remaining. Owing to time delays in projects and the need to identify further funds it is recognised that the following schemes will not be fully spent in 2008/2009 so a total of £416,000 has been rephased into 2009/2010: -

Burn Valley Park Beck  
 Countryside – purchase of replacement vehicle  
 Grayfields Sports – creation of junior sports pitches  
 Greatham Play Area equipment  
 Jutland Road Play Area upgrade  
 Nicholson Field Allotments  
 Skateboard Park  
 Town Moor MUGA  
 Ward Jackson Park Car Park

7.1.4 There are no other items to bring to Portfolio Holder's attention.

## **8. NEIGHBOURHOOD AND COMMUNITIES PORTFOLIO**

### **8.1 Capital Monitoring for Period Ending 31<sup>st</sup> December, 2008**

8.1.1 Details of anticipated and actual capital expenditure as at 31<sup>st</sup> December, 2008, is summarised in **Appendix F** and shows:

Column A - Scheme Title  
 Column B - Budget for Year  
 Column C - Actual expenditure to 31<sup>st</sup> December, 2008  
 Column D - Expected remaining expenditure to be incurred in the period January to March, 2009  
 Column E - Expenditure Rephased into 2009/2010  
 Column F - 2008/2009 Total Expenditure  
 Column G - Variance from Budget  
 Column H - Type of financing

8.1.2 Detailed analysis of these schemes are on deposit in the Member's Library.

8.1.3 Actual expenditure to date amounts to £9,654,600, compared to the approved budget of £17,363,900 with £4,310,400 of expenditure remaining. Owing to time delays it is recognised that the following schemes will not be fully spent in 2008/2009 so a total of £3,398,900 has been rephased into 2009/2010: -

Housing Market Renewal  
 Public Conveniences  
 Hartlepool Transport Interchange  
 Anhydrite Mine  
 Coast Protection  
 King Oswy Drive Cycleway Improvements

8.1.4 The main items to bring to the Portfolio Holder's attention are: -

#### Housing Market Renewal Scheme

The Housing Market Renewal Scheme shows expenditure rephased of £1,400,000. This is because an additional £1,500,000 of Prudential Borrowing was approved by Council in November, as a contingency to enable expenditure on house purchase to be incurred in advance of grant funding being received. It is now expected that approximately only £100,000 of this allocation will be required in the current year.

#### A689 Local Safety Scheme

The A689 Local Safety Scheme is a new scheme to renew white lines and markings on the carriageway, budgeted to cost £55,700. This is to be funded by underspends on the following schemes: -

- Safer Routes to School (£17,000 of a £48,000 underspend)
- LTP Headland Traffic Management Scheme (£19,000 underspend)
- LTP Highway Signage Improvements (£10,000 underspend)
- LTP School 20mph Zones (£9,700 underspend)

#### Catcote Road Local Safety Scheme

Catcote Road Local Safety Scheme is new scheme to install a parking lay-by near English Martyrs School budgeted to cost £117,200. This is to be funded by underspends on the following schemes: -

- Safer Streets Initiative (£17,200 underspend)
- LTP York Road – Park Road to Lister Street (£100,000 underspend owing to lower utility costs than expected and contingency not being required)

#### Safer Routes to School underspend

The balance of the Safer Routes to School Scheme (£31,000 of a £48,000 underspend) is being used to fund the following overspends: -

- LTP Local Road Safety (£8,500 overspend)
- Hart Lane Road Safety Improvements (£12,000 overspend)
- Other Traffic Management Schemes (£10,500 overspend)

#### Other Variances

A projected under-spend of £8,900 on LTP General has been used to fund Footpath Works to Marina.

Hartlepool Transport Interchange budget has been reduced by £9,000 to fund expenditure at Owton Manor Shops.

An underspend of £6,500 on LTP Tees Road Footways (west side) has been used to fund an overspend of £6,500 on Raby Road Puffin Crossing.

## **9. REGENERATION AND LIVEABILITY PORTFOLIO**

### **9.1 Capital Monitoring for Period Ending 31<sup>st</sup> December, 2008**

9.1.1 Details of anticipated and actual capital expenditure as at 31<sup>st</sup> December, 2008, is summarised in **Appendix G** and shows:

Column A - Scheme Title  
 Column B - Budget for Year  
 Column C - Actual expenditure to 31<sup>st</sup> December, 2008  
 Column D - Expected remaining expenditure to be incurred in the period January to March, 2009  
 Column E - Expenditure Rephased into 2009/2010  
 Column F - 2008/2009 Total Expenditure  
 Column G - Variance from Budget  
 Column H - Type of financing

9.1.2 Detailed analysis of these schemes are on deposit in the Member's Library.

9.1.3 Actual expenditure to date amounts to £331,500, compared to the approved budget of £728,700 with £398,400 of expenditure remaining. It is expected that expenditure will be in line with budget at outturn.

9.1.4 There are no other items to bring to Portfolio Holder's attention.

## **10. FINANCE AND EFFICIENCY PORTFOLIO**

### **10.1 Accountable Body Revenue Monitoring for Period Ending 31<sup>st</sup> December, 2008**

10.1.1 The Council acts as Accountable Body for New Deal for Communities and Single Programme Partnerships. Details of progress against the approved revenue budgets are summarised at **Appendix H**.

#### **10.1.2 Appendix H, Table 1 – New Deal for Communities (NDC)**

The management of NDC resources is subject to specific Government regulations were the Partnership is able to renegotiate the annual allocation during mid year review with Government Office for the North East. This provides the Partnership with a degree of flexibility in managing the overall programme.

The Partnership has been allocated £1,944,000 to spend in 2008/2009 on revenue projects. Appendix H, Table 1 provides details of the latest agreed budget in relation to this target. Actual expenditure to date amounts to £1,345,000, compared to anticipated expenditure of £1,384,200, resulting in a current favourable variance of £39,200. However, full year expenditure is expected to be on budget.

GONE and DCLG have confirmed that NDC receipts can be deployed flexibly to help progress the delivery plan in accordance with the current programme. (i.e. receipts can be used to fund either capital or revenue projects).

NDC has undergone an Independent review of New Deal for Communities programme delivery and spend, along with the other 39 NDCs in the country.

The purpose of this review is to carry out an independent and consistent financial assessment of each NDC identifying the classification of future years budgets, any risks associated with the spending plans and any flexibility within the spending profiles. This review also formed part of the mid year review, a letter has been received confirming the Hartlepool NDC budgets up to March 2011 will remain unchanging following the review.

#### 10.1.3 **Appendix H, Table 2 – Single Programme**

These monies are allocated to the Council by Tees Valley Single Programme Partnership. The Council has been allocated £478,700 to spend in 2008/2009 on revenue projects. Actual expenditure to date amounts to £249,500, compared to anticipated expenditure of £359,000, resulting in a current favourable variance of £109,500. It is not expected that there will be a variance at outturn.

10.1.4 There are no major items to bring to Portfolio Holder's attention and expenditure is expected to be on target at year-end.

#### 10.2 **Capital Monitoring for Period Ending 31<sup>st</sup> December, 2008**

10.2.1 Details of anticipated and actual capital expenditure as at 31<sup>st</sup> December, 2008, is summarised in **Appendix I** and shows:

Column A	-	Scheme Title
Column B	-	Budget for Year
Column C	-	Actual expenditure to 31 <sup>st</sup> December, 2008
Column D	-	Expected remaining expenditure to be incurred in the period January to March, 2009
Column E	-	Expenditure Rephased into 2009/2010
Column F	-	2008/2009 Total Expenditure

Column G - Variance from Budget  
Column H - Type of financing

10.2.2 Detailed analysis of these schemes are on deposit in the Member's Library.

10.2.3 **Appendix I, Table 1 – Resources**

Actual capital expenditure to date amounts to £2,124,100, compared to the approved budget of £6,314,400. There is £4,043,700 of expenditure remaining. Owing to time delays a total of £144,900 relating to the municipal buildings boiler replacement has been rephased into 2009/2010.

10.2.4 There are no major items to bring to the Portfolio Holder's attention.

10.2.5 **Appendix I, Table 2 – New Deal for Communities**

The management of NDC resources is subject to specific Government regulations were the Partnership is able to renegotiate the annual allocation during mid year review with Government Office for the North East. This provides the Partnership with a degree of flexibility in managing the overall programme.

The Partnership has been allocated £2,790,700 to spend in 2008/2009 on capital projects. Appendix I, Table 2 provides details of the latest agreed budget in relation to this target.

Actual expenditure to date amounts to £809,700, compared to the approved budget of £2,790,700, with £1,981,100 of expenditure remaining.

10.2.6 There are no major items to bring to Portfolio Holder's attention and expenditure is expected to be on target at year-end.

10.2.7 **Appendix I, Table 3 – Single Programme**

These projects are residual Single Programme Partnership schemes which are now fully funded from other sources. The budget for the year is £463,900. Actual expenditure to date amounts to £446,500 with £17,400 of expenditure remaining.

10.2.8 There are no major items to bring to Portfolio Holder's attention and expenditure is expected to be on target at year-end.



**11. RECOMMENDATIONS**

11.1 It is recommended that Cabinet:

- i) Cabinet notes the current position with regard to Capital Monitoring and Accountable Body Programme Monitoring.

**CAPITAL MONITORING REPORT TO 31st December 2008**

Line No	Portfolio	2008/09 Budget	2008/09 Actual to 31/12/2008	2008/09 Expenditure Remaining	2008/09 Expenditure Rephased into 2009/10 £'000	2008/09 Total Expenditure	2008/09 Variance from budget
Col. A	Col. B	Col. C	Col. D	Col. E	Col. F	Col. G (F=D+E)	Col. H
		£'000	£'000	£'000	£'000	£'000	£'000
1	Adult & Public Health Services	4,571.0	284.8	4,272.2	14.0	4,571.0	0.0
2	Children's Services	8,430.0	4,477.9	2,954.1	998.0	8,430.0	0.0
3	Culture, Leisure & Tourism	1,207.2	433.8	357.4	416.0	1,207.2	0.0
4	Neighbourhoods & Communities	17,363.9	9,654.6	4,310.4	3,398.9	17,363.9	0.0
5	Regeneration & Liveability	728.7	331.5	398.4	0.0	729.9	1.2
6	Finance & Efficiency	6,314.4	2,124.1	4,043.7	144.9	6,312.7	(1.7)
7	Total Capital Expenditure	38,615.2	17,306.7	16,336.2	4,971.8	38,614.7	(0.5)

**ACCOUNTABLE BODY PROGRAMMES TO 31ST DECEMBER 2008**

Line No	Actual Position 31/12/08			Description of Best Value Unit	Projected Outturn Position		
	Expected Expenditure/ (Income)	Actual Expenditure/ (Income)	Variance Adverse/ (Favourable)		2008/09 Latest Budget	2008/09 Projected Outturn	Projected Variance: Adverse/ (Favourable)
Col. A	Col. B	Col. C	Col. D (D=C-B)	Col. E	Col. F	Col. G	Col. H (H=G-F)
	£'000	£'000	£'000		£'000	£'000	£'000
				<b><u>TABLE 1 - New Deal for Communities</u></b>			
1	1,384.2	1,345.0	(39.2)	Revenue Projects	2,730.2	2,730.2	0.0
2	2,790.7	809.7	(1,981.0)	Capital Projects	2,790.7	2,790.7	0.0
3	4,174.9	2,154.7	(2,020.2)	Total NDC	5,520.9	5,520.9	0.0
				<b><u>TABLE 2 - Single Programme</u></b>			
4	359.0	249.5	(109.5)	Revenue Projects	478.7	478.7	0.0
5	463.9	446.5	(17.4)	Capital Projects	463.9	463.9	0.0
6	822.9	696.0	(126.9)	Total SP	942.6	942.6	0.0

**CAPITAL MONITORING REPORT PERIOD ENDING 31st December 2008**

Project Code	A Scheme Title	EXPENDITURE IN CURRENT YEAR						
		B	C	D	E	F	G	H
		2008/2009 Budget £'000	2008/2009 Actual as at 31/12/08 £'000	2008/2009 Expenditure Remaining £'000	Expenditure Rephased into 2009/10 £'000	C+D+E 2008/2009 Total Expenditure £'000	F-B 2008/2009 Variance from budget £'000	Type of financing
7229	Cemetery Flooding Works	175.0	66.8	94.2	14.0	175.0	0.0	UDPB
7441	Adult Education - Neighbourhood Learning in Deprived Communities Fund	67.0	47.0	20.0	0.0	67.0	0.0	GRANT
7985	Adult Education - Motivating E-Learning	30.0	23.0	7.0	0.0	30.0	0.0	GRANT
7983	Blakelock Day Centre demolition	170.0	35.0	135.0	0.0	170.0	0.0	CAPREC
7234	Chronically Sick & Disabled Adaptations Equipment Purchases for Clients	113.0	41.0	72.0	0.0	113.0	0.0	GRANT
7737	DDA (SCRAPT)	50.0	0.0	50.0	0.0	50.0	0.0	UCPB
7480	Improving Information Management (IIM) - Electronic Social Care Record	6.0	6.0	0.0	0.0	6.0	0.0	GRANT
7481	Improving Information Management (IIM) - IT Infrastructure	46.0	43.0	3.0	0.0	46.0	0.0	GRANT
7479	Improving Information Management (IIM) - Single Assessment Project (SAP)	1.0	0.0	1.0	0.0	1.0	0.0	GRANT
7351	Improving Information Management (IIM) - Systems	5.0	0.0	5.0	0.0	5.0	0.0	GRANT
7616	Learning Disability - Extra Care Housing	308.0	0.0	308.0	0.0	308.0	0.0	GRANT
7578	Lynn Street ATC Demolition	11.0	0.0	11.0	0.0	11.0	0.0	RCCO
7389	Mental Health Projects	334.0	0.0	334.0	0.0	334.0	0.0	SCE(R)
7028	Orwell Walk - Older People	2,993.0	0.0	2,993.0	0.0	2,993.0	0.0	GRANT
7723	Resettlement Capital Works - Capital Grant	150.0	0.0	150.0	0.0	150.0	0.0	GRANT
7869	Masefield Road, former Rift House Nursery - Purchase & Develop Building	92.0	23.0	69.0	0.0	92.0	0.0	MIX
NEW	Waverley Terrace Mental Health Training Allotment & Greenhouses	20.0	0.0	20.0	0.0	20.0	0.0	SCE(R)
		4,571.0	284.8	4,272.2	14.0	4,571.0	0.0	

**Key**

RCCO Revenue Contribution towards Capital  
MIX Combination of Funding Types  
UCPB Unsupported Corporate Prudential Borrowing  
SCE ® Supported Capital Expenditure (Revenue)

GRANT Grant Funded  
CAP REC Capital Receipt  
UDPB Unsupported Departmental Prudential Borrowing  
SPB Supported Prudential Borrowing

## CAPITAL MONITORING REPORT PERIOD ENDING 31st December 2008

Project Code	A Scheme Title	EXPENDITURE IN CURRENT YEAR						
		B	C	D	E	F	G	H
		2008/2009 Budget £'000	2008/2009 Actual as at 30/09/08 £'000	2008/2009 Expenditure Remaining £'000	Expenditure Rephased into 2009/10 £'000	C+D+E 2008/2009 Total Expenditure £'000	F-B 2008/2009 Variance from budget £'000	Type of financing
7930	Barnard Grove - Replace Windows	40.6	26.2	14.4	0.0	40.6	0.0	MIX
7931	Barnard Grove - Replace Roof KS1	63.0	49.1	13.9	0.0	63.0	0.0	MIX
7758	Barnard Grove - New Pipework and Fan Convector	1.6	1.6	0.0	0.0	1.6	0.0	SCE( R)
7851	Barnard Grove - Refurbish Toilets	30.7	38.0	0.0	0.0	38.0	7.3	MIX
7275	Brierton - Relocation to Single Site	6.7	0.0	6.7	0.0	6.7	0.0	MIX
7276	Brierton - Install/Move Boundary Fence	14.3	0.0	14.3	0.0	14.3	0.0	MIX
7277	Brierton - Convert top site to Access 2 Learning School	6.6	0.0	6.6	0.0	6.6	0.0	MIX
7451	Brierton - Build Sports Hall & Sports Facilities	20.4	0.0	20.4	0.0	20.4	0.0	MIX
7420	Brierton - Purchase ICT & Internal Alterations	0.6	0.0	0.6	0.0	0.6	0.0	MIX
7767	Brierton - Upgrade Fire Alarm System	2.1	0.7	1.4	0.0	2.1	0.0	RCCO
7909	Brierton - Replace Roof Dance Studio, Corridors, Changing	108.6	89.8	18.8	0.0	108.6	0.0	MIX
7932	Brougham - Replacement Windows	20.8	16.7	4.1	0.0	20.8	0.0	MIX
7769	Brougham - Resurface Play Area	0.4	0.4	0.0	0.0	0.4	0.0	RCCO
7747	Catcote - Caretakers Bungalow Roof Replacement	24.3	24.3	0.0	0.0	24.3	0.0	GRANT
7929	Catcote - Window Replacement	75.7	59.4	16.3	0.0	75.7	0.0	MIX
7915	Catcote - Replace Roof over Kitchen	28.5	20.3	8.2	0.0	28.5	0.0	MIX
7491	Clavering - Replace Roof Phase 4 (06/07)	9.0	0.0	9.0	0.0	9.0	0.0	SCE( R)
7664	Clavering - Create New Foundation Stage Unit	33.3	29.6	3.7	0.0	33.3	0.0	GRANT
7934	Clavering - Replace Hall Roof	22.1	18.2	3.9	0.0	22.1	0.0	MIX
7849	Dyke House - Replace Boilers (07/08)	12.6	3.0	9.6	0.0	12.6	0.0	RCCO
7575	Dyke House - ICT Equipment Purchase	82.7	10.2	72.5	0.0	82.7	0.0	RCCO
7586	Dyke House City Learning Centre - ICT/Equipment Purchase	177.0	0.0	177.0	0.0	177.0	0.0	GRANT
7288	English Martyrs - Build new outdoor Sports Pitch	8.2	0.0	8.2	0.0	8.2	0.0	MIX
7663	Eldon Grove - Erect Perimeter Fence	10.4	8.0	2.4	0.0	10.4	0.0	MIX
7628	Eldon Grove - Major Internal Works	0.2	0.2	0.0	0.0	0.2	0.0	RCCO
7760	Fens - Replace Fan Convector & Radiators (Ph 1)	0.8	0.8	0.0	0.0	0.8	0.0	GRANT
7740	Fens - New Office Extension	20.0	0.0	20.0	0.0	20.0	0.0	RCCO
7916	Fens - Renew Heating Distribution System	59.2	45.0	14.2	0.0	59.2	0.0	MIX
7935	Fens - Replace Windows	77.7	57.7	20.0	0.0	77.7	0.0	MIX
7729	Golden Flatts - Window Replacement (07/08)	2.3	2.3	0.0	0.0	2.3	0.0	MIX
7527	Golden Flatts - Improve Kitchen Ventilation	12.7	0.0	12.7	0.0	12.7	0.0	GRANT
7923	Golden Flatts - Window Replacement Kitchen / Dining	41.4	32.9	8.5	0.0	41.4	0.0	MIX
7295	Grange - Replace Classrooms (03/04)	26.3	0.0	26.3	0.0	26.3	0.0	GRANT
7815	Grange - Internal Works to Kitchen	17.8	0.0	17.8	0.0	17.8	0.0	RCCO
7924	Grange - Window Replacement Office	49.1	37.8	11.3	0.0	49.1	0.0	MIX
7851	Greatham - Refurbish Toilets	58.8	58.8	0.0	0.0	58.8	0.0	MIX
7937	Greatham - Window Replacement Hall & Conservatory	66.4	50.3	16.1	0.0	66.4	0.0	MIX
7920	High Tunstall - Replace Roof Admin Block	77.6	60.2	17.4	0.0	77.6	0.0	MIX
7500	High Tunstall - Refurbish Classrooms / Equipment Purchase	3.1	0.0	3.1	0.0	3.1	0.0	GRANT
7533	Jesmond Rd - Relocate Nursery to form Foundation Unit, installation of ramps & internal works	5.8	0.0	5.8	0.0	5.8	0.0	MIX
7949	Jesmond Road - Renew Heating System in Reception	13.5	9.7	3.8	0.0	13.5	0.0	MIX
7925	Jesmond Road - Install Kitchen Equipment / Develop Kitchen	156.0	129.3	26.7	0.0	156.0	0.0	MIX
7773	Kingsley - Caretakers Bungalow Heating	0.8	0.8	0.0	0.0	0.8	0.0	GRANT
7469	Kingsley - Extension to School for Children's Centre	133.4	133.4	0.0	0.0	133.4	0.0	GRANT
7772	Kingsley - Window Replacement	4.4	4.1	0.3	0.0	4.4	0.0	GRANT
7939	Kingsley - Hall Roof Replacement	42.0	32.3	9.7	0.0	42.0	0.0	MIX
7938	Kingsley - Window Replacement North Elevation	88.3	69.5	18.8	0.0	88.3	0.0	MIX
7976	Kingsley - Convert Storage Areas into classrooms (inc poss extn)	50.9	37.8	13.1	0.0	50.9	0.0	MIX
7057	Lynnfield - Build Community Facility	17.8	15.2	2.6	0.0	17.8	0.0	GRANT
7762	Lynnfield - Boiler Plant Replacement	9.6	0.7	8.9	0.0	9.6	0.0	GRANT
7926	Lynnfield - Upgrade Toilets inc DDA	33.1	26.3	6.8	0.0	33.1	0.0	MIX
7312	Manor - Build New Science Lab	6.6	0.0	6.6	0.0	6.6	0.0	MIX
7565	Manor - Upgrade Fire Alarm System & Electrical Works	0.1	0.1	0.0	0.0	0.1	0.0	GRANT
7568	Manor - Develop New SEN/Resource Centre	2.3	2.3	0.0	0.0	2.3	0.0	MIX
7314	Manor - Build E-Learning Centre	21.5	7.5	14.0	0.0	21.5	0.0	MIX
7824	Manor - Improve Stage Access	2.0	0.0	2.0	0.0	2.0	0.0	MIX
7912	Manor - Replace External Doors - Improve Security	40.3	33.4	6.9	0.0	40.3	0.0	MIX
7910	Manor - External Decoration / Window Replacement	20.8	15.9	4.9	0.0	20.8	0.0	MIX
7666	Owton Manor - Modifications to SPACE Centre	2.7	2.7	0.0	0.0	2.7	0.0	GRANT
7940	Owton Manor - Replace Windows & External Doors	100.0	80.3	19.7	0.0	100.0	0.0	MIX
7819	Rift House - ICT Development	21.3	21.3	0.0	0.0	21.3	0.0	GRANT
7654	Rift House - Relocation of Nursery & Refurbish Existing Nursery to create a Children's Centre	28.9	18.3	10.6	0.0	28.9	0.0	GRANT
7775	Rift House - Window Replacement (07/08)	2.7	2.7	0.0	0.0	2.7	0.0	GRANT
7850	Rift House - Disabled Toilet/Entrance Works	20.8	20.8	0.0	0.0	20.8	0.0	SCE ( R)
7927	Rift House - Upgrade Toilets	66.6	65.4	1.2	0.0	66.6	0.0	MIX
7928	Rift House - Resurface Car Park / Pedestrian Access	35.0	15.4	19.6	0.0	35.0	0.0	MIX
7941	Rossmere - Window Replacement Dining Hall	91.0	70.0	21.0	0.0	91.0	0.0	MIX
7917	Springwell - Install Mobile Classroom	150.6	136.1	14.5	0.0	150.6	0.0	MIX
7323	Stranton - Build New Community Facility	21.9	21.9	0.0	0.0	21.9	0.0	MIX
7656	Stranton - Children's Centre Modifications to Kitchen & Offices	2.0	2.0	0.0	0.0	2.0	0.0	GRANT
7763	Stranton - Replace Windows (07/08)	3.9	0.0	3.9	0.0	3.9	0.0	GRANT
7888	Stranton - Purchase & Install CCTV	2.3	0.0	2.3	0.0	2.3	0.0	RCCO
7944	Stranton - Window Replacement	38.0	28.2	9.8	0.0	38.0	0.0	MIX
7978	Stranton - Extension to Children's Centre	296.4	0.7	0.0	295.7	296.4	0.0	MIX
7567	St Cuthberts - Boiler Replacement	1.5	1.5	0.0	0.0	1.5	0.0	MIX
7327	St Helens - Kitchen Refurbishment	0.1	0.0	0.1	0.0	0.1	0.0	GRANT
7943	St Helens - Replace Roof KS2 Area	71.0	55.6	15.4	0.0	71.0	0.0	MIX

CAPITAL MONITORING REPORT PERIOD ENDING 31st December 2008

Project Code	A Scheme Title	EXPENDITURE IN CURRENT YEAR						H Type of financing
		B	C	D	E	F	G	
		2008/2009 Budget £'000	2008/2009 Actual as at 30/09/08 £'000	2008/2009 Expenditure Remaining £'000	Expenditure Rephased into 2009/10 £'000	C+D+E 2008/2009 Total Expenditure £'000	F-B 2008/2009 Variance from budget £'000	
7597	St John Vianney - Starfish Daycare Outside Play Area	31.6	0.0	10.5	21.1	31.6	0.0	GRANT
7997	St Hilds - Build Classroom of the Future	30.0	7.2	42.8	0.0	50.0	20.0	MIX
7946	Throston - Install Lift	53.8	40.5	13.3	0.0	53.8	0.0	MIX
7945	Throston - Rewire School Electrics	71.8	58.1	13.7	0.0	71.8	0.0	MIX
7981	Throston - Extension to Build Children's Centre	301.8	1.4	98.4	202.0	301.8	0.0	GRANT
7873	Ward Jackson - Extend Car Park	1.3	0.0	1.3	0.0	1.3	0.0	RCCO
7918	Ward Jackson - Window Replacement	42.9	33.1	9.8	0.0	42.9	0.0	MIX
-	Ward Jackson - Increase size of office (internal works)	50.0	0.0	50.0	0.0	50.0	0.0	MIX
7776	West Park - Pipework (Phase 1)	9.0	0.5	0.0	0.0	0.5	(8.5)	GRANT
7828	West Park - Refurbish KS2 Toilets	49.2	37.2	12.0	0.0	49.2	0.0	MIX
7919	West Park - KS1 and Staff Toilet Upgrade	48.2	36.9	11.3	0.0	48.2	0.0	MIX
7848	West Park - Security Works ie. Fencing	45.0	40.2	4.8	0.0	45.0	0.0	RCCO
7598	West View - Improve / Refurbish Nursery & Reception	18.8	6.9	11.9	0.0	18.8	0.0	GRANT
7340	West View - Develop Football Facilities	5.5	0.0	5.5	0.0	5.5	0.0	GRANT
7730	West View - Remodel KS2 Offices	0.6	0.6	0.0	0.0	0.6	0.0	GRANT
7777	West View - Pipe Work	9.7	0.0	0.0	0.0	0.0	(9.7)	GRANT
7948	West View - Replace Windows	51.0	39.3	11.7	0.0	51.0	0.0	MIX
7342	Carlton Outdoor Centre Redevelopment Phase 1 - New Accommodation Block; Create Meeting Room & Storage; Develop Challenge Course and other on-site adventure opportunities	1.1	1.1	0.0	0.0	1.1	0.0	MIX
7863	Carlton Outdoor Centre - Redevelopment of Site (Proposed Phase 2 although works/funding to be determined)	90.0	0.0	90.0	0.0	90.0	0.0	MIX
7641	Carlton Outdoor Centre - Purchase & Install Challenge Course and Climbing Wall	5.1	0.0	5.1	0.0	5.1	0.0	MIX
7820	Improve Ventilation in Classrooms - Various Schools	0.3	0.0	0.3	0.0	0.3	0.0	RCCO
7521	Children's Centres - Miscellaneous Capital Expenditure	0.6	0.0	0.6	0.0	0.6	0.0	GRANT
7979	Children's Centres - Maintenance	20.1	10.1	10.0	0.0	20.1	0.0	GRANT
7428	Workforce Remodelling - Misc School Projects to better utilise space	42.6	0.0	42.6	0.0	42.6	0.0	GRANT
7384	Devolved Capital - Various Misc Individual School Projects	1190.5	747.0	443.5	0.0	1,190.5	0.0	GRANT
7463	Youth Capital Fund - Spend to be determined by Young People	79.3	65.4	13.9	0.0	79.3	0.0	GRANT
7437	Playing for Success - Develop New Classroom at H'pool Utd	0.5	0.0	0.5	0.0	0.5	0.0	MIX
7421	School Travel Plans - Develop Cycle Storage at Schools	81.4	15.8	65.6	0.0	81.4	0.0	GRANT
7858	Computers for Pupils	652.5	389.8	262.7	0.0	652.5	0.0	GRANT
7779	Improve Ventilation in ICT Suites (O Manor, Rossmere, W View)	5.7	0.0	5.7	0.0	5.7	0.0	RCCO
9004	Funding (Modernisation, Access, RCCO)	112.4	0.0	103.3	0.0	103.3	(9.1)	GRANT
7447	Purchase of Interactive Whiteboards (Various Schools)	2.1	0.0	2.1	0.0	2.1	0.0	GRANT
7344	Brinkburn Pool - Reinstatement of Pool after Fire	0.6	0.0	0.6	0.0	0.6	0.0	MIX
7814	ICT / Mobile Technology for Children's Social Workers	27.9	1.6	26.3	0.0	27.9	0.0	GRANT
7652	Sure Start Central - Refurbish daycare suite at Chatham House	6.3	6.3	0.0	0.0	6.3	0.0	GRANT
7426	Purchase & Install new Integrated Children's Computerised System for Children & Families	190.0	0.0	190.0	0.0	190.0	0.0	GRANT
7901	Purchase & Install CELTICS Project - Case Management System for Children's & Families Team	350.2	224.2	126.0	0.0	350.2	0.0	GRANT
7388	Sure Start Central - Improvement Works at Lowthian Road	2.7	0.0	2.7	0.0	2.7	0.0	MIX
7210	Capital Grant Contribution for Rift House N'hood Nursery	4.3	0.0	4.3	0.0	4.3	0.0	MIX
7668	Children's Centres - General Equipment	1.5	1.5	0.0	0.0	1.5	0.0	GRANT
7506	Sure Start Central - Chatham Road Capital Works	5.9	0.0	5.9	0.0	5.9	0.0	MIX
8007	Sure Start Central - Chatham Road, Garage Conversion & Equip	33.8	1.8	0.0	32.0	33.8	0.0	GRANT
-	Harnessing Technology Grant - ICT for Schools	350.5	0.0	350.5	0.0	350.5	0.0	GRANT
7898	BSF - Purchase additional accommodation for Brierton pupils	520.0	508.4	11.6	0.0	520.0	0.0	MIX
7953	Supply and Install Mobile Classrooms	237.0	204.7	32.3	0.0	237.0	0.0	MIX
7977	Information System for Parents & Providers Project	18.6	17.0	1.6	0.0	18.6	0.0	GRANT
7597	Sure Start South - Bushbaby Daycare - Outside Play Area	26.2	0.0	8.7	17.5	26.2	0.0	GRANT
8001	Capital Grants to External Nurseries	178.6	178.6	0.0	0.0	178.6	0.0	GRANT
-	Youth Capital Fund Plus - (Major Capital Scheme to be determined by young people)	452.0	0.0	22.3	429.7	452.0	0.0	GRANT
		8,430.0	4,477.9	2,954.1	998.0	8,430.0	0.0	

Key

RCCO Revenue Contribution towards Capital  
MIX Combination of Funding Types  
UCPB Unsupported Corporate Prudential Borrowing  
SCE ® Supported Capital Expenditure (Revenue)

GRANT Grant Funded  
CAP REC Capital Receipt  
UDPB Unsupported Departmental Prudential Borrowing  
SPB Supported Prudential Borrowing

## CAPITAL MONITORING REPORT PERIOD ENDING 31st December 2008

Project Code	A Scheme Title	EXPENDITURE IN CURRENT YEAR						
		B	C	D	E	F	G	H
		2008/2009 Budget £'000	2008/2009 Actual as at 31/12/08 £'000	2008/2009 Expenditure Remaining £'000	Expenditure Rephased into 2009/10 £'000	C+D+E 2008/2009 Total Expenditure £'000	F-B 2008/2009 Variance from budget £'000	Type of financing
7712	Bridge Community Centre - Demolition	71.0	71.0	0.0	0.0	71.0	0.0	UCPB
7713	Burbank Community Centre - Refurbishment	8.0	0.0	8.0	0.0	8.0	0.0	UCPB
7881	Burn Valley Garden Sewers/Drainage Works	15.0	4.0	11.0	0.0	15.0	0.0	GRANT
7651	Burn Valley Park Beck - Reduce Flood Risk/Landscaping	69.0	0.0	0.0	69.0	69.0	0.0	MIX
7003	Carnegie Building Refurbishment	16.0	3.0	13.0	0.0	16.0	0.0	MIX
7377	Central Library - Lighting Improvements	38.0	25.0	13.0	0.0	38.0	0.0	RCCO
7877	Central Library - Disabled Toilet	5.0	5.0	0.0	0.0	5.0	0.0	RCCO
7986	Central Library - Installation of Self-Issue System	85.0	0.0	85.0	0.0	85.0	0.0	MIX
7893	Clavering Play Area - Tarmac Surface	30.0	9.0	21.0	0.0	30.0	0.0	RCCO
7375	Countryside - Purchase Replacement Vehicle	15.0	0.0	0.0	15.0	15.0	0.0	MIX
7864	Foreshore - Replacement Lifeguard Vehicle	9.0	0.0	9.0	0.0	9.0	0.0	RCCO
8011	Grayfields CCTV	7.4	7.0	0.4	0.0	7.4	0.0	MIX
7992	Grayfields Sports - Construct Four Junior Sports Pitches	50.0	0.0	0.0	50.0	50.0	0.0	MIX
7213	Grayfields Sports Pavilion - Changing Rooms	47.0	16.0	31.0	0.0	47.0	0.0	MIX
7382	Greatham Play Area Equipment	9.0	0.0	0.0	9.0	9.0	0.0	MIX
7865	Hartlepool Museum - Internal Works for new display areas	186.0	186.0	0.0	0.0	186.0	0.0	MIX
7001	Headland Community Resource Centre extension	18.0	0.0	18.0	0.0	18.0	0.0	MIX
7002	Headland Sports Hall - Sports Improvement	20.0	0.0	20.0	0.0	20.0	0.0	MIX
7995	Installation of Induction Loops for Hard of Hearing at 23 Council buildings	15.0	0.0	15.0	0.0	15.0	0.0	UCPB
7831	Jutland Road Community Centre - Internal Alterations	2.6	1.2	1.4	0.0	2.6	0.0	MIX
7414	Jutland Road Play Area Upgrade	55.0	0.0	5.0	50.0	55.0	0.0	MIX
7996	Maritime Entranceway	5.0	1.0	4.0	0.0	5.0	0.0	UCPB
8008	Mill House Free Swim Project	20.0	0.0	20.0	0.0	20.0	0.0	GRANT
7994	Mill House Leisure Centre Doors - Disabled Access	5.0	0.0	5.0	0.0	5.0	0.0	UCPB
7887	Nicholson Fields Allotments - Security Improvements	20.0	0.0	0.0	20.0	20.0	0.0	RCCO
7845	Rossmere - Pitch Improvements	5.0	0.0	5.0	0.0	5.0	0.0	GRANT
7991	St Patricks Multi Use Games Area - Design works	2.0	1.0	1.0	0.0	2.0	0.0	RCCO
7771	Seaton Allotments, Station Lane - Drainage Works	2.0	0.0	2.0	0.0	2.0	0.0	MIX
7215	Seaton Carew Cricket Club Grant - Ground Imps	10.0	5.0	5.0	0.0	10.0	0.0	CAPR
7203	Sir William Gray House - Disability Improvements	3.0	3.0	0.0	0.0	3.0	0.0	MIX
N/A	Skateboard Park Development	70.0	0.0	0.0	70.0	70.0	0.0	RCCO
7844	Town Moor - Develop Multi Use Games Area	63.0	0.0	0.0	63.0	63.0	0.0	MIX
7590	Ward Jackson Park Car Park - Improvement Works	76.4	4.9	1.5	70.0	76.4	0.0	MIX
8010	Ward Jackson Park CCTV & Lights	20.9	6.9	14.0	0.0	20.9	0.0	MIX
7990	Ward Jackson Park - Bandstand Shutters	3.9	0.0	3.9	0.0	3.9	0.0	MIX
7354	Ward Jackson Park - Fountain	4.0	4.0	0.0	0.0	4.0	0.0	MIX
8009	Throston Allotments Fencing	26.0	0.0	26.0	0.0	26.0	0.0	MIX
7993	Tall Ships - Hart Road Pedestrian Crossing	100.0	80.8	19.2	0.0	100.0	0.0	MIX
		1,207.2	433.8	357.4	416.0	1,207.2	0.0	

## Key

RCCO Revenue Contribution towards Capital  
MIX Combination of Funding Types  
UCPB Unsupported Corporate Prudential Borrowing  
SCE @ Supported Capital Expenditure (Revenue)

GRANT Grant Funded  
CAP REC Capital Receipt  
UDPB Unsupported Departmental Prudential Borrowing  
SPB Supported Prudential Borrowing

## CAPITAL MONITORING REPORT PERIOD ENDING 31st December 2008

Project Code	A Scheme Title	EXPENDITURE IN CURRENT YEAR						
		B	C	D	E	F	G	H
		2008/2009 Budget £'000	2008/2009 Actual as at 30/09/08 £'000	2008/2009 Expenditure Remaining £'000	Expenditure Rephased into 2009/10 £'000	C+D+E 2008/2009 Total Expenditure £'000	F-B 2008/2009 Variance from budget £'000	Type of financing
7894	Security Fencing - Recycling Centre	55	35	20	0.0	55.0	0.0	UCPB
7272	Wheelie Bin Purchase	51.5	51.5	0.0	0.0	51.5	0.0	UDPB
7465	Recycling Scheme (containers etc)	71.8	20.1	51.7	0.0	71.8	0.0	UDPB
7821	Waste Performance Efficiency Grant (containers etc)	160.6	78.5	82.1	0.0	160.6	0.0	GRANT
7404	HRA Residual Expenditure	9.1	0.1	9.0	0.0	9.1	0.0	CAP REC
7218	Disabled Facility Grants	561.3	451.5	109.8	0.0	561.3	0.0	GRANT
7230	Housing Market Renewal (house purchases)	5,588.2	3,131.6	1,056.6	1,400.0	5,588.2	0.0	GRANT
7219	Home Plus Grants (provided by Endeavour HA)	90.0	42.9	47.1	0.0	90.0	0.0	GRANT
7231	Housing Thermal Efficiency	99.3	80.0	19.3	0.0	99.3	0.0	GRANT
7220	Private Sector Housing Grants	359.3	208.3	151.0	0.0	359.3	0.0	GRANT
7720	Public Conveniences	999.1	224.0	773.1	2.0	999.1	0.0	UDPB
7025	Headland Paddling Pool	12.5	12.5	0.0	0.0	12.5	0.0	MIX
7029	A689 Local Safety Schemes	0.0	0.0	55.7	0.0	55.7	55.7	MIX
7030	Catcote Road Local Safety Schemes	0.0	0.0	117.2	0.0	117.2	117.2	MIX
7206	CSS Social Lighting Programme	4.4	0.0	4.4	0.0	4.4	0.0	UCPB
7207	LTP-Community Safety-Car Park Security/CCTV	69.6	21.5	48.1	0.0	69.6	0.0	SPB
7235	Low Floor Infrastructure	30.0	6.3	23.7	0.0	30.0	0.0	SPB
7236	Bus Shelter Improvements	69.4	35.7	33.7	0.0	69.4	0.0	SPB
7237	Cycle Routes General	5.0	4.3	0.7	0.0	5.0	0.0	MIX
7240	Hartlepool Transport Interchange	2,044.6	133.1	80.0	1,822.5	2,035.6	(9.0)	SPB
7241	Dropped Crossings	30.0	30.0	0.0	0.0	30.0	0.0	SPB
7242	Other Street Lighting	82.4	0.4	82.0	0.0	82.4	0.0	MIX
7244	Travel Plans	10.0	1.3	8.7	0.0	10.0	0.0	SPB
7245	LTP-Cycle Parking	0.0	0.0	0.0	0.0	0.0	0.0	GRANT
7247	Bus Quality Corridor	15.0	0.5	14.5	0.0	15.0	0.0	SPB
7250	Sustainable Travel Awareness	10.0	7.0	3.0	0.0	10.0	0.0	GRANT
7251	Public Transport CCTV	10.0	0.0	10.0	0.0	10.0	0.0	GRANT
7252	Safer Streets Initiative	20.0	2.8	0.0	0.0	2.8	(17.2)	GRANT
7265	Coastal Protection Strategic Study	2.0	0.0	2.0	0.0	2.0	0.0	GRANT
7424	Pride in Hartlepool	32.1	5.9	26.2	0.0	32.1	0.0	UCPB
7452	LTP - Local Road Safety	0.0	8.5	0.0	0.0	8.5	8.5	SPB
7455	Hart Lane Road Safety Improvements	82.4	93.3	1.1	0.0	94.4	12.0	MIX
7487	Local Transportation Plan-Monitoring	5.0	1.4	3.6	0.0	5.0	0.0	SPB
7499	Lithgo Close - Contaminated Land	1,787.3	1,518.1	269.2	0.0	1,787.3	0.0	MIX
7508	Anhydrite Mine	175.9	50.5	0.0	125.4	175.9	0.0	MIX
7540	LTP - Tees Valley Major Scheme Bid	2.7	2.7	0.0	0.0	2.7	0.0	SPB
7541	Safer Routes to School	76.1	3.4	24.7	0.0	28.1	(48.0)	GRANT
7542	LTP - Parking Lay-By	25.0	8.8	16.2	0.0	25.0	0.0	SPB
7544	LTP - Shop Mobility	40.0	0.0	40.0	0.0	40.0	0.0	SPB
7545	LTP - Motorcycle Training	21.0	21.0	0.0	0.0	21.0	0.0	GRANT
7546	LTP - Road Safety Education & Training	19.0	0.0	19.0	0.0	19.0	0.0	GRANT
7549	LTP - Other Bridge Schemes	70.0	32.6	37.4	0.0	70.0	0.0	SPB
7580	Highways Remedial Works - Hartlepool Marina	4.5	0.9	3.6	0.0	4.5	0.0	TDC
7581	Tees Valley Boundary Signs	5.4	0.0	5.4	0.0	5.4	0.0	GRANT
7624	LTP - Headland Traffic Management	27.8	0.0	8.8	0.0	8.8	(19.0)	SPB
7639	Footpath Works to Marina	0.0	8.8	0.1	0.0	8.9	8.9	SPB
7644	LTP - School Travel Plans	15.0	3.6	11.4	0.0	15.0	0.0	SPB
7645	LTP - General	144.1	1.6	133.6	0.0	135.2	(8.9)	SPB
7706	Waterproofing Phase 2 - Multi Storey Car Park	947.5	739.5	208.0	0.0	947.5	0.0	UCPB
7707	Highways Maintenance - Other Schemes (non LTP)	40.0	0.0	40.0	0.0	40.0	0.0	UCPB
7714	Owton Manor Lane Shops	0.0	9.0	0.0	0.0	9.0	9.0	SPB
7734	LTP - Hart Lane/Wiltshire Way Junction Improvement 07-08	79.0	54.6	24.4	0.0	79.0	0.0	SPB
7736	LTP - York Road (Park Road to Lister Street)	788.8	513.2	175.6	0.0	688.8	(100.0)	SPB
7805	LTP - Footpath - West View Road	8.4	8.4	0.0	0.0	8.4	0.0	SPB
7835	Primary Health Care Centre Park Road Section 278	28.6	28.6	0.0	0.0	28.6	0.0	MIX
7838	LTP - Tees Road Footways (west side)	95.0	63.8	24.7	0.0	88.5	(6.5)	GRANT
7846	Raby Road Puffin Crossing	10.9	17.4	0.0	0.0	17.4	6.5	UCPB
7847	Coast Protection - Headland Fencing and Promenade	27.6	0.0	27.6	0.0	27.6	0.0	CAP REC
7852	Highway Improvements - TESCO Section 106 Expenditure	333.2	333.2	0.0	0.0	333.2	0.0	GRANT
7856	Stranton Traffic Management	50.0	4.1	45.9	0.0	50.0	0.0	SPB
7891	Strategy Study - Seaton Carew	715.8	625.4	90.4	0.0	715.8	0.0	GRANT
7892	Strategy Study - Town Wall	481.9	398.3	83.6	0.0	481.9	0.0	GRANT
7899	Coast Protection	100.0	0.0	60.0	40.0	100.0	0.0	UCPB
7906	Bryan Hanson House On Street Parking	89.8	51.7	38.1	0.0	89.8	0.0	UDPB
7956	LTP-Cycle Route Signage	5.0	0.0	5.0	0.0	5.0	0.0	SPB
7957	LTP-Seaton Carew Railway Station Improvements	50.0	12.8	37.2	0.0	50.0	0.0	SPB
7960	LTP-Highway Signage Improvements	10.0	0.0	0.0	0.0	0.0	(10.0)	SPB
7961	LTP-School 20mph Zones	10.0	0.0	0.3	0.0	0.3	(9.7)	SPB
7962	LTP-HM-Wooler Road Carriageway Reconstruction	156.0	156.0	0.0	0.0	156.0	0.0	SPB
7963	LTP-HM-Holdforth Road Carriageway Reconstruction	127.5	127.5	0.0	0.0	127.5	0.0	SPB
7972	Other Traffic Management Schemes	40.0	22.3	28.2	0.0	50.5	10.5	SPB
7973	Other Safety Schemes	25.0	7.3	17.7	0.0	25.0	0.0	GRANT
7984	King Oswy Drive Cycleway Improvements	10.0	1.0	0.0	9.0	10.0	0.0	SPB
8006	Access to Briarfields	135.0	135.0	0.0	0.0	135.0	0.0	CAP REC
8015	Tesco - New Entrance/Junction/Lights Section 278	5.5	5.5	0.0	0.0	5.5	0.0	GRANT
		17,363.9	9,654.6	4,310.4	3,398.9	17,363.9	0.0	

## Key

RCCO Revenue Contribution towards Capital  
MIX Combination of Funding Types  
UCPB Unsupported Corporate Prudential Borrowing  
SCE ® Supported Capital Expenditure (Revenue)

GRANT Grant Funded  
CAP REC Capital Receipt  
UDPB Unsupported Departmental Prudential Borrowing  
SPB Supported Prudential Borrowing



**CAPITAL MONITORING REPORT PERIOD ENDING 31st December 2008**

Project Code	A Scheme Title	EXPENDITURE IN CURRENT YEAR						
		B	C	D	E	F	G	H
		2008/2009 Budget £'000	2008/2009 Actual at 30/12/08 £'000	2008/2009 Expenditure Remaining £'000	Expenditure Rephased into 2009/10 £'000	C+D+E 2008/2009 Total Expenditure £'000	F-B 2008/2009 Variance from budget £'000	Type of financing
7012	Headland Regeneration Programme	3.8	5.0	0.0	0.0	5.0	1.2	CAP REC
7013	Headland Town Square	37.1	36.7	0.4	0.0	37.1	0.0	MIX
7015	Targeted Private Housing Improvements	39.2	0.0	39.2	0.0	39.2	0.0	CAP REC
7021	Heugh Battery Phase 2b	156.6	145.8	10.8	0.0	156.6	0.0	GRANT
7368	Building Safer Communities	5.8	0.0	5.8	0.0	5.8	0.0	GRANT
7417	Friarage Field Building Demolition	6.6	0.0	6.6	0.0	6.6	0.0	CAP REC
7431	Community Safety Strategy	95.0	0.0	95.0	0.0	95.0	0.0	UCPB
7510	Interreg Seaport Theme 1	23.3	23.3	0.0	0.0	23.3	0.0	GRANT
7524	HLF - Private Housing	2.0	2.0	0.0	0.0	2.0	0.0	GRANT
7611	Drug Interventions Programme	100.0	68.8	31.2	0.0	100.0	0.0	GRANT
7866	Friarage Manor House	19.2	1.0	18.2	0.0	19.2	0.0	CAP REC
7878	Community Safety CCTV Upgrade	73.4	48.9	24.5	0.0	73.4	0.0	UCPB
7895	Econ. Devt - Indl & Comm-Grants to Businesses	100.0	0.0	100.0	0.0	100.0	0.0	UCPB
7896	BEC Toilet & Shower Facilities	40.0	0.0	40.0	0.0	40.0	0.0	UCPB
7897	Regeneration Match Funding	26.7	0.0	26.7	0.0	26.7	0.0	UCPB
		728.7	331.5	398.4	0.0	729.9	1.2	

**Key**

RCCO	Revenue Contribution towards Capital	GRANT	Grant Funded
MIX	Combination of Funding Types	CAP REC	Capital Receipt
UCPB	Unsupported Corporate Prudential Borrowing	UDPB	Unsupported Departmental Prudential Borrowing
SCE ®	Supported Capital Expenditure (Revenue)	SPB	Supported Prudential Borrowing

## ACCOUNTABLE BODY REVENUE MONITORING REPORT PERIOD ENDING 31st DECEMBER 2008

TABLE 1 - NEW DEAL FOR COMMUNITIES

Line No	Actual Position 31/12/08			Scheme Title	Projected Outturn Position		
	Expected Expenditure/ (Income)	Actual Expenditure/ (Income)	Variance Adverse/ (Favourable)		2008/09 Latest Budget	2008/09 Projected Outturn	Projected Variance: Adverse/ (Favourable)
Col. A	Col. B	Col. C	Col. D (D=C-B)	Col. E	Col. F	Col. G	Col. H (H=G-F)
	£'000	£'000	£'000		£'000	£'000	£'000
1	29.7	29.7	0.0	Longhill - Site Manager	48.2	48.2	0.0
2	31.7	31.7	0.0	Longhill - ILM Scheme	54.0	54.0	0.0
3	(18.2)	(18.3)	(0.1)	Longhill CCTV	25.1	25.1	0.0
4	62.5	62.7	0.2	Enterprise Development Package - Enterprise Support Scheme	93.4	93.4	0.0
5	2.4	2.2	(0.2)	Commercial Areas - Building Modernisation	0.3	0.3	0.0
6	32.1	32.1	0.0	Commercial Areas - Bus Support Manager	46.3	46.3	0.0
7	82.1	82.1	0.0	Opening Doors - Phase 2	106.2	106.2	0.0
8	12.0	12.0	0.0	Sure Start Extension	53.5	53.5	0.0
9	38.6	38.6	0.0	Low Level Support - Phase II	56.8	56.8	0.0
10	12.1	12.1	0.0	Drug Outreach	16.1	16.1	0.0
11	13.0	15.6	2.6	Childrens Emotional Wellbeing	49.1	49.1	0.0
12	0.0	0.0	0.0	Football Development Officer	39.6	39.6	0.0
13	112.0	112.0	0.0	Peoples Access to Health	146.1	146.1	0.0
14	2.4	2.4	0.0	Young Persons Emotional Wellbeing	9.2	9.2	0.0
15	59.5	81.2	21.7	Community Wardens	59.5	59.5	0.0
16	0.0	0.0	0.0	Target Hardening - Phase 3	3.3	3.3	0.0
17	3.9	3.9	0.0	Community Safety Grants Pool	6.5	6.5	0.0
18	0.0	0.0	0.0	Selective Licensing	37.6	37.6	0.0
19	11.0	11.0	0.0	Victim Support	15.1	15.1	0.0
20	2.5	0.0	(2.5)	Voluntary Sector Pool	4.5	4.5	0.0
21	22.1	(5.4)	(27.5)	Crime Premises	29.5	29.5	0.0
22	0.0	0.0	0.0	Police Community Support Officers	12.5	12.5	0.0
23	1.3	1.3	0.0	Dordrecht	1.3	1.3	0.0
24	0.0	0.0	0.0	CCTV Implementation - Phase 3	47.4	47.4	0.0
25	0.0	0.0	0.0	Offendering / Mentoring Scheme	0.0	0.0	0.0
26	10.5	0.0	(10.5)	Anti-Social Behaviour	17.3	17.3	0.0
27	21.9	21.9	0.0	Anti-Social Behaviour - Phase 2	37.7	37.7	0.0
28	0.0	0.0	0.0	Community Learning Centre - Stranton	39.4	39.4	0.0
29	0.0	0.0	0.0	Community Learning Centre - Lynnfield	69.4	69.4	0.0
30	2.9	2.9	0.0	Bursary Fund	2.9	2.9	0.0
31	5.1	5.1	0.0	Family Support	10.2	10.2	0.0
32	0.0	0.0	0.0	Educational Achievement Project	50.0	50.0	0.0
33	0.0	0.0	0.0	Key Stage 2 & 3 Transition	63.5	63.5	0.0
34	55.2	55.2	0.0	Raising Aspirations	73.0	73.0	0.0
35	0.0	0.0	0.0	Sustaining Attainment	44.3	44.3	0.0
36	0.0	0.0	0.0	Sustaining Consultancy Fund	40.0	40.0	0.0
37	19.9	19.9	0.0	Community Chest	19.9	19.9	0.0
38	6.9	6.9	0.0	Belle Vue Extension	9.2	9.2	0.0
39	6.5	6.5	0.0	Osbourne Road Hall	8.9	8.9	0.0
40	23.3	23.3	0.0	Ethnic Minorities	38.3	38.3	0.0
41	26.4	26.4	0.0	Money Advice and Debt Counselling Service	35.1	35.1	0.0
42	14.3	14.2	(0.1)	Peoples Centre	28.5	28.5	0.0
43	0.0	0.0	0.0	Lynnfield Play area	12.8	12.8	0.0
44	0.0	0.0	0.0	Childrens Participation Worker	1.9	1.9	0.0
45	71.2	71.2	0.0	Hartlepool Youth Project	100.0	100.0	0.0
46	48.0	48.0	0.0	Capacity Building Development Managers	71.6	71.6	0.0
47	0.0	0.0	0.0	Arts Development Initiative	(3.1)	(3.1)	0.0
48	15.0	11.3	(3.7)	Grange Road Methodist Church	15.0	15.0	0.0
49	4.0	4.0	0.0	Community Transport	6.1	6.1	0.0
50	0.0	0.0	0.0	Childrens Activities Project	(0.3)	(0.3)	0.0
51	8.0	8.0	0.0	Oxygen Centre - Cap Building	8.0	8.0	0.0
52	1.0	1.0	0.0	Resident Steering Group ICT For RSG Members - Cap Building	2.6	2.6	0.0
53	1.2	1.2	0.0	RSG Resident Training - Capacity Building Project	2.0	2.0	0.0
54	0.0	0.0	0.0	Community Learning Centres - Capacity Building Project	10.2	10.2	0.0
55	0.0	0.0	0.0	Home Improvement Project	0.5	0.5	0.0
56	0.0	0.0	0.0	Community Housing Development Plan - Running Costs	65.0	65.0	0.0
57	38.1	38.1	0.0	Evaluation Project	102.6	102.6	0.0
58	0.0	0.0	0.0	NDC Trust	10.7	10.7	0.0
59	46.3	46.3	0.0	Communications Project Phase II	60.9	60.9	0.0
60	192.8	173.7	(19.1)	Neighbourhood Management	273.7	273.7	0.0
61	0.0	0.0	0.0	Housing Regeneration	0.0	0.0	0.0
62	253.0	253.0	0.0	Management and Administration	441.3	441.3	0.0
60	1,384.2	1,345.0	(39.2)		2,730.2	2,730.2	0.0

TABLE 2 - SINGLE PROGRAMME

Line No	Actual Position 30/09/08			Scheme Title	Projected Outturn Position		
	Expected Expenditure/ (Income)	Actual Expenditure/ (Income)	Variance Adverse/ (Favourable)		2008/09 Latest Budget	2008/09 Projected Outturn	Projected Variance: Adverse/ (Favourable)
Col. A	Col. B	Col. C	Col. D (D=C-B)	Col. E	Col. F	Col. G	Col. H (H=G-F)
	£'000	£'000	£'000		£'000	£'000	£'000
1	22.5	22.5	0.0	Management and Administration	30.0	30.0	0.0
2	296.2	205.4	(90.8)	Building Futures	395.0	395.0	0.0
3	40.3	21.6	(18.7)	Tall Ships Cultural Support	53.7	53.7	0.0
4	359.0	249.5	(109.5)		478.7	478.7	0.0

## CAPITAL MONITORING REPORT PERIOD ENDING 31st December 2008

TABLE 1 - RESOURCES

Project Code	A Scheme Title	EXPENDITURE IN CURRENT YEAR						
		B	C	D	E	F	G	H
		2008/2009 Budget £'000	2008/2009 Actual as at 30/09/08 £'000	2008/2009 Expenditure Remaining £'000	Expenditure Rephased into 2009/10 £'000	C+D+E 2008/2009 Total Expenditure £'000	F-B 2008/2009 Variance from budget £'000	Type of financing
7466	Vehicle Purchases	1,069.6	431.9	637.7	0.0	1,069.6	0.0	UDPB
7263	York Flattlets Demolition	7.7	0.0	7.7	0.0	7.7	0.0	CAP REC
7264	Mobile Benefits	129.3	0.0	129.3	0.0	129.3	0.0	CAP REC
7418	St Benedicts Barlows Building Demolition	34.7	0.0	34.7	0.0	34.7	0.0	CAP REC
7446	EDRMS and Workflow	29.3	29.3	0.0	0.0	29.3	0.0	RCCO
7467	Refurbishment of War Memorials	84.8	83.1	1.7	0.0	84.8	0.0	UCPB
7468	IT Strategy	500.0	0.0	500.0	0.0	500.0	0.0	UDPB
7471	EDRMS Phase 2	162.6	80.5	82.1	0.0	162.6	0.0	RCCO
7623	Corporate IT Projects	88.5	21.8	66.7	0.0	88.5	0.0	CAP REC
7631	Members ICT/Remote Access	50.2	17.9	32.3	0.0	50.2	0.0	CAP REC
7634	Town Centre LIFT Scheme	90.0	0.0	90.0	0.0	90.0	0.0	CAP REC
7836	Project Resolution	91.8	91.9	(0.1)	0.0	91.8	0.0	RCCO
7867	City Challenge Burbank/Murray Street	130.4	42.5	87.9	0.0	130.4	0.0	GRANT
7200	Civic Centre Capital Project	2,614.3	989.3	1,625.0	0.0	2,614.3	0.0	UCPB
7257	Disabled Adaptations	90.9	0.0	90.9	0.0	90.9	0.0	MIX
7705	Seaton Bus Station Refurbishment	219.1	219.1	0.0	0.0	219.1	0.0	MIX
7718	Demolition of Eldon Grove Leisure Centre	65.9	35.6	30.3	0.0	65.9	0.0	UCPB
7781	Replace Boilers - Municipal Buildings	144.9	0.0	0.0	144.9	144.9	0.0	UCPB
7782	Stranton Crematorium - Roof	6.7	0.0	6.7	0.0	6.7	0.0	UCPB
7784	Borough Buildings Replace 5 Water Heaters	7.5	5.8	0.0	0.0	5.8	(1.7)	UCPB
7785	Brinkburn Centre - Renew Sports Hall Change Rms Roof	2.7	0.0	2.7	0.0	2.7	0.0	UCPB
7786	Brinkburn Centre - Renew Filter to Swimming Pool	9.2	9.2	0.0	0.0	9.2	0.0	UCPB
7982	Demolition of Osbourne Road Property	45.0	39.4	5.6	0.0	45.0	0.0	CAP REC
7988	Lynn St Depot Garage - Install Overhead Heaters	60.0	0.0	60.0	0.0	60.0	0.0	UCPB
7989	Municipal Buildings Access System	9.0	0.0	9.0	0.0	9.0	0.0	UCPB
	Civic Centre Toilet Refurbishment	137.0	0.0	137.0	0.0	137.0	0.0	UCPB
	Civic Centre Ramp	29.0	0.0	29.0	0.0	29.0	0.0	UCPB
	Civic Centre Access System	72.0	0.0	72.0	0.0	72.0	0.0	UCPB
	Civic Centre Disabled Toilets	78.0	0.0	78.0	0.0	78.0	0.0	UCPB
	SCRAPT - Unallocated	27.8	0.0	27.8	0.0	27.8	0.0	UCPB
	CPM - CC Renew Fire Sprinkler System	90.0	0.0	90.0	0.0	90.0	0.0	RCCO
7998	CPM - Brinkburn Sports Hall Replace Roof	15.0	0.2	14.8	0.0	15.0	0.0	RCCO
	CPM - St Hilda's Clock Dial	25.0	0.0	25.0	0.0	25.0	0.0	RCCO
7987	CPM - Mill House Renew Pool Filters	35.0	26.6	8.4	0.0	35.0	0.0	RCCO
	CPM - Seaton Carew Clock	5.0	0.0	5.0	0.0	5.0	0.0	RCCO
8013	CPM - Municipal Buildings Replace Fire Alarm	10.0	0.0	10.0	0.0	10.0	0.0	RCCO
	CPM Unallocated	46.5	0.0	46.5	0.0	46.5	0.0	RCCO
		6,314.4	2,124.1	4,043.7	144.9	6,312.7	(1.7)	

TABLE 2 - NEW DEAL FOR COMMUNITIES

Project Code	A Scheme Title	EXPENDITURE IN CURRENT YEAR						
		B	C	D	E	F	G	H
		2008/2009 Budget £'000	2008/2009 Actual as at 30/09/08 £'000	2008/2009 Expenditure Remaining £'000	Expenditure Rephased into 2009/10 £'000	C+D+E 2008/2009 Total Expenditure £'000	F-B 2008/2009 Variance from budget £'000	Type of financing
7069	Longhill Junction Improvements	0.8	0.8	0.0	0.0	0.8	0.0	MIX
7059/7060	Longhill Business Security and Environmental Imps	85.0	23.6	61.4	0.0	85.0	0.0	MIX
7061	Business Security Fund	20.8	13.6	7.2	0.0	20.8	0.0	NDC
7062	CIA Building Modernisation Grant	223.9	51.5	172.4	0.0	223.9	0.0	NDC
7063	CIA Environmental Improvements	878.4	399.4	479.0	0.0	878.4	0.0	MIX
7054	Crime Premises	60.7	0.7	60.0	0.0	60.7	0.0	NDC
7056	Target Hardening Phase 3	71.5	41.6	29.9	0.0	71.5	0.0	NDC
7050	Osbourne Road Hall	3.3	0.0	3.3	0.0	3.3	0.0	NDC
7051	Voluntary Sector Premises Pool	1.5	1.0	0.5	0.0	1.5	0.0	NDC
	Voluntary Sector Premises Pool	45.5	0.0	45.5	0.0	45.5	0.0	NDC
7052	Peoples Centre	62.7	62.7	0.0	0.0	62.7	0.0	NDC
7086	Lynnfield Play Area	72.4	64.5	7.9	0.0	72.4	0.0	NDC
7065/7070	Neighbourhood Management	58.5	11.8	46.7	0.0	58.5	0.0	NDC
7079	Housing Improvement Project	250.0	10.5	239.5	0.0	250.0	0.0	MIX
8005	Accelerated Housing Purchase	494.5	0.0	494.5	0.0	494.5	0.0	NDC
7088	Sustaining Centres	180.0	0.0	180.0	0.0	180.0	0.0	NDC
8004	Strategic Land Purchase for Regeneration	250.0	128.0	122.0	0.0	250.0	0.0	NDC
7087	Longhill CCTV	31.2	0.0	31.2	0.0	31.2	0.0	MIX
		2,790.7	809.7	1,981.0	0.0	2,790.7	0.0	

TABLE 3 - SINGLE PROGRAMME

Project Code	A Scheme Title	EXPENDITURE IN CURRENT YEAR						
		B	C	D	E	F	G	H
		2008/2009 Budget £'000	2008/2009 Actual as at 30/09/08 £'000	2008/2009 Expenditure Remaining £'000	Expenditure Rephased into 2009/10 £'000	C+D+E 2008/2009 Total Expenditure £'000	F-B 2008/2009 Variance from budget £'000	Type of financing
7103	Central Area Attractors - Wingfield Castle	413.9	399.2	14.7	0.0	413.9	0.0	MIX
7871	Central Area Development Frame - Feasibility Study Town Centre	25.0	22.5	2.5	0.0	25.0	0.0	RCCO
7872	Southern Business Zone - Feasibility Study Brenda Road Area	25.0	24.8	0.2	0.0	25.0	0.0	MIX
		463.9	446.5	17.4	0.0	463.9	0.0	

## Key

RCCO Revenue Contribution towards Capital  
MIX Combination of Funding Types  
UCPB Unsupported Corporate Prudential Borrowing  
SCE © Supported Capital Expenditure (Revenue)

GRANT Grant Funded  
CAP REC Capital Receipt  
UDPB Unsupported Departmental Prudential Borrowing  
SPB Supported Prudential Borrowing

# **CABINET REPORT**

**23 February 2009**



**Report of:** Neighbourhood Services Scrutiny Forum

**Subject:** FINAL REPORT – CONDITION OF THE HIGHWAYS  
IN HARTLEPOOL

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## **SUMMARY**

### **1. PURPOSE OF REPORT**

- 1.1 The purpose of this report is to outline the findings and conclusions of the Neighbourhood Services Scrutiny Forum's investigation into the 'Condition of the Highways in Hartlepool'.

### **2. SUMMARY OF CONTENTS**

- 2.1 The Final Report outlines the overall aim of the scrutiny investigation, terms of reference, methods of investigation, findings, conclusions, and subsequent recommendations.

### **3. RELEVANCE TO CABINET**

- 3.1 It is Cabinet's decision to approve the recommendations in this report.

### **4. TYPE OF DECISION**

- 4.1 This is a Non-key decision.

### **5. DECISION MAKING ROUTE**

- 5.1 The final report was approved by Scrutiny Co-ordinating Committee on 09 January 2009. Cabinet is requested to consider, and approve, the report at today's meeting.

### **6. DECISION(S) REQUIRED**

- 6.1 Cabinet is requested to approve the recommendations outlined in section 11.1 of the bound report, which is attached to the back of the papers for this meeting.

# **CABINET**

**23 February 2009**



**Report of:** Neighbourhood Services Scrutiny Forum

**Subject:** FINAL REPORT - THE CONDITION OF THE HIGHWAYS IN HARTLEPOOL

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## **1. PURPOSE OF REPORT**

- 1.1 To present the findings of the Neighbourhood Services Scrutiny Forum following its investigation into the Condition of the Highways in Hartlepool.

## **2. SETTING THE SCENE**

- 2.1 Hartlepool Borough Council, as the Highway Authority has a statutory duty under the Highways Act 1980 to protect the rights of the public to the use and enjoyment of any highway which includes the duty to maintain the highway. A highway is an established right of way for the public to pass and repass, which includes public footpaths and bridleways as well as all “roads” as defined by the Road Traffic Act.
- 2.2 The highway network is the largest and most visible community asset for which local authorities are responsible and the Council has a road network of 236 miles and footpaths covering 472 miles. It is used on a daily basis by the majority of people and is fundamental to the economic, social and environmental well being of the community. It helps to shape the character and quality of the local areas that it serves and makes an important contribution to wider local authority priorities, including regeneration, social inclusion, community safety, education and health.
- 2.3 In order to fulfil its potential, it is crucial that the local highway network is appropriately maintained. Continuing growth in traffic and its attendant problems has brought increased pressure on the highway network and increased the rate of deterioration. Consequently, concern is increasing about the current level of investment in highway asset management and the effectiveness of current highway maintenance provision. Inadequate maintenance today leads to greater problems for the future.

- 2.4 The Council has a statutory duty under the Highways Act 1980 to maintain highways to ensure that they are safe and fit for ordinary traffic and such care has been taken in all the circumstances which were reasonable. Fiduciary duties placed on the Council include asset management, financial management, procurement, performance and planning, whole life costs, treatment selection, quality management and sustainability.
- 2.5 Greater pressure has been placed on limited budgets due to the requirement for higher than minimum standards to be achieved resulting in the current struggle for the Council to even provide the minimum acceptable standard. According to research by the Local Government Association, Council's are paying out more for compensation claims on potholes than they are spending on repairing roads. The research indicates that £53 million paid out to motorists last year could have been spent repairing an extra 946,429 potholes. The Chair of the Local Government Association's Transport and Regeneration Board is pressing for new legislation to combat the compensation culture created by no-win, no-fee lawyers.
- 2.6 Central Government developed a ten year Transport Plan which set out a realistic view of the challenges faced along with an ambitious vision of what could be achieved by 2010. One of the key challenges which the Plan aimed to address before 2010 was to eliminate the maintenance backlog for local roads, bridges and lighting as part of a £30 billion programme. However, to date this has not been achieved. According to the Asphalt Industry Alliance's Annual Road Survey 2008, the number of trenches and road openings has increased over the past year and there is an 11 year backlog of local maintenance work, with an existing shortfall of more than one billion. The Head of Urban Access Policy at the Freight Transport Association criticised Central Government's lack of provision for local road maintenance, stating that the "Government must increase the funding to local authorities in order that they are able to maintain their roads in a fit and proper condition rather than on what seems to be the current patch and mend basis".

### **3. OVERALL AIM OF THE SCRUTINY INVESTIGATION**

- 3.1 The overall aim of the scrutiny investigation was to review the Council's approach to highway inspection and maintenance and to suggest areas of improvement to ensure the town's roads are maintained to an acceptable standard.

### **4. TERMS OF REFERENCE FOR THE SCRUTINY INVESTIGATION**

- 4.1 The following Terms of Reference for the investigation were as outlined below:-
- (a) To gain an understanding of the statutory and regulatory framework for highway inspection and maintenance;

- (b) To identify provision in local strategies / programmes of relevance to inspection and maintenance of highways in Hartlepool;
- (c) To examine the Council's operational approach to highway inspection and maintenance to ensure that the highways where appropriate are brought up to and maintained to an acceptable standard, with particular focus on:-
  - (i) the associated costs;
  - (ii) the public liability and cost of funding insurance requirements;
  - (iii) the current response times to respond to and rectify varying categories of road defects / maintenance;
  - (iv) the current level of intervention standards and practices; and
  - (v) the arrangements available to the public for the reporting of maintenance / road defects.
- (d) To investigate the local area focus of the Council's current provision to determine its effectiveness and examine ways of extending this principle for the delivery of Highway Services;
- (e) To compare Hartlepool's approach to highways maintenance with other local authorities in the region by consulting to seek good practice; and
- (f) To consult with major stakeholders on the Council's approach to highway inspection and maintenance.

## **5. MEMBERSHIP OF THE NEIGHBOURHOOD SERVICES SCRUTINY FORUM**

### **5.1 Membership of the Neighbourhood Services Scrutiny Forum for the 2008/9 Municipal Year was as outlined below:-**

Councillors Akers-Belcher (Chair), Barker, R W Cook, Coward, Cranney, Fleming, McKenna (Vice – Chair), Worthy and Wright

Resident Representatives: John Cambridge, Mary Green and Brenda Loynes

## **6. METHODS OF INVESTIGATION**

### **6.1 The Members of the Neighbourhood Services Scrutiny Forum met formally from the 11 July 2008 to 24 November 2008 to discuss and receive evidence directly relating to their investigation into the Condition of the Highways in Hartlepool. A detailed record of these meetings is available from the**

Council's Democratic Services or via the Hartlepool Borough Council website.

6.2 A brief summary of the methods of investigation are outlined below:-

- (a) Presentations and reports from Hartlepool Borough Council Officers;
- (b) Evidence provided by the Portfolio Holder for Neighbourhoods and Communities;
- (c) Consultation with the North, South and Central Neighbourhood Consultative Forums;
- (d) Site visit by Members to a selection of roads / pavements across Hartlepool;
- (e) Site visit by Members to Barnsley Metropolitan Borough Council to examine areas of good practice;
- (f) Written evidence from Hartlepool Special Needs Support Group;
- (g) Written evidence from Hartlepool's 50 + Forum;
- (h) Written Evidence from Resident Representatives;
- (i) Consultation with the Headland Conservation Advisory Group;
- (j) Written evidence from the Highways Agency;
- (k) Written Evidence from the Town's Member of Parliament;
- (l) Focus Group held with the members of the public at Hartlepool Civic Centre on 15 September 2008; and
- (m) Attendance by the Chair at the Asphalt Industry Alliance, 'Journey to the Perfect Road' Conference held on 22 October 2008.

## **FINDINGS**

### **7. CURRENT HIGHWAYS MAINTENANCE ISSUES IN HARTLEPOOL**

7.1 In relation to the issues associated with the current highways maintenance service, Members received evidence from a variety of witnesses as outlined below:

#### **Evidence from the Town's Member of Parliament (MP)**

7.2 The written contribution of the Town's MP to the investigation was very welcomed and his views on the condition of the highways in Hartlepool are outlined below.



- 7.3 The MP indicated that in his experience, the provision of highways maintenance is of a good quality referring specifically to the responsiveness of the highways team. The MP commented that he does not receive a large proportion of constituents' correspondence relating to highways maintenance and inspection but when issues are raised, he has found the highways section of the Council to be professional and extremely responsive.
- 7.4 The MP highlighted that constituents have tended to raise concerns with him in respect of poorly maintained kerbsides or pavements, where a fall has occurred rather than potholes in roads. He appreciates that the small scale nature of the local authority often makes it difficult to manage different priorities but it also means that the team is able to respond to concerns quickly.
- 7.5 When asked about his views on the standards of the highways in Hartlepool in comparison to national and regional standards, his understanding is that Hartlepool is currently in the top quartile in the country regarding Government indicators relating to highways maintenance but he does not think this will be the public's perception. He imagines that the public believe that the town's roads are of inferior quality to other areas. Although does not advise increased communication on the matter as his belief is that the public would wish to see any additional resources pumped into the actual maintenance and inspection rather than greater public relations.
- 7.6 One area raised by the MP was the matter of unadopted roads in Hartlepool and he believes that a clearer policy on unadopted roads would contribute to the economic development and well-being of the town. Although, he can understand the reluctance of the local authority to take on responsibility for these highways with possible considerable liabilities to the taxpayer.
- 7.7 The MP suggested several areas of improvement in order to ensure the town's roads are maintained to an acceptable standard. These can be summarised as follows:
- (a) **Funding:** The Government is moving away from specific ring-fenced funding for certain activities and providing more resources for local authorities to spend according to local priorities. About £5 billion of resource funding for councils has been mainstreamed into area-based grant or revenue support grant. This means that local authorities have the flexibilities to allocate funds to key priorities rather than having to report specific matters to central government. The MP would suggest that the Council should come to a view as to the importance of highways maintenance in its overall strategic priorities.
  - (b) **Economic and social development:** The MP strongly believes that a well maintained highway system is essential to the economic and social development of Hartlepool. The effective flow of traffic, both in terms of vehicles and pedestrians is important and contributes to the sustainability and well being of the town. As much as possible the local authority should be 'future proofing' increasing traffic flow through the

provision of a well-planned highways system, which allows for efficient and safe passage of travel. The MP indicated that there needs to be close strategic links between highways maintenance and other parts of the local authority, including planning and economic development.

- (c) **Public transport:** In order to reduce the wear and tear on the roads and assist highways maintenance, the MP is of the opinion that given the centralised nature of much of Hartlepool it would be feasible to try to encourage and incentivise car users to use public transport. Therefore, a greater link between highways and public transport provision is important.
- (d) **Planned maintenance:** The MP suggested that the local authority should consider a greater emphasis upon planned maintenance rather than reactive works, as planned maintenance should prove to be less costly in the long run and help to ensure the efficient use of the town's roads. In addition, given a growing tendency for litigation on highways matters, the MP suggested that it may be cost effective and efficient in the long-term if the local authority devoted more resources to this issue in the short-term, to reduce the risk of litigation in the future.
- (e) **Main and strategic roads:** The MP understands that there is a need to ensure that Hartlepool's main and strategic roads are well maintained, but also thinks that greater consideration needs to be given to the condition of the roads in some of the less busy streets.
- (f) **Use of materials:** There is a balance to be struck between the use of cheap materials to undertake a 'fix job' and a higher spend initially to provide greater value for money over the long-term, although this is a judgement for the local authority. However, the MP's own preference would be for the latter, to provide a greater degree of sustainability.
- (g) **Local involvement:** The MP believes that the involvement of the local community is vital and recommends this involvement to hear community views.

#### **Evidence from the Authority's Cabinet Member Portfolio Holder for Neighbourhoods and Communities.**

7.8 The Forum was pleased to receive evidence from the Authority's Portfolio Holder for Neighbourhoods and Communities relating to the Council's approach to highway maintenance as summarised below:

- (a) His roles and responsibilities in relation to the Council's highways maintenance and inspection are to oversee officer's responsibilities in relation to the statutory duties for highway safety and to ensure that all officers comply with the standards set within Central Government guidelines.

- (b) The Portfolio Holder emphasised that the Highways Team do an excellent job within the confines of a tight budget and the hard work of the Highways Team was acknowledged by the Forum. One of the main problems which was indicated by the Portfolio Holder was the lack of planned maintenance work due to the increase in reactive maintenance. In order to reduce the reactive maintenance it was suggested by that an increase in the programmed maintenance budget would improve the current condition of the highways in Hartlepool and would result in less reliance on reactive maintenance.
- (c) It was emphasised by the Portfolio Holder that the current condition of the highways was reflective of the fact that there were outstanding insurance claims of £308k for highways and £440k for pavements.
- (d) The Portfolio Holder acknowledged the current budget situation and reiterated that an injection of £5m over the next five years for the planned programme of maintenance would result in vast improvements to the condition of the highways in Hartlepool. It was highlighted to the Forum that if there was no increase in the highways budget, it would result in a greater shift to reactive maintenance rather than planned maintenance.

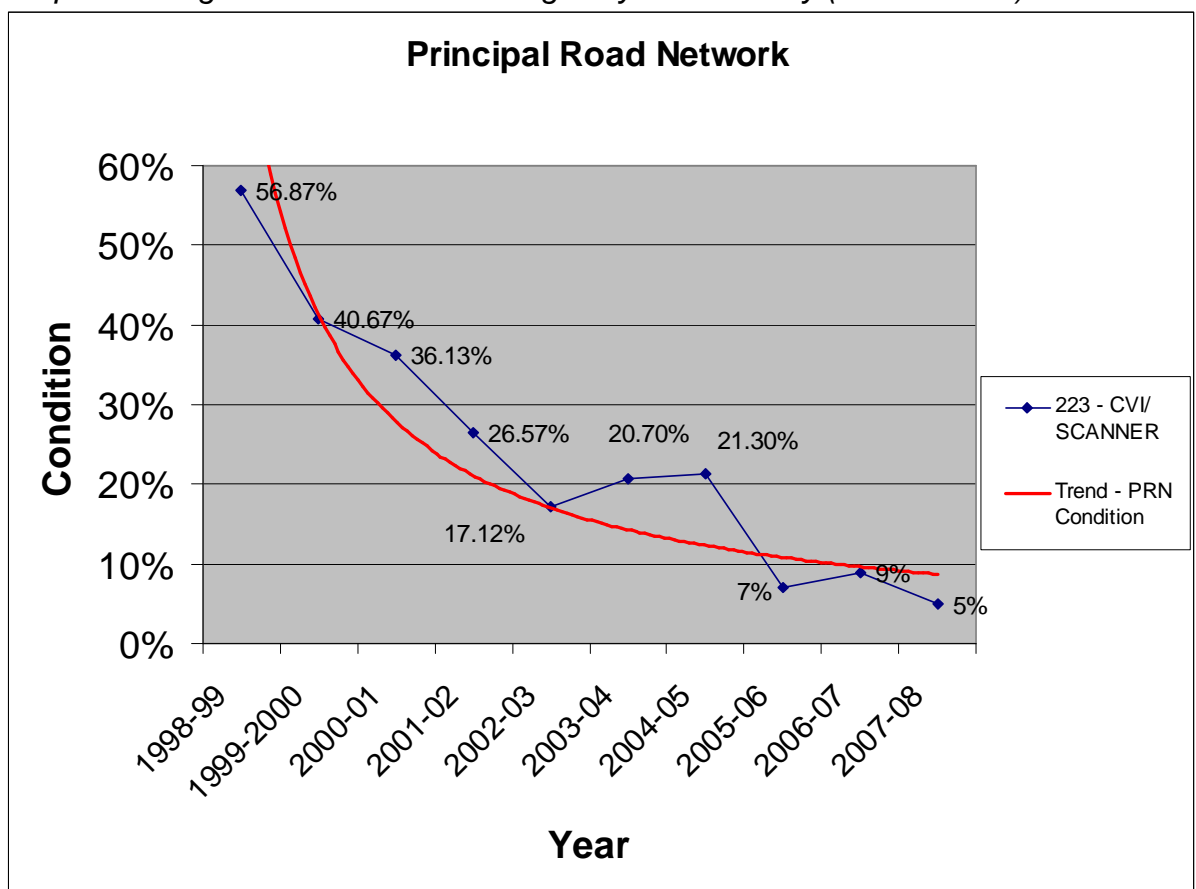
**Evidence from Elected Members of the Scrutiny Forum – Site Visit to Carriageways / footpaths across Hartlepool**

- 7.9 Members of the Forum thought it would be beneficial to the undertaking of their investigation if they visited a selection of carriageways / footpaths across Hartlepool to gain an understanding of the issues faced in relation to highways maintenance. During the course of the site visit Members were shown carriageways which were due to be resurfaced / badly scoured surfaces / utility trenches / patching / surface dressings and also footway deterioration.
- 7.10 The site visit took place on 1 September 2008 and the feedback from Members can be summarised as follows:-
- (a) A variety of carriageways looked in serious need of repair but from a maintenance perspective were in good condition;
  - (b) Utility trenches looked untidy;
  - (c) Footways were in poor condition in some areas;
  - (d) A number of speed humps were in need of maintenance; and
  - (e) Concerns over the introduction of speed humps in certain areas.

### Good Practice Evidence from Barnsley Metropolitan Borough Council

- 7.11 Members of the Forum were very interested in visiting a good practice Local Authority in order to gain an insight into their highways maintenance success. On this basis, Members of the Forum visited Barnsley Metropolitan Borough Council as they were awarded Beacon Status, which is a recognition of excellence, for their approach to highways maintenance.
- 7.12 Barnsley Metropolitan Borough Council maintains 1,150km of road comprising 129km 'A' roads and 1021km local roads. In the past limited funding dictated that the maintenance of Barnsley's highways was very much reactive. Increased funding made available by Central Government as part of its 10 year transport plan and by the Council (in response to major concerns expressed by citizens about the condition of the roads and footways) required a substantial rethink of their maintenance strategy from reactive to proactive. This new approach to highways maintenance resulted in Barnsley Council achieving Beacon Status in 2003/2004 for their street and highway works.
- 7.13 Barnsley's approach to highways maintenance can be summarised into key themes. These themes have contributed to Barnsley's reactive maintenance, which was 80% in 1999 reduced to 18% in 2008, and therefore their planned maintenance has increased dramatically resulting in better maintenance of their highways, as outlined in the graph below:

*Graph showing the Condition of the Highways in Barnsley (1998 – 2008)*



7.14 The key themes are as follows:

- (a) Utilities Work: Barnsley Council have developed a non adversarial approach which focuses on common objectives aimed at improving standards.
- (b) Better co-ordination of works: A pro-active approach was developed to engage with the utility companies to manage the network and future maintenance. Meetings between Barnsley Council and the utility companies are now held on a regular basis, where both parties discuss their planned maintenance programmes and identify any co-ordination issues. This has resulted in utilities either accelerating their works or undertaking them at the same time using the same traffic management arrangements. In some cases the Council has deferred its works to enable the utilities to complete their works so that newly laid surfacing would not be disturbed. Sharing of longer term programmes has resulted in area based working by all parties to reduce disruption.
- (c) Partnership with the public: Barnsley Council's have developed effective communications with the public to keep them informed of highways maintenance issues. Communication methods include a map based roadworks report on a web site, weekly reports in local newspapers, individual letters to residents and businesses affected by roadworks activities, and feedback from the public on the quality of the works operation and the scheme itself.
- (d) Highway works: partnership working with contractors to encourage innovative treatments and early contractor input to develop new ideas / techniques. For example, the use of re-cycled material in schemes.
- (e) Effective monitoring and performance management: links the overall approach to street and highway works. It is an integral part of Barnsley's annual service and financial plans. This approach has resulted in service delivery strongly allied to performance targets.

7.15 Barnsley Council's service delivery key advice aimed at improving highway maintenance is as follows:

- (a) Develop a clear vision and strategy;
- (b) Full commitment of the Council from both Officers and Members;
- (c) Excellent engagement with the public and streetwork providers;
- (d) Public service agreement: one element of Barnsley's Public Service agreement with Central Government included additional funding for improved footway maintenance linked to stopping the increasing number of insurance claims against the Council; and
- (e) Working at off peak periods.

### **Evidence from Members of the Public – Focus Group Event**

- 7.16 The Forum was very keen to engage with members of the public to hear their views in relation to the problems that they encounter on the highway on a daily basis.
- 7.17 As such, a Focus Group Event was held on 15 September 2008 at the Civic Centre, Hartlepool. Whilst turnout was low, the event was well publicised in the local press together with the distribution of leaflets/posters to community groups and venues.
- 7.18 Members of the public were given the opportunity to express their views on the condition of the highways in Hartlepool and provide input into the investigation. The Group's views were sought on the following questions:-
- (i) What in your opinion are the main problems with the highways in Hartlepool?**
- (a) Highways were not seen as a priority, an example provided was that the budget did not reflect the growth of the town;
  - (b) Roads were not built to carry the current volume of traffic;
  - (c) The speed of traffic effected the condition of the roads; and
  - (d) Paved footpaths were seen as a danger.
- (ii) In your opinion are the highways in better / worse condition compared to other local areas?**
- (a) General opinion was that the roads were in worse condition than neighbouring authorities; and
  - (b) Concerns were raised over traffic calming schemes.
- (iii) Have you ever suffered any personal injury or damage to vehicles due to the condition of the highways in Hartlepool? If so, was the problem on the highway rectified?**
- (a) Psychological problems resulting from noise / vibrations;
  - (b) Depression;
  - (c) Emotional demands / tensions; and
  - (d) Concerns over obstructions in particular for the elderly.

**(iv) Have you ever reported a road / pavement defect? If so, was the problem resolved and approximately how long did it take? And who did you report it to?**

- (a) Reported on several occasions but problem never resolved;
- (b) By Letter;
- (c) Civic Centre Complaints Department;
- (d) Consultative Forums; and
- (e) Confusion over how to report defects.

**(v) What areas of improvement if any, would you suggest to ensure the town's roads / pavements are maintained to an acceptable standard?**

- (a) Redirect traffic calming money to fund other major maintenance issues;
- (b) Tarmac was the preferred option for pavements; and
- (c) More money from Central Government / lobby Parliament.

**Consultation with Hartlepool Support Groups**

7.19 During the course of the investigation consultation was undertaken with a number of support groups in relation to their views / opinions on the condition of the highways in Hartlepool. The following groups formed part of the consultation exercise:

- (a) Resident Representative Forum;
- (b) Headland Conservation Advisory Group;
- (c) 50+ Forum;
- (d) Hartlepool Special Needs Support Group; and
- (e) Hartlepool Access Group.

7.20 The general feedback received from the groups can be summarised as follows:

- (a) Uneven / broken paving stones and tarmac causing injury and falls;
- (b) Pavements very high;
- (c) Very few drop kerbs;

- (d) Too many speed bumps / do not achieve their objective;
- (e) Too many pot holes / some pot holes are not repaired;
- (f) Some road markings are dull / incorrect lines painted in the centre of the road;
- (g) Parked cars / lorries preventing wheelchair access to pavements and damaging pavements;
- (h) Parked cars on pavements causing risk of injury / illegal parking;
- (i) Works carried out by utility companies – condition of road not reinstated;
- (j) Positioning of drop kerbs / tactile pavements;
- (k) Standardisation of practices / policies for drop kerbs / tactile pavements;
- (l) Limited consultation with the Support Groups;
- (m) Repairs do not last therefore regular inspections are essential along with quicker response times;
- (n) Roads are in a bad state of repair and have been neglected;
- (o) Pavements need maintaining / cleaning especially in winter as they become dangerous;
- (p) Other towns roads are in better condition;
- (q) The Headland Conservation Advisory Group commented on the use of paving stones in conservation areas rather than tarmac stating that in some areas of the Conservation Area paving stones are welcomed as it adds to character of the area.

## **8. RESPONSIBILITIES OF KEY STAKEHOLDERS TO HIGHWAYS MAINTENANCE**

- 8.1 Members agreed that a number of important stakeholders should be invited to provide evidence, in relation to the Forum's investigation into the Condition of the Highways in Hartlepool. The evidence of key stakeholders is outlined below.

### **Evidence from Hartlepool Borough Council**

- 8.2 Members heard that Hartlepool Borough Council's statutory duties in relation to maintaining the highways in Hartlepool are set out in the Highways Act



1980. Officers from the Neighbourhood Services Department gave evidence to the Forum on several occasions and the evidence was categorised into two areas, operational and financial issues, both of which are detailed below.

### **Operational Approach to Highways Maintenance**

- 8.3 The current management arrangement within the Council for highways maintenance is that reactive maintenance, highway inspections and the day to day flagging repairs and filling of potholes is the responsibility of the Neighbourhood Management Division and is delivered by internal resources. The planned maintenance, major one off reconstructions due to major failures and the carriageway resurfacing programme is the responsibility of the Technical Services Division and is delivered by external contractors. Overall management responsibility is with Technical Services.
- 8.4 However, the structure is currently under further revision as a consequence of the Traffic Management Act, which has contributed to the need to establish an Integrated Transport Unit to focus on Traffic and Transportation issues. In a similar manner, it has been determined that the highways section needs to have the same focus and be in charge of its own destiny, so the highway functions are also in the process of being integrated into a single service unit. Once implemented, Neighbourhood Management will be responsible for all aspects of highway maintenance and this will further enhance the area basis of the service delivery.
- 8.5 The Forum were informed that the highway works element of the Highway Services Section has the following staff members:-
- Highway Works Manager
  - Highways Supervisor
  - Highway Technician
  - 7 No. Paviours
  - 12 No. Driver/Labourers (interchangeable roles, but at any one time, 7 will act as labourers for Paviours, 3 will act as the patching team and 2 will be on general works/drainage works)
  - 4 No. Gully Cleansing Operatives
  - 2 No. Modern Apprentice Paviours

The vehicles used are:-

- 5 No. 17 tonne demountable body wagons
- 5 No. 7½ tonne fixed body wagons

- 1 No. 3½ tonne pickup (Rapid Response)
- 2 No. Gully Machines
- 1 No. JCB
- 1 No. Tractaire Loading Shovel

8.6 Members were informed that there are two types of maintenance, reactive and planned, and each were defined as follows:

- (a) Reactive maintenance is defined as the removal of hazardous defects to ensure the safety of road and footway users. It is carried out in response to routine inspections (monthly for high amenity features, 3 monthly for medium amenity features and 6 monthly for low amenity features) or customer reports; and
- (b) Planned maintenance involves the replacement of surfaces that have come to the end of their life cycle. Planned maintenance is carried out to maintain the serviceability of the highway asset, for example, good ride quality on carriageways.

8.7 Members raised their concerns over the amount of reactive maintenance which was being undertaken and how the minimisation of the volume of reactive work was vitally important. The Neighbourhood Services Department informed the Forum that the unit cost for reactive maintenance is much greater than that of planned maintenance. However, it is vital that all actionable defects are repaired for the full 52 weeks per annum as failure to ensure this may lead to an increase in successful insurance claims.

8.8 The Council produce a Planned Maintenance Programme annually which is part of a five year rolling programme. Members were informed that the 2008/09 programme contains 2 carriageway reconstructions, 33 planning and resurfacing schemes and 15 footway reconstruction schemes.

8.9 The maintenance backlog was an area of concern for the Forum as the current estimated cost of rectifying the highways already identified as defective is approximately £20M. The maintenance backlog comprises carriageway defects, footway defects, gully and drainage defects, bridge defects and also includes items such as barriers, bollards, traffic signs, street name plates and white and yellow lines.

8.10 The Forum was interested to hear what the current response times to rectify defects on the highway are and the Forum were informed that there are currently three categories of response, as detailed below:

- (a) Emergency Works – 1 hour. This category is for extremely dangerous situations only. When a repair is possible, it is carried out immediately

but this category is usually restricted to making safe by the erection of barriers.

- (b) Urgent Works – 24 hours. This category is for defects that are actionable and pose a medium risk hazard. Consequently it is more usual to require a 24 hour response on a high amenity footway than a low amenity footway.
- (c) Routine Reactive Works – 28 days. This is for all other “actionable” defects.

- 8.11 The forum raised concerns over the work carried out by utility companies and the inspections in place after the utilities had completed their work. Members were informed that inspections on utility works are prescribed under the RASWA Code of Practice for Inspections and as an Authority are entitled (and required) to inspect 30% of utility works, 10% at 3 specific categories of works, for example:

*Table 1 – Categories of Inspection*

Category	Description
Cat A	(10%) Inspections undertaken during 'live' works
Cat B	(10%) Inspections undertaken within a 6 month period of completion of works
Cat C	- (10%) Inspections carried out (within 3 month) prior to end of guarantee period

- 8.12 The above inspections are chargeable at prescribed costs. The money generated from utility inspections and subsequent fines is diverted into the Technical Services Department to pay on budgeted salaries in the Traffic and Transport Division.
- 8.13 The income generated in 2006 / 2007 was £42,257 and in 2007 / 2008 was £50,717. In 2007 / 2008 the income was made up of, £20,376 from agreed inspections; £16,091 from additional revenue raised from defective works and additional inspections; and £14,250 from charges raised when utilities over stay the agreed time period. The amount varies from year to year and it is anticipated that with the new legislation introduced from April this year, the income will drop significantly in future years. The Department are limited to what one inspector can achieve in a working week and hence cannot generate an increase in income without extra resources but it is likely that an additional inspector would only generate enough to pay for his own time.

## Financial / Funding Issues in relation to Highways Maintenance

8.14 The Forum were presented with a table (as shown below) which outlined the contribution of the highways service to the insurance fund along with the claims paid to date.

*Table 2 – Insurance Fund*

Financial Year	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Highways Contribution	£201	£201	£351	£501	£501	£516	£532	£547	£564	£581
Claims Paid to date (£000's)	£273	£279	£344	£417	£253	£278	£183	£103	£72	£8
Reserves outstanding (£000's)	£7	£0	£8	£0	£0	£69	£37	£206	£389	£556
Claims Handling – External (£000's)	£18	£20	£25	£30	£25	£35	£24	£19	£24	£24
Claims Handling – Internal (£000's)	£25	£26	£26	£29	£20	£32	£35	£36	£39	£39
Highways Inspector funding (£000's)				£42	£42	£42	£43	£44	£45	£46
Policy Premium Costs (£000's)	£19	£21	£21	£26	£30	£76	£92	£94	£67	£61
Broker Costs (£000's)	£11	£12	£12	£16	£15	£15	£18	£17	£22	£20
Deficit - Surplus (£000's)	£152	£124	£52	£59	£116	£31	£100	-£28	£94	£173

8.15 The Forum was informed by the Neighbourhood Services Department that the first £100K on each and every claim is paid from the Insurance Fund. The role of the fund is to smooth risks across service areas and to not only cover Public Liability but all other categories of policy cover that the Council purchase. The process enables risks to be smoothed over a period of time and not just on an annual basis. The main cause of highway claims still lies with the flagged paving, between 1998-2008 the Council received 731 claims that cost £1.3M, with a further £440K in reserves outstanding. The cost of settling claims that relate to pothole repairs since 1998 is £430K (344 claims), however a further £308K still remains outstanding. It is evident that this represents a growing problem with pot hole repairs and the deterioration of the carriageway network.

8.16 The Forum were very interested to draw comparisons between the cost of maintenance work delivered in-house compared to externally. The Neighbourhood Services department highlighted that this was difficult to

establish due to the variable nature of private sector pricing. As an illustration, three quotes received for two coat carriageway patching were:-

*Table 3 – External Costs of Maintenance Work*

Contractor	Cost
1	£42.00/m <sup>2</sup>
2	£38.29/m <sup>2</sup>
3	£87.19/m <sup>2</sup>

8.17 This is comparable with an in-house rate of £57.54. It was suggested by the Forum that one option to reduce the tender price could be to use recycled materials for certain schemes, although due to the size of Hartlepool, it may not be economic to run the scheme alone.

8.18 Members of the Forum requested details from the department on the actual length of highways assets versus budget provision for the last 10 years, as shown in the table below:

*Table 4 – Budget Provision*

Year	Spend	Length	Spend per Km	Depreciated Spend per Km
2008/2009	£1,070,847	419.7	£2,551.46	£1,955.48
2007/2008	£1,060,935	419.5	£2,529.05	£1,996.45
2006/2007	£1,174,319	411.5	£2,853.75	£2,320.36
2005/2006	£929,622	408.6	£2,275.14	£1,905.39
2004/2005	£996,550	407.9	£2,443.12	£2,107.46
2003/2004	£832,262	387.6	£2,147.22	£1,907.78
2002/2003	£810,183	378.9	£2,138.25	£1,956.80
2001/2002	£1,197,894	377.3	£3,174.91	£2,992.66
2000/2001	£1,005,011	362.3	£2,773.97	£2,693.18
1999/2000	£1,121,686	357.6	£3,136.71	£3,136.71

8.19 In addition to the above, the Forum were interested in linking the budget provisions to the specific costs for the use of different materials for roads and pavements along with the life span of the material. The Neighbourhood Services Department calculated this by using the same length of road / pavement.

8.20 The Department explained that due to the variable widths of road, direct comparisons are more easily achieved by expressing the costs in terms of square metres as opposed to the length of the road. Also, roads will deteriorate faster if more highly trafficked, hence a figure of 6,000 vehicles per day was used to ensure that the direct comparison is appropriate. The busiest road in the town, the A689, carries in excess of 20,000 vehicles per day. 6,000 vehicles would be the equivalent of for example, Shrewsbury Street, Arncliffe Gardens. The costs are outlined below:

*Table 5 – Costs and Lifespan of Variable Types of Road*

Type of Road	Cost Per Square Metre	Life Span
30mm thick DBM Carriageway	£5.90/m <sup>2</sup>	10 year life
40mm thick HRA Carriageway	£10.82/m <sup>2</sup>	25 year life
40mm thick SMA Carriageway	£8.79/m <sup>2</sup>	20 year life

8.21 The following figures were also provided for footways:

*Table 6 - Costs and Lifespan of Variable Types of Pavement*

Type of Footway	Cost Per Square Metre	Life Span
DBM footway	£23.04/m <sup>2</sup>	20 year life
Flagged footway	£22.70/m <sup>2</sup>	25 year life

### **Hartlepool's Local Transport Plan**

8.22 The Council's Local Transport Plan sets out how the Council intends to develop a high quality, integrated and safe transport system that supports Hartlepool's continued growth and regeneration. The total 5 year budget is £11.35M. £4.75M is for structural highway maintenance and is delegated to Highway Services to supplement the revenue budget and the remaining £5.526M is for highway development schemes.

8.23 The Forum explored the idea of redirecting monies and targeting them elsewhere. However, any change to the Local Transport Plan needs to be approved by the Government Office and currently Hartlepool's Local Transport Plan is rated as excellent.

### **Evidence from the Highways Agency**

8.24 The Highways Agency clarified to Members that their primary responsibility was for the operation and stewardship of the strategic road network (trunk roads and motorways) in England on behalf of the Secretary of State.

8.25 The primary functions of the Agency are to manage traffic, tackle congestion, provide information to road users and improve safety and journey time reliability, whilst respecting and minimising the environment.

8.26 The Agency's road network ranges from motorways to single carriageway trunk roads (the major A roads) and is valued at over £81 billion. The A19, the trunk road which is the responsibility of the agency near to Hartlepool is managed under a 30 year Design, Build Finance and Operate contract awarded to Autolink Concessionaries (A19) Limited in 1996.

- 8.27 Autolink are responsible for the operation and maintenance of the project road, they carry out all the routine cyclic and winter maintenance works and have delegated responsibilities for other functions including litter clearance.
- 8.28 The Agency also funds improvement schemes on the route, ranging from small scale improvements to signing and lining, to technology schemes and major projects.

### **Evidence from the Neighbourhood Consultative Forums / Neighbourhood Managers**

- 8.29 A consultation exercise was carried out with the three Hartlepool Neighbourhood Consultative Forums, the North, Central and South to encourage their involvement in the investigation.
- 8.30 The main concerns which were highlighted at each of these Forums were:
- (a) The positioning of drop kerbs / tactile pavements;
  - (b) Limited access for wheelchairs;
  - (c) Moving pavements are a danger; and
  - (d) How are response times publicised.
- 8.31 The Neighbourhood Services Scrutiny Forum requested statistics to indicate the level of enquiries from members of the public which were directed to the Council. The table below was presented to the Forum by the Director of Neighbourhood Services for the financial year 2007/2008. The enquiries are not all necessarily actionable defects, as some enquiries are often made about issues that are not actionable. In these cases, the issue is recorded as closed down with no action taken.

*Table 7 – Level of Enquiries from Members of the Public*

<b>Service Name</b>	<b>Subject Name</b>	<b>Enquiries</b>	<b>Completed</b>
North Forum Issues	Bollard Defects	16	15
North Forum Issues	Bus stop Defects	2	2
North Forum Issues	Contractor Issues	4	4
North Forum Issues	Damage to Fencing	5	5
North Forum Issues	Damage to Verge	10	10
North Forum Issues	Damaged defective Flags	85	83
North Forum Issues	Damaged Manholes	17	13
North Forum Issues	Damaged Pedestrian Barrier	2	2
North Forum Issues	Flooding Problems	10	10
North Forum Issues	Footpath Obstruction	6	6
North Forum Issues	Gulley Issues	121	100
North Forum Issues	Miscellaneous Issues	77	74
North Forum Issues	Overhanging Tree Branches	20	20
North Forum Issues	Pothole in Carriageway	79	75

North Forum Issues	Pothole in footway	10	9
North Forum Issues	Road Sign Defects	10	10
North Forum Issues	Street Name Plate Defect	11	11
North Forum Issues	Winter Maintenance	1	1
<b>Totals for North Area</b>		<b>486</b>	<b>450</b>

Service Name	Subject Name	Enquiries	Completed
Central Forum Issues	Alleygates	2	2
Central Forum Issues	Bollard Defects	28	28
Central Forum Issues	Bus stop defects	2	2
Central Forum Issues	Contractor Issues	9	8
Central Forum Issues	Damage to Fencing	7	7
Central Forum Issues	Damage to Verge	14	14
Central Forum Issues	Damaged defective flags	143	143
Central Forum Issues	Damaged manholes	17	17
Central Forum Issues	Damaged pedestrian barrier	2	2
Central Forum Issues	Flooding Problems	16	16
Central Forum Issues	Footpath Obstruction	9	9
Central Forum Issues	Gulley Issues	200	197
Central Forum Issues	Miscellaneous Issues	85	84
Central Forum Issues	Overhanging Tree Branches	24	23
Central Forum Issues	Pothole in Carriageway	138	138
Central Forum Issues	Pothole in footway	13	13
Central Forum Issues	Road Lining Defects	4	4
Central Forum Issues	Road Sign defects	17	17
Central Forum Issues	Street Name Plate Defect	10	10
Central Forum Issues	Tree Damage	1	1
Central Forum Issues	Winter Service	2	2
<b>Totals for Central Area</b>		<b>743</b>	<b>737</b>

Service Name	Subject Name	Enquiries	Completed
South Forum Issues	Bollard Defects	5	5
South Forum Issues	Contractor Issues	5	5
South Forum Issues	Damage To Fencing	5	4
South Forum Issues	Damage To Verge	65	62
South Forum Issues	Damaged Defective Flags	126	125
South Forum Issues	Damaged Manholes	14	13
South Forum Issues	Damaged Pedestrian Barriers	3	3
South Forum Issues	Flooding Problems	8	8
South Forum Issues	Footpath Obstruction	6	6
South Forum Issues	Gulley Issues	58	37
South Forum Issues	Miscellaneous Issues	112	105
South Forum Issues	Overhanging Tree Branches	14	14
South Forum Issues	Pothole in Carriageway	109	106
South Forum Issues	Pothole in footway	15	14
South Forum Issues	Road Lining Defects	2	1
South Forum Issues	Road Sign Defects	7	6
South Forum Issues	Street Name Plate Defect	12	11
South Forum Issues	Tree Damage	1	1
<b>Totals for South Area</b>		<b>567</b>	<b>526</b>



8.32 The Neighbourhood Managers also provided written evidence to the Forum outlining the issues/complaints that they had received in relation to the condition of the highways in Hartlepool. The issues/complaints fell into two main categories, which were general issues regarding the service delivered that members of the public were dissatisfied with and issues specific to an area where problems had occurred and remained unresolved.

8.33 Some of the more general issues include:

- (a) The Authority tries to patch roads beyond the point that they can be reasonably patched;
- (b) There is not enough resurfacing;
- (c) Work is marked up, then nothing seems to happen;
- (d) New schemes deteriorating too quickly due to poor quality construction;
- (e) Public utility reinstatements are poor quality;
- (f) Damage caused to footways by inconsiderate motorists (including council vehicles i.e. bin wagons);
- (g) Not enough parking provision;
- (h) Poor general enforcement;
- (i) Poor parking provision in estates (grass verge removal);
- (j) Maintenance of unadopted Council assets;
- (k) Drainage issues;
- (l) Lack of availability of maintenance materials used for maintenance on the larger capital funded schemes (SRB);
- (m) Damage to footpath by tree roots;
- (n) No funding for backstreet resurfacing;
- (o) Maintenance of Alley gates;
- (p) Maintenance of Highways trees;
- (q) Painting and upkeep of pedestrian barriers; and
- (r) Length of time to get scheduled & unscheduled Maintenance completed.

8.34 The area specific issues include:

- (a) Footways in the Park Road to Victoria Road section of York Road have been very poor since shortly after they were constructed;
- (b) Brenda Road floods frequently, particularly at the Power Station roundabout;
- (c) Murray Street floods regularly;
- (d) No maintenance of Central Estate linear park (unadopted);
- (e) Poor footways in Rossmere;
- (f) Deteriorating tarmac verges in Sinclair & Eskdale Rd;
- (g) Water flooding across road near Bank Top Cottage in Greatham;
- (h) Reconstruction of Catcote road from Oxford road to Brierton Lane;
- (i) Flooding in Durham Street; and
- (j) Unadopted parking areas – Throston Estate;

### **Reporting Arrangements for Highway Defects**

- 8.35 The Chair of the Neighbourhood Services Scrutiny Forum attended a meeting with the Council's Central Services Manager and the Council's Contact Centre Manager to clarify the process for reporting highway defects including how the enquiry is filtered from the customer to the appropriate department / officer along with any feedback arrangements which are in place.
- 8.36 The Chair was informed that all enquires are logged directly through the highways software system 'Confirm' by Hartlepool Connect, where all the relevant information relating to the defect is recorded. This information is then processed and actioned by the Highways Department who also provide the feedback to the customer if requested.
- 8.37 As a result of the meeting, the Chair was informed that the current system used by Hartlepool Connect, the Customer Relationship Management (CRM) system is not integrated to Confirm, therefore Hartlepool Connect are unable to report on the status of outstanding customer enquiries. On that basis, client departments are responsible for ensuring that customer enquiries are monitored and fed back when requested. Hartlepool Connect would be able to take on this role if all enquiries were recorded in the CRM system. The relevant information from the CRM could then be fed to other council systems via a 'middleware' product. This product operates by populating information from the CRM to back office systems without having to re-enter information again making the service more accurate and efficient.

## **9. SUSTAINABILITY / ASSET MANAGEMENT – HOW CAN THIS IMPROVE HIGHWAYS MAINTENANCE**

- 9.1 Arising from the Asphalt Industry Alliance Conference ‘Journey to the Perfect Road’ attended by the Chair of the Neighbourhood Services Scrutiny Forum on 22 October 2008, it was suggested that asset management and sustainability could be the key to the perfect road.
- 9.2 The Neighbourhood Services Department are aware that a sustained long-term programme of investment needs to be planned and managed, supported by effective technical and management plans such as the Transport Asset Management Plan, Highway Asset Management Plan, Local Transport Plan and Network Management Plan, which will provide a framework for an integrated asset management approach to the Borough’s transport assets
- 9.3 In Hartlepool an Asset Management Working Group has already been established by the Tees Valley Engineers and has been preparing generic Tees Valley base documents to ensure a consistent approach to Highway Asset Management across the region. The intention is to populate the documents with local content once a region wide approach has been agreed. The completed plans will enable systems to be established to manage all transportation assets on a long-term basis using whole life costing within a framework of statutory requirements, customer expectations and sustainable funding.

## **10. CONCLUSIONS**

- 10.1 The Neighbourhood Services Scrutiny Forum concluded:-
- (a) That the condition of the highways in Hartlepool is reflective of the current budget provision which is allocated to the highways maintenance service;
  - (b) That budget pressures are arising from the increase in reactive maintenance which is resulting in a reduction of planned maintenance, therefore adding to the maintenance backlog;
  - (c) It was evident from members of the public that they were not fully aware of the reporting arrangements available to them when reporting a highway defect and some people felt as though their complaint was disregarded as they did not receive any feedback;
  - (d) That highway defects did not only affect people physically but also psychologically, causing long term health problems;
  - (e) It was crucial that all partners involved in the maintenance of the highways in Hartlepool were kept informed and involved at an early stage in the process to ensure that the most efficient and effective service was provided;

- (f) It was evident from visiting Barnsley Metropolitan Council that in order to decrease reactive maintenance, the following factors needed to be achieved: better co-ordination of works, greater partnership working, engagement with the public and effective monitoring and performance management;
- (g) That the introduction of the Integrated Transport Unit will increase the efficiency of the service; and
- (h) That the Highways Team within the Council are dedicated to their role and the Forum acknowledges their hard work and commitment despite the budgetary constraints.

## **11. RECOMMENDATIONS**

11.1 The Neighbourhood Services Scrutiny Forum has taken evidence from a wide range of sources to assist in the formulation of a balanced range of recommendations. The Forum's key recommendations to the Cabinet are as outlined below:

- (a) That the Council develops a strategy to achieve a planned approach to highways maintenance as opposed to a reactive approach;
- (b) That the Council strengthens existing working relations with the Utility Companies and continues to facilitate regular meetings to focus on common objectives aimed at improving standards;
- (c) That the Council develops a formal working arrangement with contractors to involve them at an earlier stage in the design, planning and preparation processes for future highway maintenance and scheme works;
- (d) That the Council explores the possibility of using re-cycled materials in schemes to reduce tender prices and to minimise the environmental impact;
- (e) That the Council explores opportunities to further promote / publicise the future maintenance works of both the Council and the Utility Companies to raise public awareness including the distribution of the Planned Maintenance Programme to Public Libraries / Buildings;
- (f) That Ward Councillors are provided with advance notification of any future maintenance and utility works due to be carried out in their respective Wards;
- (g) That the Council consults with local support groups and the public at set times of the year to improve the positioning of drop kerbs / tactile pavements;

- (h) That the income generated from the charges imposed on the Utility Companies be redirected into the highways maintenance budget;
- (i) That the Council reviews the 2009 / 2010 financial contribution from the Highways Service to the Insurance Fund and any reduction in such contribution be redirected to the highways maintenance budget; and
- (j) That the Council integrates the highways software system, 'Confirm' with the Customer Relationship Management System in order to improve the accuracy and efficiency of the monitoring and feed back arrangements for customer enquiries relating to highways maintenance.

## 12. ACKNOWLEDGEMENTS

- 12.1 The Forum is grateful to all those who have presented evidence during the course of the Scrutiny Inquiry. We would like to place on record our appreciation for all those witnesses who attended the Forum. In particular the Forum would like to thank the following for their co-operation during the Scrutiny Investigation:-

Hartlepool Borough Council:

Councillor Peter Jackson – Cabinet Member Portfolio Holder for Neighbourhoods and Communities.

Dave Stubbs – Director of Neighbourhood Services

Alastair Smith – Head of Technical Services

Denise Ogden – Head of Neighbourhood Management

Paul Mitchinson – Highways Services Manager

Mike Blair – Traffic and Transportation Manager

Jon Wright – Neighbourhood Co-ordinating Manager

Karen Oliver - Neighbourhood Manager (North)

David Frame – Neighbourhood Manager (South)

Clare Clark – Neighbourhood Manager (Central)

Paul Hamilton – Insurance and Risk Management Manager

The Highways Team

Christine Armstrong – Central Services Manager

Julie Howard – Contact Centre Manager

Resident Representatives

External Representatives:

Iain Wright, MP for Hartlepool

Nicholas Adshead, Route Performance Manager for the Highways Agency

Members of Hartlepool Special Needs Group

Members of the 50 + Forum

Members of the Access Audit Group

Members of the Headland Conservation Area Advisory Committee

Members of the Public

Hartlepool Mail – ‘Plot the Pots’ Campaign

Blind Welfare Association

Barnsley Metropolitan Borough Council

**COUNCILLOR STEPHEN AKERS-BELCHER  
CHAIR OF THE NEIGHBOURHOOD SERVICES SCRUTINY FORUM**

**Contact Officer:-** Laura Starrs – Scrutiny Support Officer  
Chief Executive’s Department - Corporate Strategy  
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## BACKGROUND PAPERS

The following background papers were used in preparation of this report:-

- (a) Report of the Scrutiny Support Officer entitled 'Scrutiny Investigation into the Condition of the Highways in Hartlepool – Scoping Paper' presented to the Neighbourhood Services Scrutiny Forum of 11 July 2008.
- (b) Report of the Scrutiny Support Officer entitled 'Condition of the Highways in Hartlepool – Setting the Scene Presentation – Covering Report' presented to the Neighbourhood Services Scrutiny Forum of 18 August 2008.
- (c) Presentation of the Director of Neighbourhood Services / the Highway Services Manager / the Transportation and Traffic Manager and the Insurance and Risk Management Manager entitled 'The Condition of the Highways in Hartlepool' delivered to the Neighbourhood Services Scrutiny Forum of 18 August 2008.
- (d) Report of the Scrutiny Support Officer entitled 'Condition of the Highways in Hartlepool – Verbal Evidence from the Authority's Portfolio Holder for Neighbourhoods and Communities – Covering Report' presented to the Neighbourhood Services Scrutiny Forum of 18 August 2008.
- (e) Documented Issues Arising from the Focus Group Session held with the general public on 15 September 2008.
- (f) Report of the Scrutiny Support Officer entitled 'Condition of the Highways in Hartlepool – Feedback from the Neighbourhood Consultative Forums – Covering Report' presented to the Neighbourhood Services Scrutiny Forum of 29 September 2008.
- (g) Report of the Scrutiny Support Officer entitled 'Condition of the Highways in Hartlepool – Feedback from Site Visit – Covering Report' presented to the Neighbourhood Services Scrutiny Forum of 29 September 2008.
- (h) Report of the Scrutiny Support Officer entitled 'Condition of the Highways in Hartlepool – Feedback from Focus Group – Covering Report' presented to the Neighbourhood Services Scrutiny Forum of 29 September 2008.
- (i) Report of the Scrutiny Support Officer entitled 'Condition of the Highways in Hartlepool – Evidence from the Neighbourhood Services Department – Covering Report' presented to the Neighbourhood Services Scrutiny Forum of 29 September 2008.
- (j) Report of the Director of Neighbourhood Services entitled 'Condition of the Highways in Hartlepool' presented to Neighbourhood Services Scrutiny Forum of 29 September 2008.
- (k) Report of the Scrutiny Support Officer entitled 'Condition of the Highways in Hartlepool - Feedback from Site Visit to Barnsley Metropolitan Council –

Covering Report’ presented to the Neighbourhood Services Scrutiny Forum of 27 October 2008.

- (l) Report of the Scrutiny Support Officer entitled ‘Condition of the Highways in Hartlepool – Feedback from Support Groups – Covering Report’ presented to the Neighbourhood Services Scrutiny Forum of 27 October 2008.
- (m) Report of the Scrutiny Support Officer entitled ‘Condition of the Highways in Hartlepool – Evidence from the Neighbourhood Services Department’ presented to the Neighbourhood Services Scrutiny Forum of 27 October 2008.
- (n) Hartlepool Borough Council’s Transport Strategy entitled ‘Local Transport Plan’.
- (o) Barnsley Metropolitan Borough Council – Street and Highway Works – Beacons Leaflet, “Delivering Excellence 2003/2004”.
- (p) Minutes of the Neighbourhood Services Scrutiny Forum of 11 July 2008, 18 August 2008; 29 September 2008, 27 October 2008, and 24 November 2008.



# CABINET REPORT

23 February 2009



**Report of:** Director of Neighbourhood Services

**Subject:** SCRUTINY INVESTIGATION INTO THE CONDITION OF THE HIGHWAYS IN HARTLEPOOL – ACTION PLAN

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## SUMMARY

### 1. PURPOSE OF REPORT

- 1.1 To agree an Action Plan in response to the findings and subsequent recommendations of the Neighbourhood Services Scrutiny Forum's investigation into the 'Condition of the Highways in Hartlepool'.

### 2. SUMMARY OF CONTENTS

- 2.1 The report provides brief background information into the 'Condition of the Highways in Hartlepool' Scrutiny Investigation and provides a proposed Action Plan (**Appendix A**) in response to the Scrutiny Forum's recommendations.

### 3. RELEVANCE TO CABINET

- 3.1 To assist the Cabinet in its determination of either approving or rejecting the proposed recommendations of the Neighbourhood Services Scrutiny Forum, attached as **Appendix A** is the proposed Action Plan for the implementation of these recommendations which has been prepared in consultation with the appropriate Portfolio Holder(s).

### 4. TYPE OF DECISION

- 4.1 Non-Key.

### 5. DECISION MAKING ROUTE

- 5.1 The Action Plan and the progress of its implementation will be reported to the Neighbourhood Services Scrutiny Forum on 14 April 2009 (subject to availability of the appropriate Portfolio Holder(s)).

**6. DECISION REQUIRED**

- 6.1 That Members of the Cabinet approve the Action Plan (**Appendix A refers**) in response to the recommendations of the Neighbourhood Services Scrutiny Forum's investigation into the 'Condition of the Highways in Hartlepool'.

**Report of:** Director of Neighbourhood Services

**Subject:** SCRUTINY INVESTIGATION INTO THE 'CONDITION OF THE HIGHWAYS IN HARTLEPOOL' – ACTION PLAN

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## **1. PURPOSE OF REPORT**

- 1.1 To agree an Action Plan in response to the findings and subsequent recommendations of the Neighbourhood Services Scrutiny Forum's investigation into the 'Condition of the Highways in Hartlepool'.

## **2. BACKGROUND INFORMATION**

- 2.1 To assist the Cabinet in its determination of either approving or rejecting the proposed recommendations of the Neighbourhood Services Scrutiny Forum's investigation into the 'Condition of the Highways in Hartlepool', attached as **Appendix A** is the proposed Action Plan for the implementation of these recommendations which has been prepared in consultation with the appropriate Portfolio Holder(s).
- 2.2 The overall aim of the investigation was to review the Council's approach to highway inspection and maintenance and to suggest areas of improvement to ensure the town's roads are maintained to an acceptable standard.

## **3. ACTION PLAN**

- 3.1 As a result of the Neighbourhood Services Scrutiny Forum's investigation into the 'Condition of the Highways in Hartlepool', the following recommendations have been made:-
- (a) That the Council develops a strategy to achieve a planned approach to highways maintenance as opposed to a reactive approach;
  - (b) That the Council strengthens existing working relations with the Utility Companies and continues to facilitate regular meetings to focus on common objectives aimed at improving standards;
  - (c) That the Council develops a formal working arrangement with contractors to involve them at an earlier stage in the design, planning and preparation processes for future highway maintenance and scheme works;

- (d) That the Council explores the possibility of using re-cycled materials in schemes to reduce tender prices and to minimise the environmental impact;
- (e) That the Council explores opportunities to further promote / publicise the future maintenance works of both the Council and the Utility Companies to raise public awareness including the distribution of the Planned Maintenance Programme to Public Libraries / Buildings;
- (f) That Ward Councillors are provided with advance notification of any future maintenance and utility works due to be carried out in their respective Wards;
- (g) That the Council consults with local support groups and the public at set times of the year to improve the positioning of drop kerbs / tactile pavements;
- (h) That the income generated from the charges imposed on the Utility Companies be redirected into the highways maintenance budget;
- (i) That the Council reviews the 2009 / 2010 financial contribution from the Highways Service to the Insurance Fund and any reduction in such contribution be redirected to the highways maintenance budget; and
- (j) That the Council integrates the highways software system, 'Confirm' with the Customer Relationship Management System in order to improve the accuracy and efficiency of the monitoring and feed back arrangements for customer enquiries relating to highways maintenance.

3.2 An Action Plan in response to these recommendations has now been produced in consultation with the appropriate Portfolio Holder(s) and is attached at **Appendix A** which is to be submitted to the Neighbourhood Services Scrutiny Forum on 14 April 2009 (subject to the availability of appropriate Portfolio Holder(s)).

#### 4. RECOMMENDATION

4.1 Cabinet is requested to approve the Action Plan attached as **Appendix A** in response to the recommendations of the Neighbourhood Services Scrutiny Forum's investigation into the 'Condition of the Highways in Hartlepool'.

## OVERVIEW AND SCRUTINY ENQUIRY ACTION PLAN

NAME OF FORUM: Neighbourhood Services Scrutiny Forum

NAME OF SCRUTINY ENQUIRY: Condition of the Highways in Hartlepool

DECISION MAKING DATE OF FINAL REPORT: February 2009

	RECOMMENDATION	EXECUTIVE RESPONSE / PROPOSED ACTION	FINANCIAL IMPLICATIONS	LEAD OFFICER	DELIVERY TIMESCALE
(a)	That the Council develops a strategy to achieve a planned approach to highways maintenance as opposed to a reactive approach;	Strategy to be developed to give Council options to provide a <ul style="list-style-type: none"> <li>• Minimum service level</li> <li>• Fair service level</li> <li>• Good service level or</li> <li>• Excellent service level.</li> </ul> Council to select appropriate strategy dependant on affordability.	Preparation of the strategy will have no further implications. The strategy itself may have implications depending on the option selected.	Paul Mitchinson	June 2009
(b)	That the Council strengthens existing working relations with the Utility Companies and continues to facilitate regular meetings to focus on common objectives aimed at improving standards;	The existing working relationship with the Utilities is determined by the Traffic Management Act 2004. It includes regular meetings to exchange programmes and other information to enable roadworks to be coordinated. Since 1/4/2008, the HBC has been obliged to treat the utility work and its own work with parity. This means that Hartlepool Borough Council (HBC) is subject to the same noticing regime as the Utility companies. Although there will be no financial implications for transgressions by HBC, they will be recorded and reported to the	None	Mike Blair	February 2009

## OVERVIEW AND SCRUTINY ENQUIRY ACTION PLAN

NAME OF FORUM: Neighbourhood Services Scrutiny Forum

NAME OF SCRUTINY ENQUIRY: Condition of the Highways in Hartlepool

DECISION MAKING DATE OF FINAL REPORT: February 2009

RECOMMENDATION		EXECUTIVE RESPONSE / PROPOSED ACTION	FINANCIAL IMPLICATIONS	LEAD OFFICER	DELIVERY TIMESCALE
		Department for Transport as a performance indicator.			
(c)	That the Council develops a formal working arrangement with contractors to involve them at an earlier stage in the design, planning and preparation processes for future highway maintenance and scheme works;	Client Officers to contact Highway Services at scheme inception. Contractor involvement to run in conjunction with Consultant involvement. Decisions on materials and working methods to be made jointly between Client, Consultant and Contractor.	None	Jon Wright	February 2009
(d)	That the Council explores the possibility of using re-cycled materials in schemes to reduce tender prices and to minimise the environmental impact;	This is already integral to the existing service, but in conjunction with recommendation (c) above, recycling requirements to be written into all new scheme briefs. Clients, Consultants and Contractors to contribute to developing scheme specific requirements.	No financial implication in exploring the possibilities, but potential implication dependant on the selected scheme implemented.	Jon Wright	February 2009
(e)	That the Council explores opportunities to further promote / publicise the future maintenance works of both the Council and	Publicity is already provided informing ward members and members of the public of forthcoming works as part of the	Minor implications with respect to printing costs but relatively	Jon Wright	February 2009

## OVERVIEW AND SCRUTINY ENQUIRY ACTION PLAN

NAME OF FORUM: Neighbourhood Services Scrutiny Forum

NAME OF SCRUTINY ENQUIRY: Condition of the Highways in Hartlepool

DECISION MAKING DATE OF FINAL REPORT: February 2009

RECOMMENDATION	EXECUTIVE RESPONSE / PROPOSED ACTION	FINANCIAL IMPLICATIONS	LEAD OFFICER	DELIVERY TIMESCALE
(f)	<p>the Utility Companies to raise public awareness including the distribution of the Planned Maintenance Programme to Public Libraries / Buildings;</p> <p>That Ward Councillors are provided with advance notification of any future maintenance and utility works due to be carried out in their respective Wards;</p>	<p>service delivery package. In future, the annual portfolio report which identifies the forthcoming year's programme will be publicised as soon as it is approved to raise public awareness.</p> <p>Advance notification is already provided informing ward members and members of the public of forthcoming works as part of the service delivery package. In future, the annual portfolio report which identifies the forthcoming year's programme will be provided to ward members as soon as it is approved to give longer term advanced warning.</p>	<p>insignificant.</p> <p>None.</p>	<p>Jon Wright</p> <p>March 2009</p>
(g)	<p>That the Council consults with local support groups and the public at set times of the year to improve the positioning of drop kerbs / tactile pavements;</p>	<p>Programme of meetings to be confirmed.</p>	<p>None.</p>	<p>Jon Wright</p> <p>April 2009</p>

## OVERVIEW AND SCRUTINY ENQUIRY ACTION PLAN

NAME OF FORUM: Neighbourhood Services Scrutiny Forum

NAME OF SCRUTINY ENQUIRY: Condition of the Highways in Hartlepool

DECISION MAKING DATE OF FINAL REPORT: February 2009

	RECOMMENDATION	EXECUTIVE RESPONSE / PROPOSED ACTION	FINANCIAL IMPLICATIONS	LEAD OFFICER	DELIVERY TIMESCALE
(h)	That the income generated from the charges imposed on the Utility Companies be redirected into the highways maintenance budget;	Any income generated from charges imposed on the Utilities are used to part fund the Street works service. The use of the monies in any other way would require the Road and Street Works Act (RASWA) service to be alternatively funded.	Would need to identify additional Technical Officer Salary to pay for Road and Street Works Act (RASWA) service.	Mike Blair	March 2009
(i)	That the Council reviews the 2009 / 2010 financial contribution from the Highways Service to the Insurance Fund and any reduction in such contribution be redirected to the highways maintenance budget; and	The current funding arrangement is designed to provide an overall fund to cover liabilities over a long term. The current level is set to smooth the peaks and troughs that occur over time. Before a reduction could be agreed to the highway contribution, an alternative source of funding would be needed to make up the shortfall or an alternative strategy would be required.	Would need to identify an alternative fund to charge to make up the lost income to the insurance pot.	Mike Ward	March 2010
(j)	That the Council integrates the highways software system, 'Confirm' with the Customer Relationship Management	Hartlepool Connect is currently in the process of identifying an appropriate middleware solution, which will allow the Customer Relationship	Indicative costs are between £10 to 40k (dependent upon approach).	Ralph Young	March 2010



## OVERVIEW AND SCRUTINY ENQUIRY ACTION PLAN

NAME OF FORUM: Neighbourhood Services Scrutiny Forum

NAME OF SCRUTINY ENQUIRY: Condition of the Highways in Hartlepool

DECISION MAKING DATE OF FINAL REPORT: February 2009

RECOMMENDATION	EXECUTIVE RESPONSE / PROPOSED ACTION	FINANCIAL IMPLICATIONS	LEAD OFFICER	DELIVERY TIMESCALE
	<p>System in order to improve the accuracy and efficiency of the monitoring and feed back arrangements for customer enquiries relating to highways maintenance.</p> <p>Management System to integrate to other Council systems, including the Highways "Confirm" system. The Council's e-Government Team, in conjunction with the Contact Centre, are reviewing the options available. Considering system integration in isolation will increase overall costs and on that basis "Confirm" will be considered as part of that options process.</p>			