

# **FINANCE AND PERFORMANCE PORTFOLIO DECISION SCHEDULE**



**Friday, 14 August 2009**

**at 10.00 am**

**in Committee Room A, Civic Centre, Hartlepool**

Councillor R Payne, Cabinet Member responsible for Finance and Performance will consider the following items.

**1. KEY DECISIONS**

No items

**2. OTHER ITEMS REQUIRING DECISION**

- 2.1 Internal Alterations and Additions to The Education Development Centre for The Pupil Referral Unit Decant - *Head of Procurement, Property and Public Protection*
- 2.2 Proposed Internal Alterations to Form a New Changing Village and Reception at Mill House Sports Centre - *Head of Procurement, Property and Public Protection*
- 2.3 Land Adjoining 2 Kingsley Avenue - *Head of Procurement, Property and Public Protection*
- 2.4 Throston Grange Elderly Persons Home, Monmouth Grove - *Head of Procurement, Property and Public Protection*
- 2.5 Replacement of Stolen Chains Of Office – *Chief Personnel Officer*
- 2.6 Tender for External Printing Support – *Chief Personnel Officer*
- 2.7 Cheque Encashment Service – *Chief Financial Officer*

**3. ITEMS FOR INFORMATION**

- 3.1 Corporate Complaints – April To June 2009 – *Assistant Chief Executive*
- 3.2 Audit Commission Review of Strategic Asset Management in Local Government - *Head of Procurement, Property and Public Protection*
- 3.3 Hartlepool Connect – Review of 2008-09 – *Chief Personnel Officer*

#### 4. REPORTS FROM OVERVIEW OF SCRUTINY FORUMS

No items

#### 5. LOCAL GOVERNMENT (ACCESS TO INFORMATION) (VARIATION) ORDER 2006

##### EXEMPT ITEMS

Under Section 100(A)(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that it involves the likely disclosure of exempt information as defined in the paragraphs referred to below of Part 1 of Schedule 12A of the Local Government Act 1972, as amended by the Local Government (Access to Information) (Variation) Order 2006

#### 6. KEY DECISION

No items

#### 7. OTHER ITEMS REQUIRING DECISION

- 7.1 Cabin Owners, Ferry Road (para 3) - *Head of Procurement, Property and Public Protection*
- 7.2 45 Lancaster Road, Hartlepool, TS24 8LR (para 3) - *Head of Procurement, Property and Public Protection*
- 7.3 Northgate Lease Extension, Level 1, Civic Centre, Hartlepool (para 3) - *Head of Procurement, Property and Public Protection*
- 7.4 Sale of Freehold of Land At Belle-Vue-Way, Longhill Industrial Estate (para 3) - *Head of Procurement, Property and Public Protection*
- 7.5 Sale of Land at Bruntoft Avenue (para 3) - *Head of Procurement, Property and Public Protection*
- 7.6 Land to The Rear of Tees Bay Retail Park (para 3) - *Head of Procurement, Property and Public Protection*
- 7.7 Proposed Sale of Land at Cobb Walk (para 3) - *Head of Procurement, Property and Public Protection*
- 7.8 Hartlepool Interchange Car Park Lease (para 3) - *Head of Procurement, Property and Public Protection*
- 7.9 Qualification Based Training Application (para 1) – *Chief Personnel Officer*

## **FINANCE AND PERFORMANCE PORTFOLIO**

Report to Portfolio Holder

14<sup>th</sup> August 2009



**Report of:** Head of Procurement, Property and Public Protection

**Subject:** INTERNAL ALTERATIONS AND ADDITIONS  
TO THE EDUCATION DEVELOPMENT  
CENTRE FOR THE PUPIL REFERRAL UNIT  
DECANT

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### **SUMMARY**

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

To request the Portfolio Holder's endorsement of the decision to make an exception to the Contract Procedure Rules in respect of the procurement of the proposed construction works at the EDC.

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

To outline the reasoning behind the request for Portfolio Holder endorsement of the exception to the Contract Procedure Rules.

#### **3. RELEVANCE TO PORTFOLIO MEMBER**

Falls within the procurement remit of the Portfolio Holder.

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

Non-Key Decision.

#### **5. DECISION MAKING ROUTE**

Finance and Performance Portfolio Holder.

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

That the Portfolio holder endorses the decision to make an exception to the Contract Procedure Rules in this respect and allow the project to be procured through the LEA and Minor Works Partnership Contract.

**Report of:** Head of Procurement, Property and Public Protection

**Subject:** INTERNAL ALTERATIONS AND ADDITIONS  
TO THE EDUCATION DEVELOPMENT  
CENTRE FOR THE PUPIL REFERRAL UNIT  
DECANT

---

## **1. PURPOSE OF REPORT**

To request the Portfolio Holder's endorsement of the decision to make an exception to the Contract Procedure Rules in respect of the procurement of the proposed construction works at the EDC.

## **2. BACKGROUND**

- 2.1 As part of the Dyke House decant scheme construction work is required at Brierton School and the Pupil Referral Unit (PRU) sites. Brierton School has now closed and so this work can commence as required. However, to facilitate the construction works within the existing PRU building, staff and pupils need to be accommodated in another building. The EDC was identified as the logical site.
- 2.2 Consultation has taken place with all parties and a scheme design has been agreed by the client. A decant date has been agreed with the PRU and this is scheduled for the October half term 2009.
- 2.3 It is essential then that the required construction works are completed in advance of this date to enable the decant to proceed with minimum disruption to the operation of the PRU.
- 2.4 The construction work at Brierton School and PRU to enable the Dyke House decant to proceed is being carried out by the in-house constructor.
- 2.5 The in-house team had initially been selected to carry out the construction work at the EDC however after detailed discussions with them in respect of their current commitments, which include the completion of the Civic Centre scheme, the Dyke House Decant scheme, Warren road ATC scheme, works to the Municipal Buildings and the schools capital works programme together with the tight timescale required to complete the scheme we were asked if we would allocate this work to another contractor.
- 2.6 The budget for this work including fees, planning and building regulations etc. is £250k. This value of work can be allocated to the

in-house team without additional permission but not to any other contractor.

- 2.7 Under normal circumstances we would be required to invite tenders in accordance with the Contract Procedure Rules. In this event we would not be able to meet the tight timescales therefore causing a potential delay to Building Schools for the Future timetable and disruption to the essential services delivered by the PRU. The ceiling for the partnership is however £100k and therefore an exception to the CPR's is required in this instance.

### **3. PROPOSALS**

- 3.1 It is proposed therefore that these works are procured through the LEA and Minor Works Partnership Framework. This will speed up the procurement process and therefore assist in achieving the construction deadlines required to ensure that the EDC works are complete ready for the PRU Decant. This is one part of a jigsaw that when complete enables the completion of the Dyke House Decant in readiness for the first phase of BSF to proceed on programme.

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

- 4.1 An estimate for the work has been prepared which indicates an estimated construction value of £210K. The detailed package of construction information needs to be issued to the contractor to enable them to provide a detailed cost estimate for checking by the Quantity Surveyor before work can commence.

### **5. RECOMMENDATIONS**

- 5.1 That the Portfolio holder endorses the decision to make an exception to the Contract Procedure Rules in this respect and allow the project to be procured through the LEA and Minor Works Partnership Contract.

### **6. CONTACT OFFICER**

Colin Bolton  
Building Consultancy Manager  
Leadbitter Buildings  
Stockton Street  
Hartlepool  
TS24 7NU

Tel: 01429 523399

E-mail: [colin.bolton@hartlepool.gov.uk](mailto:colin.bolton@hartlepool.gov.uk)

## **FINANCE AND PERFORMANCE PORTFOLIO**

Report to Portfolio Holder

14<sup>th</sup> August 2009



**Report of:** Head of Procurement, Property and Public Protection.

**Subject:** PROPOSED INTERNAL ALTERATIONS TO FORM A NEW CHANGING VILLAGE AND RECEPTION AT MILL HOUSE SPORTS CENTRE.

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### **SUMMARY**

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

To request the Portfolio Holder's endorsement of the decision to make an exception to the Contract Procedure Rules in respect of the procurement of the proposed construction works at Mill House Sports Centre.

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

To outline the reasoning behind the request for Portfolio Holder endorsement to the exception to the Contract Procedure Rules.

#### **3. RELEVANCE TO PORTFOLIO MEMBER**

Falls within the procurement remit of the Portfolio Holder.

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

Non-Key Decision.

#### **5. DECISION MAKING ROUTE**

Finance and Performance Portfolio Holder.

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

That the Portfolio holder endorses the decision to make an exception to the Contract Procedure Rules in this respect and allows the project to be procured through the LEA and Minor Works Partnership Contract.

**Report of:** Head of Procurement, Property and Public Protection.

**Subject:** PROPOSED INTERNAL ALTERATIONS TO FORM A NEW CHANGING VILLAGE AND RECEPTION AT MILL HOUSE SPORTS CENTRE.

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## **1. PURPOSE OF REPORT**

To request the Portfolio Holder's endorsement of the decision to make an exception to the Contract Procedure Rules in respect of the procurement of the proposed construction works at Mill House Sports Centre.

## **2. BACKGROUND**

- 2.1 The Adult and Community Services Department have identified an urgent need to create a modern changing village and to remodel and improve office and reception facilities at the centre.
- 2.2 Funding for the scheme is being provided from two budget sources, these being : the Department for Culture, Media and Sport (DCMS) administered by Sport England and Hartlepool Borough Council via the Capital Programme.
- 2.3 Funding from DCMS which amounts to approx £345k needs to be spent before the end of March 2010 and cannot be carried over into the next financial year.
- 2.6 Under normal circumstances we would be required to invite tenders in accordance with the Contract Procedure Rules. In this event we would not be able to meet the tight timescales required to achieve the required financial spend and therefore an exception to the Contract Procedure Rules is required in this instance.
- 2.7 The quickest and acceptable alternative would be to utilise the existing LEA and Minor Work Partnership Framework which has been previously tested in the open market. The ceiling for the partnership is however £100k and therefore an exception to the Contract Procedure Rules is required in this instance.



### **3. PROPOSALS**

- 3.1 It is proposed therefore, that these works are procured through the LEA and Minor Works partnership framework to speed up the procurement process and therefore achieve the financial spend deadlines.
- 3.2 Sport England has been consulted and has confirmed that this procurement route is acceptable to them.

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

- 4.1 An estimate for the work has been prepared by the Council's quantity surveyors which indicates a construction value of approx £700K.
- 4.2 This information was used as part of the submission to Sport England.

### **5. RECOMMENDATIONS**

- 5.1 That the Portfolio holder endorses the decision to make an exception to the Contract Procedure Rules in this respect and allows the project to be procured through the LEA and Minor Works Partnership Contract.

### **6. CONTACT OFFICER**

Colin Bolton  
Building Consultancy Manager  
Leadbitter Buildings  
Stockton Street  
Hartlepool  
TS24 7NU

Tel: 01429 523399

E-mail: [colin.bolton@hartlepool.gov.uk](mailto:colin.bolton@hartlepool.gov.uk)

## **FINANCE AND PERFORMANCE PORTFOLIO**

Report To Portfolio Holder

14<sup>th</sup> August 2009



**Report of:** Head of Procurement, Property and Public Protection

**Subject:** LAND ADJOINING 2 KINGSLEY AVENUE

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### **SUMMARY**

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

To obtain the consent of Portfolio Holder to proceed with the sale of a small parcel of land adjoining 2 Kingsley Avenue and adjacent to the main entrance to the Sixth Form College.

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

The report outlines the background to this proposal and details of the terms of disposal envisaged.

#### **3. RELEVANCE TO PORTFOLIO MEMBER**

Portfolio Holder has responsibility for the Council's land and property assets.

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

Non-key.

#### **5. DECISION MAKING ROUTE**

Portfolio Holder only.

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

That Portfolio Holder approves the provisional terms of disposal as set out.

**Report of:** Head of Procurement, Property and Public Protection

**Subject:** LAND ADJOINING 2 KINGSLEY AVENUE

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## **1. PURPOSE OF REPORT**

- 1.1 To obtain the consent of Portfolio Holder to proceed with the sale of a small parcel of land adjoining 2 Kingsley Avenue and adjacent to the main entrance to the Sixth Form College.

## **2. BACKGROUND**

- 2.1 Hartlepool Borough Council are the owners of a small parcel of land, shown cross-hatched at **Appendix 1**, adjacent to the main entrance of the Sixth Form College which remained in its ownership following housing stock transfer in 2004. A small triangle of land within this area was sold to the Sixth Form College in 2000 for the erection of College signage.
- 2.2 Since that time the land has remained untended and has become a target for rubbish and litter.
- 2.3 The land adjoins existing housing but having regard to its limited size has no development worth in itself.

## **3. PROPOSALS**

- 3.1 The Estates Manager as been approached by the Sixth Form College to ascertain whether the Borough Council would be prepared to dispose of this piece of land.
- 3.2 Discussions have taken place with the Sixth Form College to establish their intentions. Their plan is to widen and improve the access from Kingsley Avenue and at the same time landscape and tidy the land with flowers and shrubbery to complement their new entrance.
- 3.3 The land has limited value to the Borough Council and presents an ongoing management challenge with additional public liability implications.

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

- 4.1 Details of the financial implications are contained within the confidential **Appendix 2. This item contains exempt information under Schedule 12A Local Government Act 1972 (as amended by the Local Government (Access to Information) (Variation) Order 2006) namely (para 3), information relating to the financial or business affairs of any particular person (including the authority holding that information.**

#### **5 RECOMMENDATIONS**

- 5.1 That Portfolio Holder approves the provisional terms of disposal as set out.

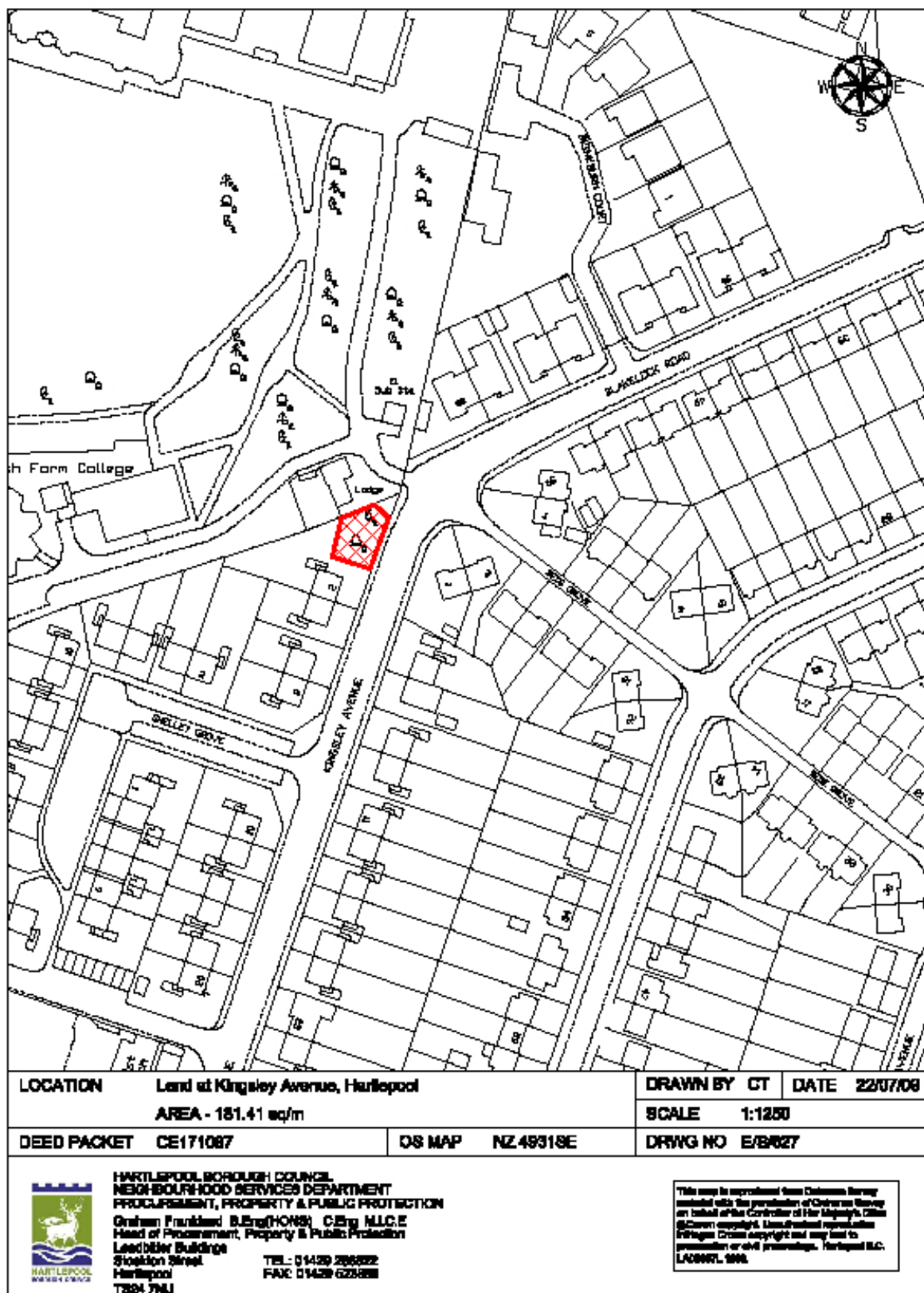
#### **6 CONTACT OFFICER**

David Dockree  
Acting Estates Manager  
Leadbitter Buildings  
Stockton Street  
Hartlepool  
TS24 7NU

Tel: 01429 523387

E-mail: [david.dockree@hartlepool.gov.uk](mailto:david.dockree@hartlepool.gov.uk)

## APPENDIX 1



## **FINANCE AND PERFORMANCE PORTFOLIO**

Report To Portfolio Holder

14<sup>th</sup> August 2009



**Report of:** Head of Procurement, Property and Public Protection

**Subject:** THROSTON GRANGE ELDERLY PERSONS HOME, MONMOUTH GROVE

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### **SUMMARY**

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

To seek Portfolio Holder approval in connection with the sale of premises at Throston Grange, Monmouth Grove.

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

The report outlines the background and the current situation with regard to the premises.

#### **3. RELEVANCE TO PORTFOLIO MEMBER**

Portfolio Holder has responsibility for the Council's land and property assets.

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

Non-Key.

#### **5. DECISION MAKING ROUTE**

Portfolio Holder only.

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

That Portfolio Holder approve the demolition of the building and the subsequent sale of the cleared site on the open market.

**Report of:** Head of Procurement, Property and Public Protection

**Subject:** THROSTON GRANGE ELDERLY PERSONS HOME, MONMOUTH GROVE

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**1. PURPOSE OF REPORT**

- 1.1 To seek Portfolio Holder approval in connection with the sale of premises at Throston Grange, Monmouth Grove.

**2. BACKGROUND**

- 2.1 Community Integrated Care (CIC) currently operate three Elderly Persons Homes in Hartlepool, Charlotte Grange on Flaxton Street, Gardner House on Brierton Lane and the subject property.
- 2.2 The subject property, shown cross hatched on plan at **Appendix 1** is owned by Hartlepool Borough Council and is let on a 25 year lease from 1999 at £1 per annum with provision for rent review to market levels at various intervals. No rent reviews have ever been implemented.
- 2.3 CIC have recently approached the Borough Council indicating that their operation at this property is no longer financially viable and as a result they wish to surrender their lease.
- 2.4 Hartlepool Borough Council have the option to accept this surrender and after due discussion between CIC and the Director of Adult and Community Services, it has been resolved that the closure of the home will take place.
- 2.5 This means that vacant possession of the premises will be available from the 20<sup>th</sup> July 2009 and having offered the building to other Borough Council Departments no interest has been expressed.
- 2.6 The property therefore becomes surplus to requirements and available for disposal.
- 2.7 Housing Regeneration and Planning Policy teams have been consulted and have confirmed that the land is suitable for residential development and 15-18 units would be considered a viable proposition of interest to Registered Social Landlords or the residential development market generally.

### 3. PROPOSALS

- 3.1 After considering the current position the initial view is that demolition of the existing buildings be implemented to achieve a site cleared of buildings and ready for development. The site undoubtedly presents an opportunity for housing development and some interest has already been received.
- 3.2 Immediate security coverage was considered essential and static security has been implemented with effect from the 20<sup>th</sup> July 2009.
- 3.3 A type three asbestos survey has been commissioned and it is intended that this will take place during the week commencing the 27<sup>th</sup> July 2009 as a prelude to the future demolition of the property. Potential costs of this service are identified under financial considerations.
- 3.4 A bat survey has also been carried out by the Council's Ecologist and he has reported that no evidence of bat presence has been detected. However, in the course of "opening up" the structure, if evidence of bats was discovered, any work in hand would have to cease pending resolution of the situation with Natural England.
- 3.5 Immediate attention has been focused on identifying the cost of demolition and details are set out in financial considerations.

### 4. FINANCIAL CONSIDERATIONS

The detail of the financial considerations is attached at the confidential **Appendix 2. This item contains exempt information under Schedule 12A Local Government Act 1972 (as amended by the Local Government (Access to Information) (Variation) Order 2006) namely (para 3), information relating to the financial or business affairs of any particular person (including the authority holding that information.**

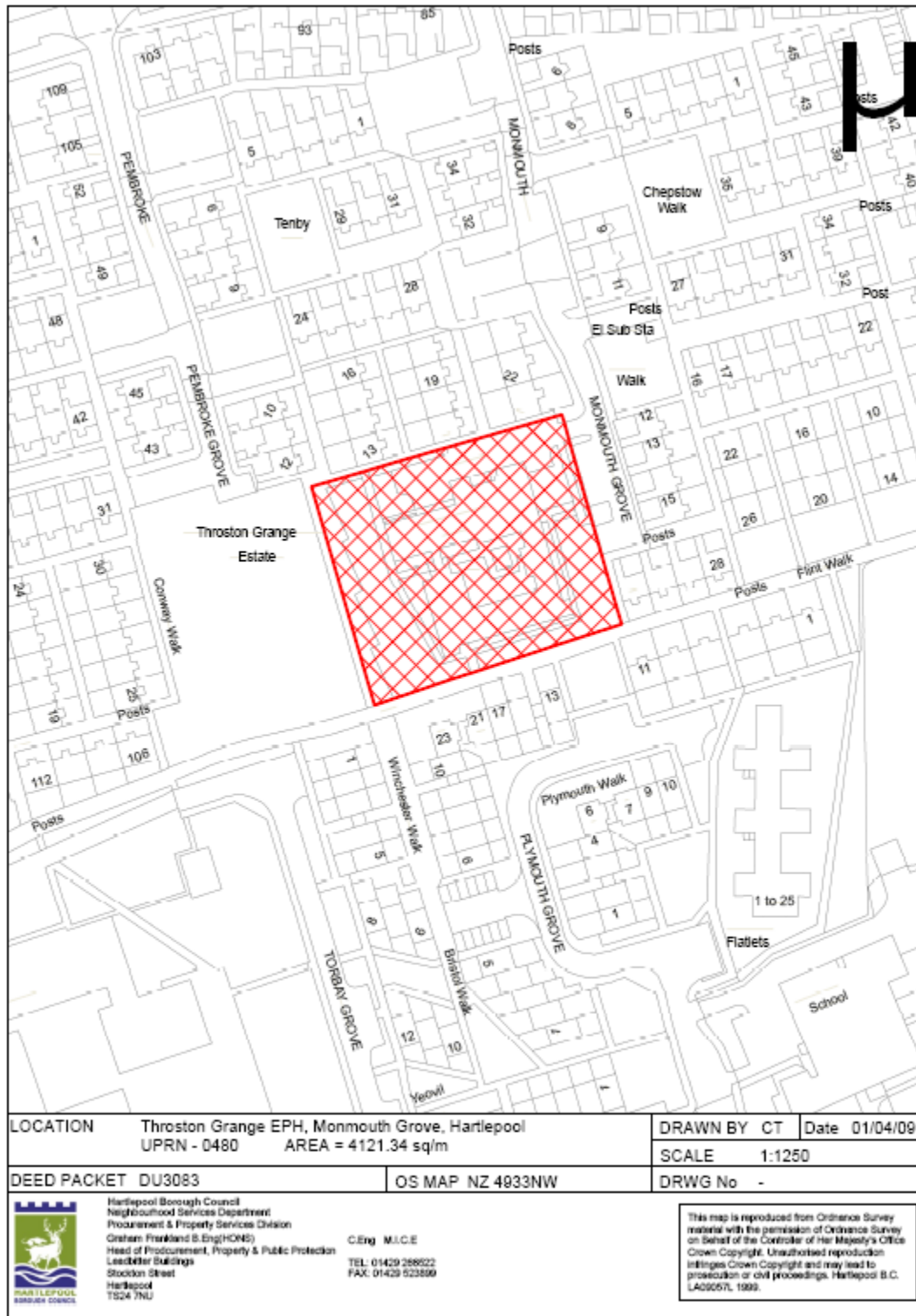
### 5. RECOMMENDATION

- 5.1 That Portfolio Holder approve the demolition of the building and the subsequent sale of the cleared site on the open market.

### 6. CONTACT OFFICER

- 6.1 David Dockree  
Acting Estates Manager  
Leadbitter Buildings  
Stockton Street  
Hartlepool TS24 7NU  
Telephone No 01429 523387  
**E-mail address** [david.dockree@hartlepool.gov.uk](mailto:david.dockree@hartlepool.gov.uk)





## **FINANCE & PERFORMANCE PORTFOLIO**

Report to Portfolio Holder

14 August 2009



**Report of:** Chief Personnel Officer

**Subject:** REPLACEMENT OF STOLEN CHAINS OF OFFICE

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### **SUMMARY**

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

To consider and agree the procurement process for replacing the stolen Chains of Office.

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

Cabinet, at its meeting held on 18 August 2008, agreed that new Chains of Office should be commissioned for the settlement agreed with the Council's insurers. This report details the process to be undertaken to replace the Chains of Office based on the Council's Contract Procedure Rules.

#### **3. RELEVANCE TO PORTFOLIO MEMBER**

The Portfolio Holder is required to determine the general aims of the project, its nature (ie best price, price/performance or partnering) and agree the level of expenditure.

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

Non-key decision.

#### **5. DECISION MAKING ROUTE**

Finance & Performance Portfolio Holder meeting on 14 August 2009.

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

To agree the procurement route for replacing the Chains of Office.

**Report of:** Chief Personnel Officer

**Subject:** REPLACEMENT OF STOLEN CHAINS OF OFFICE

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**1. PURPOSE OF REPORT**

- 1.1 To consider and agree the procurement process for replacing the stolen Chains of Office.

**2. BACKGROUND**

- 2.1 The Council's insurers settled the claim for the stolen Chains of Office in the amount of £45000. Having obtained a quotation for producing exact replica chains, there was a shortfall of £39700 between the quotation amount and the insurance payout. At its meeting held on 18 August 2008, Cabinet agreed that new Chains of Office should be commissioned for the settlement paid out by the Council's insurers.

**3. PROPOSALS**

- 3.1 In accordance with the Council's Contract Procedure Rules, the Finance and Performance Portfolio Holder has responsibility to:
- determine the project including general aims of the product or service to be acquired
  - establish the level of expenditure for the project
  - determine the nature of the contract – best price, price/performance or partnering
  - determine the Price/Quality ratio in respect of a price/performance Contract or a Partnering Contract or other basis of assessment.
- 3.2 The general aim of the project is to obtain the best possible replacement Chains of Office for the budget available taking account of the price, design and quality of the materials used.
- 3.3 The maximum level of expenditure for the project is £45000.
- 3.4 The nature of the contract is proposed to be price/performance. The tender documents will request that the design of the chains be a close replica of those stolen and will ask tenderers to detail the metals and stones that will be used.
- 3.5 The price/quality ratio is proposed at 30/70 weighted in favour of quality to take account of the design and the quality of materials used.
- 3.6 A panel will be established to consider and score the submitted tenders consisting of the Finance and Performance Portfolio Holder, Chief

Personnel Officer, Central Services Manager and Principal Procurement Officer.

#### **4. RISK IMPLICATIONS**

- 4.1 As the Police investigation is ongoing, there is a risk that the stolen chains may be recovered. Should this happen, the Council would be liable to refund the settlement amount paid out by our insurers.

#### **5. FINANCIAL CONSIDERATIONS**

- 5.1 There is a maximum budget of £45000 for replacement of the chains. Any ancillary costs eg production of documentation, advertising etc, will be met from existing budget provision.

#### **6. RECOMMENDATIONS**

- 6.1 That the procurement route detailed above be agreed.

#### **7. BACKGROUND PAPERS**

- 7.1 Cabinet minutes and decision record of 18 August 2008

#### **8. CONTACT OFFICER**

Christine Armstrong  
Central Services Manager  
HR Division, Chief Executive's Dept  
(01429) 523016  
[christine.armstrong@hartlepool.gov.uk](mailto:christine.armstrong@hartlepool.gov.uk)

## **FINANCE AND PERFORMANCE PORTFOLIO**

Report to Portfolio Holder

14 August 2009



**Report of:** Chief Personnel Officer

**Subject:** TENDER FOR EXTERNAL PRINTING SUPPORT

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### **SUMMARY**

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

To consider and agree the procurement process for provision of external printing support.

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

The majority of general printing requirements are met by the internal Print Unit utilising the services of local printing firms to cover peaks in service and specialised work, when appropriate. A formal 'call off' contract is required to ensure that best value is achieved when outsourcing printing work.

#### **3. RELEVANCE TO PORTFOLIO MEMBER**

The Portfolio Holder is required to determine the general aims of the project, its nature (ie best price, price/performance or partnering) and agree the level of expenditure.

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

Non-key decision

#### **5. DECISION MAKING ROUTE**

Finance & Performance Portfolio Holder meeting on 14 August 2009.

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

Agreement to the procurement route for the supply of external printing requirements.

**Report of:** Chief Personnel Officer

**Subject:** TENDER FOR EXTERNAL PRINTING SUPPORT

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## **1. PURPOSE OF REPORT**

- 1.1 To consider and agree the procurement process for provision of external printing support.

## **2. BACKGROUND**

- 2.1 The internal Print Unit undertakes work on behalf of all departments and schools. Corporate stationery such as letterheads and business cards are printed together with other items such as booklets, posters and financial stationery. Committee papers and other publications are produced using specialised, high-speed, high-volume copiers.
- 2.2 Over the recent past, the types of printing jobs processed by the Unit has changed and more individualised work is undertaken such as letters to staff about job evaluation, election poll cards/postal voting statements and Revenue and Benefits correspondence.
- 2.3 In accordance with the Council's Contract Procedure Rules, as an internal printing service is available, any department sourcing printing jobs should offer them to the internal Print Unit in the first instance. The Senior Printing Officer reviews each job and determines whether it can be undertaken in-house. If the work cannot be processed via the Unit, it is reviewed to check whether similar types of jobs have previously been outsourced to an external printer who has experience in the type of production required. The Senior Printing Officer will source the most suitable printer to undertake the job. Complex jobs that cannot be undertaken in-house, and have not previously been dealt with by the Print Unit, are usually outsourced by the originating officer or department. In some departments and sections, quotations are obtained prior to printing jobs being outsourced.
- 2.4 Some departments have been sending work to external printers without reference to Print Unit. A spend analysis was undertaken by the Corporate Procurement team. Further analysis of that report has identified that some of this work could have been undertaken by the Print Unit.
- 2.5 Members of the Corporate Procurement Group have been asked to advise officers in their own departments to send all printing work to the Print Unit. This has resulted in an increase in jobs being processed via the Unit.
- 2.6 However, some printing work will need to be sent to external printers. These jobs need to be produced externally mainly because of their complexity although sometimes it is to meet peaks in service demand.

- 2.7 It is estimated that in 2008-09 the amount of outsourced work equated to approximately £40,000.
- 2.8 The Council's Contract Procedure Rules state that spends on goods and services in excess of £25000 must be supported by a contract and, currently, there is no contract in place for external printing.

### 3. PROPOSALS

- 3.1 As the spend analysis identified approximately £40,000 is being spent with external printers, it is proposed that a printing 'call-off' contract be put in place.
- 3.2 Local small and medium enterprises (SMEs) will be encouraged to bid for the contract. This will allow printing jobs to be collected or delivered quickly meaning that there should be no additional time taken to produce jobs and existing timeframes for completion of printing work will continue to be offered.
- 3.3 In accordance with the Council's Contract Procedure Rules, the Finance and Performance Portfolio Holder has responsibility to:
- determine the project including general aims of the product or service to be acquired
  - establish the level of expenditure for the project
  - determine the nature of the contract – best price, price/performance or partnering
  - determine the Price/Performance ratio in respect of a price/quality Contract or a Partnering Contract or other basis of assessment.
- 3.4 The general aim of the project is to obtain the best possible prices and delivery timescales for external printing work.
- 3.5 The potential value of the contract is £40000 although there is no guarantee that this amount will be spent with any tenderer. The amount of printing work that will be sent out will be dependent upon the Print Unit's daily capacity, potential peaks in service demand and the complexity of the work that is required.
- 3.6 The nature of the contract is proposed to be price/quality in a ratio of 40/60 weighted in favour of quality to take account of each tenderers expertise and delivery timeframe for a list of sample documents.
- 3.7 The contract will be managed on a daily basis by the Senior Printing Officer and monitored in conjunction with the Central Services Officer.

**4. RISK IMPLICATIONS**

- 4.1 Any work that is outsourced will need to be checked to ensure that there is no potential for confidential documents to be passed to external printers.
- 4.2 The Senior Printing Officer will liaise with external printing firms to ensure that they have the capacity to undertake the necessary work within the agreed timescales.

**5. FINANCIAL CONSIDERATIONS**

- 5.1 Currently, the Print Unit operates as a trading account. It is some years since a full benchmarking exercise was undertaken. The tender process offers the Unit an opportunity to benchmark its internal recharges against current market prices.

**6. RECOMMENDATIONS**

- 6.1 That the procurement route detailed above be agreed.

**7. CONTACT OFFICER**

Christine Armstrong  
Central Services Manager  
HR Division, Chief Executive's Dept  
(01429) 523016  
[christine.armstrong@hartlepool.gov.uk](mailto:christine.armstrong@hartlepool.gov.uk)



## **FINANCE & PERFORMANCE PORTFOLIO**

Report to Portfolio Holder

14<sup>th</sup> August 2009



**Report of:** Chief Financial Officer

**Subject:** CHEQUE ENCASHMENT SERVICE

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### **SUMMARY**

#### **1.0 PURPOSE OF REPORT**

- 1.1 To seek the Portfolio Holder's approval to discontinue the cheque encashment service from the Civic Centre's Cash Office facility from 1<sup>st</sup> December 2009.
- 1.2 If approved, this decision may potentially realise significant administration savings for the Council, and present the Council with a rare opportunity to proactively encourage residents to manage their personal finances.

#### **2.0 SUMMARY OF CONTENTS**

- 2.1 The report provides some background to the Council's encashment service and goes on to detail the current costs associated with administering the service.
- 2.2 The report then highlights how this proposal will support the Council's wider financial inclusion policies of maximising disposable income for the Borough's residents whilst empowering individuals to manage their own finances.
- 2.3 The report finally details a 'wind down' strategy to effectively manage the exercise and ensure customers are guided to affordable alternative encashment services.

#### **3.0 RELEVANCE TO PORTFOLIO MEMBER**

- 3.1 The Council's arrangements for the payment of housing benefit and the minimising of financial hardship through appropriate and targeted

financial inclusion strategies fall within the Finance and Performance Portfolio Holder's remit.

#### **4.0 TYPE OF DECISION**

4.1 Non-key decision.

#### **5.0 DECISION MAKING ROUTE**

5.1 Finance & Performance Portfolio Holder only.

#### **6.0 DECISION(S) REQUIRED**

6.1 That the Portfolio Holder approves the proposal to discontinue the cheque encashment facility at the Civic Centre Cash Office and endorses the strategy to manage the winding down of the service from September onwards.

**Report of:** Chief Financial Officer

**Subject:** CHEQUE ENCASHMENT SERVICE

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**1. PURPOSE OF REPORT**

- 1.1 To seek the Portfolio Holder's approval to discontinue the cheque encashment service from the Civic Centre's Cash Office facility from 1<sup>st</sup> December 2009.
- 1.2 If approved, this decision will potentially realise administration savings for the Council, and present the Council with an opportunity to proactively encourage residents to manage their personal finances

**2. BACKGROUND**

- 2.1 The Council has provided a cheque encashment service at the Civic Centre Cash Office since April 2003, when the Cooperative Bank successfully tendered for the Council's banking contract. The encashment service was introduced to compensate for the absence of a local branch of the Coop Bank in the Town, to allow residents and staff the ability to cash Council cheques at a local, charge free venue. Prior to 2008, the numbers of cheques cashed at the Cash Office remained static at, on average, 300 per month.
- 2.2 In April 2008, Central Government introduced a new housing benefit scheme – Local Housing Allowance (LHA). Central to the new scheme was the ethos of empowering citizens to manage their own finances and make their own housing choices. This ethos was translated into service delivery by the introduction of rent allowance payments direct to claimants, as opposed to landlords.
- 2.3 Inevitably, the new regulations and resulting payment scheme had a significant impact on the cheque encashment service. Over a period of six months, as more new housing benefit claims were administered under the new LHA scheme, the number of cheques being cashed at the Cash Office doubled, as did the requirement for a cash imprest, from £25k to £50k.
- 2.4 The Benefits Service currently produce on average 1250 cheques per month to just under 550 recipients, which include both claimants and landlords. It is important to note that our records indicate that just

under 14% of those recipients receiving a cheque are over 65 years of age.

- 2.5 The subsequent increase in workload within the Cash Office has been challenging to manage. Prior to the introduction of LHA, there had been a 'natural' reduction in staff numbers within the Cash Office in response to the reduction in transaction volumes and the increase in payments made electronically (Direct Debit, telephone and internet). As a result of limited staff resources, long queues of customers on the regular cheque encashment days have become a regular occurrence. Officers have also received a number of informal complaints from customers making a bill payment about the length of time they have had to queue.
- 2.6 The peaks in workload resulting from the LHA scheme have been managed by the flexible use of staff across Revenues & Benefits who have supplemented resources in the Cash Office as and when required. However, this strategy has inevitably led to a deterioration in service levels across the Section.
- 2.7 The proposals to discontinue the encashment service presents the Council with a excellent opportunity to not only reduce operational costs in this area and improve service standards, but to encourage claimants to take control of their finances and have their rent allowance cheque paid directly into a bank account. Empowering residents to manage their finances and access financial services in the Town, rather than rely on 'easy' but high cost credit, is one of the key themes within the Council's Financial Inclusion Strategy.
- 2.8 The Finance Division has worked closely with Hartlepool's Credit Union – Moneywise, over the last 18 months in the introduction of a Basic Bank Account that supports Direct Debit, ATM withdrawals and debit card payments. By coinciding a further promotion campaign of this facility with the wind down of the encashment service, the Council could potentially substantially increase membership of the Credit Union.
- 2.9 It could be argued that whilst the cheque encashment facility is still available, residents will continue to access it, seeing it as the most convenient, affordable option. However, these are short term benefits. By encouraging residents to access and use banking facilities, they will build up a credit rating history which will assist them to access affordable credit in the long term. This strategy may ultimately reduce reliance on the 'easy' but costly high street credit schemes and door step lenders / loan sharks.

### 3. FINANCIAL IMPLICATIONS

- 3.1 The cheque encashment service is resource intensive. Despite a review and subsequent streamlining of the encashment process, each transaction takes on average 5 minutes to complete. This equates 0.3 of an FTE resource each month, or in financial terms, £6,500 per year.
- 3.2 From the Councils perspective, payment of Housing Benefit by electronic bank transfer is both very secure and the most efficient and cost effective method of payment. A Local Housing Allowance Benefit claimant could receive 26 cheque payments per year. The administrative cost of producing / issuing these payments could be about £62 per year. However the cost of making these payments electronically into a bank account would be a fraction of this. Furthermore the making of electronic payments is consistent with the Council's Business Transformation agenda.
- 3.3 The financial savings from this exercise are not just limited to the Council. Claimants would benefit financially from not having to travel into the Town every fortnight to cash their rent allowance cheque. By using local ATMs and debit card facilities, claimants would only withdraw the money they needed at the time to cover their day to day expenses. They would also benefit from the discounts offered by the utilities for customers paying by Direct Debit. The sum of these benefits would contribute to an increase in personal disposable income, which would ultimately be spent in the Borough.

### 4. RISKS

- 4.1 The key risk related to this proposal is that claimants will refuse to open a bank account or resist having their rent allowance cheque paid into their existing account. Claimants may therefore resort to using the high street encashment providers as the only remaining option, which will incur significant charges.
- 4.2 The table below details the fees and costs currently charged by encashment providers in the Borough:

Encashment Provider	Joining fee	Charges* (per cheque )
Money Shop, York Road	£12.50	4.99% - 6.99%
Ramsdens, York Road	£8.95	3% - 7%
Cash Trading, Park Road	nil	8%
Ablemarle & Bond, York Road	£2.50	10%

\* lower the cheque amount - higher the charge

## **5. PROPOSALS**

- 5.1 From 1<sup>st</sup> September 2009, the cheque encashment service is wound down in the Cash Service, with the service ceasing from 1<sup>st</sup> December 2009.
- 5.2 During September, promotion materials will be displayed in the Cash Office and Civic Centre Hartlepool Connect area advising customers that the service will cease in December. The materials will also briefly detail the encashment options available to customers in terms of payments being made direct to their bank account and or, opening a Credit Union or high street bank account.
- 5.3 Cash Office staff will also advise customers as they cash their cheques that the service will end, and wherever possible, will encourage them to have their rent allowance paid by BACS direct to their account.
- 5.4 During October and November, staff from the Revenues & Benefits Section will be available in the Contact Centre / Cash Office area to encourage the remaining encashment customers to open a Credit Union account. This exercise will be also used as an opportunity to highlight the associated costs and fees of using high street encashment venues.
- 5.5 Revenues & Benefits staff working out in the community in either an assessment or engagement role during this period, will raise awareness amongst claimants and community groups that the service will cease. They will also maximise opportunities to promote the Credit Union services as an alternative, whilst raising awareness of the costs associated with high street cheque encashment venues.
- 5.6 Emails will also be circulated to staff and partner agencies in the Borough, which will again promote payment direct via BACS and the services of the Credit Union as alternatives.

## **6. RECOMMENDATIONS**

- 6.1 That the Portfolio Holder approves the proposal to discontinue the cheque encashment facility at the Civic Centre Cash Office from 1<sup>st</sup> December 2009 and endorses the strategy to manage the winding down of the service from September onwards.

## **FINANCE & PERFORMANCE PORTFOLIO**

Report to Portfolio Holder

14<sup>th</sup> August 2009



**Report of:** Assistant Chief Executive

**Subject:** CORPORATE COMPLAINTS – APRIL TO JUNE 2009

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### SUMMARY

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

To report to the Portfolio Holder on corporate complaints performance for the first quarter of 2009/10.

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

The report covers performance information on numbers of complaints, timescales for investigation and outcomes of investigations for formal complaints dealt with in the first quarter of 2009/10. A total of 11 formal complaints was received in the quarter. Nine of these were responded to within authority deadlines. Four out of 11 complaints were upheld in part.

#### **3. RELEVANCE TO PORTFOLIO MEMBER**

The Portfolio Member has responsibility for performance management issues.

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

Non-key

#### **5. DECISION MAKING ROUTE**

Portfolio Holder meeting on 14<sup>th</sup> August 2009

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

That the report be noted.

**Report of:** Assistant Chief Executive

**Subject:** CORPORATE COMPLAINTS – APRIL TO JUNE 2009

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## **1. PURPOSE OF REPORT**

- 1.1 To report to the Portfolio Holder on corporate complaints performance for the first quarter of 2009/10.

## **2. FORMAL COMPLAINTS INFORMATION – April – June 2009**

- 2.1 In the first quarter of 2009/10, a total of 4 formal corporate complaints were recorded by departments and 7 social care complaints. The Chief Executive's Department dealt with 2 complaints and the Neighbourhood Services and Regeneration & Planning Services Department dealt with 1 corporate complaint each. The Children's Services Department dealt with 7 social care complaints. In the same period of 2008/09, 15 formal complaints were recorded. There does not appear to have been an decrease in any particular department, rather a small decrease in all. (See **Appendix 1** for detailed figures)
- 2.2 The social care complaints received by the Adult & Community Services and Children's Services Departments are dealt with under statutory procedures which differ from the corporate procedure in terms of time scales and investigative process. However, for the sake of completeness, basic statistics on numbers of complaints received are included in this report.

### **Responding to complaints within deadlines**

- 2.3 The corporate complaints procedure has a deadline of 15 days for reporting back to a complainant with a written response to their complaint, after a thorough investigation. For social care complaints, deadlines vary depending on the level of the complaint - within 10 working days for the Local Resolution stage, 25 working days for the Formal Investigation stage and 30 working days for the Complaint Review Panel stage. There is scope for extending the social care deadlines should this become necessary. Prompt investigation is always a priority for all types of complaints, but in some cases the complexity of a complaint and/or the number of people to be contacted during the investigation can mean that the deadline cannot be met. In the first quarter of 2009/10, the deadline was met in 82 percent of cases. This is an increase on the figure of 73 percent of investigations completed within the deadline, for the same quarter in 2008/09.

### **Outcomes of complaints investigations**

- 2.4 When a complaint investigation has been completed, a judgement is made by the investigating officer as to whether or not the authority has been at fault and hence whether the complaint is upheld fully, in part or not upheld. In the first quarter of 2009/10, no complaints were fully upheld and 4 cases (36%) were partly upheld.



This compares with the figures for the first quarter of 2008/09 of 1 case (7%) fully upheld and 3 cases (20%) partly upheld.

### **Remedies for complaints**

- 2.5 Departments are asked to provide information on what remedies have been offered to people whose complaints have been upheld either in part or in full. In some cases, a remedy can put a complainant in the position they would have been in but for the Council's error but this is not always possible. In the first quarter of 2009/10, apologies have been given to complainants; and explanations provided as to how the problem arose and of the action taken to prevent the problem recurring. In one case financial compensation was offered to the complainant.

### **Learning from complaints**

- 2.6 Complaints can provide useful information on how a service is performing and what problems are being experienced by service users. Departments have provided information on what lessons have been learnt from the complaints that they have received and what actions have been taken to prevent their recurrence. In the first quarter of 2009/10, wherever possible, departments have taken action. For example, by the setting up a new tracking system for enquiries to ensure that they are dealt with within deadlines; by issuing new procedural guidance to staff; and by addressing particular issues with individual members of staff.

## **3. RECOMMENDATIONS**

That the report be noted.

## **4. BACKGROUND PAPERS**

Corporate Complaints - April to June 2008 - Report to the Performance Management Portfolio Holder, 26<sup>th</sup> September 2008.

Hartlepool Borough Council Corporate Complaints Procedure 2008.

## **5. CONTACT OFFICER**

**Liz Crookston, Principal Strategy & Research Officer,  
Chief Executive's Department, Corporate Strategy Division  
Hartlepool Borough Council**

**Tel No: (01429) 523041**

**Email: [liz.crookston@hartlepool.gov.uk](mailto:liz.crookston@hartlepool.gov.uk)**

**APPENDIX 1 – COMPLAINTS MONITORING – April 1<sup>st</sup> – June 30<sup>th</sup> 2009**

	NUMBER	MEETING DEADLINES		OUTCOMES		
	Total no. of complaints	Reported on within deadline	Reported outside deadline	Not upheld	Upheld in part	Upheld
<b>CHIEF EXECUTIVE'S</b>						
Corporate Strategy	0	0	0	0	0	0
Finance	0	0	0	0	0	0
Human Resources	0	0	0	0	0	0
Legal	2	2	0	1	1	0
<b>TOTAL FOR CHIEF EXEC'S</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>0</b>
<b>ADULT &amp; COMMUNITY SERVICES</b>						
Corporate complaints	0	0	0	0	0	0
Social Care complaints	0	0	0	0	0	0
<b>TOTAL FOR ADULT &amp; COMM SERVICES</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>CHILDREN'S SERVICES</b>						
Corporate complaints	0	0	0	0	0	0
Social Care complaints	7	6	1	4	3	0
<b>TOTAL FOR CHILDREN'S SERVICES</b>	<b>7</b>	<b>6</b>	<b>1</b>	<b>4</b>	<b>3</b>	<b>0</b>
<b>NEIGHBOURHOOD SERVICES</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>0</b>
<b>REGENERATION &amp; PLANNING SERVICES</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>
<b>TOTAL NUMBER OF COMPLAINTS</b>	<b>11</b>	<b>9</b>	<b>2</b>	<b>7</b>	<b>4</b>	<b>0</b>
		<b>82%</b>	<b>18%</b>	<b>64%</b>	<b>34%</b>	<b>-</b>

## **FINANCE AND PERFORMANCE PORTFOLIO**

Report to Portfolio Holder

14<sup>th</sup> August 2009



**Report of:** Head of Procurement, Property and Public Protection

**Subject:** AUDIT COMMISSION REVIEW OF STRATEGIC ASSET MANAGEMENT IN LOCAL GOVERNMENT

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### **SUMMARY**

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

To update the Portfolio Holder on a recent review of Strategic Asset Management in Local Government.

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

The report outlines the Audit Commission's findings in their review of Strategic Asset Management and highlights steps that central and local government should take to improve. The Council's actions in addressing these requirements via Business Transformation are highlighted.

#### **3. RELEVANCE TO PORTFOLIO MEMBER**

The Portfolio Holder is responsible for the Council's land and property assets.

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

Non key.

#### **5. DECISION MAKING ROUTE**

That the Portfolio Holder notes the report with comments welcomed.

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

That the Portfolio Holder notes the report with comments welcomed.

## **FINANCE AND PERFORMANCE PORTFOLIO**

Report to Portfolio Holder

14<sup>th</sup> August 2009



**Report of:** Head of Procurement, Property and Public Protection

**Subject:** AUDIT COMMISSION REVIEW OF STRATEGIC  
ASSET MANAGEMENT IN LOCAL GOVERNMENT

---

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

- 1.1 To update the Portfolio Holder on a recent review of strategic Asset Management in Local Government

### **2. BACKGROUND**

- 2.1 The Audit Commission has recently published “Room for improvement: a Review of Strategic Asset Management in Local Government”. The report follows up on the Audit Commission report Hot Property (2000), and reveals that councils have made only modest progress in improving the management of their estate over the last 10 years. The report also finds central government partly to blame, by sending local government mixed messages: calling on councils to rationalise assets, to improve buildings and offices, and to share assets with the community.
- 2.2 Given the backdrop for the recession and the likely squeeze in the public expenditure, local government will need a far more strategic approach to the management of its estate if it is to maximise potential savings while continuing to provide high quality services. The Council is meeting this challenge by pursuing the Business Transformation programme which includes a work stream on asset management.
- 2.3 “Room for Improvement” recommends:
- Local government looks to the best councils, who are managing their estate strategically, and actively rationalises or shares property with other public bodies, to maximise the return on their property;

- Central government clarifies priorities for local government, be that maximising capital receipts or enhancing their estate to deliver better public services; and
  - Giving local government freedom to use capital receipts more flexibly, and incentives to manage property more strategically.
- 2.4 Alongside the report the Audit Commission will promote better property management by sharing best practice through accompanying case studies; provide advice for elected members; and a checklist for asset managers. They will be closely monitoring councils' progress in strategic asset management, through a more rigorous assessment as part of the annual Use of Resources assessments. We have already experienced this and are awaiting the outcomes.

### 3. SUMMARY OF AUDIT COMMISSION'S FINDINGS

- 3.1 In the Audit Commission's opinion:
- Well-planned use of property can help joint up local services and improve public access
  - Councils that use assets efficiently can realise capital receipts and efficiency savings
  - Some Councils are on top of their property portfolios, but only one in 14 councils is an exemplary manager of its assets.
  - Nine out of ten councils believe that they have improved how they manage their assets, but auditors are more sceptical.
  - In 2007/8, against a tighter standard, while 65 improved, the performance of 46 councils deteriorated.
- 3.2 Council property is big business evidenced by:
- England's councils own property worth £250 billion, around two-thirds of which is accounted for by council housing and schools. This book value has nearly doubled in the last decade and its market value is probably higher.
  - Councils made net capital investment in property of over £10 billion in 2007/8.
  - In 2000, councils invested about £200 million in acquiring or refurbishing offices. This rose to nearly £800 million in 2007/8.
  - A third of Councils say that their property holding have reduced in size, but have increased in either quality or value.
- 3.3 Councils have used the proceeds of rationalisation to invest in recent years:
- Councils collectively across the UK realised an annual average of £4 billion from property sales between 2000/1 and 2007/8.
  - A fifth of English councils spent less on capital investment in their own offices between 2000/01 and 2007/8 than they received in sales, generating £0.9 billion surplus.

- The other four-fifths of councils spent over £2 billion more on capital investment in offices than they realised in sales.
  - If all councils had chosen and been able to prioritise disposal receipts over investment in the estate, they could have spent £3 billion less capital since 2000, and £150 million less revenue since 2003.
  - A third of councils do not share offices or facilities with other local public bodies.
- 3.4 Central government has neither set clear expectations nor offered incentives to use assets more frugally:
- Government aspirations have not encouraged councils to review their holdings of property.
  - Councils have less incentive to put their property to best use than other parts of the public or the private sector.
  - Central government missed chances to encourage asset rationalisation, such as when new unitary authorities were created.
  - The extent or impact of transferring council property to local communities had yet to meet government aspirations.
- 3.5 Few councils are well placed to deal with tougher times:
- Only half of councils are assessed by auditors as having sufficient information about their estate.
  - Property valuations in councils' accounts cannot support strategic decisions, and few Councils have anything better.
  - Many councils lack the capacity to manage property well
  - Comprehensive Area Assessment (CAA) will set higher standards for strategic asset management.
- 3.6 The recession offers opportunities as well as challenges:
- The recession will limit the scope for asset disposals; a quarter of councils expect receipts to fall by over 80 per cent.
  - Funds for investment in property assets are likely to be scarce.
  - But the recession is an opportunity for councils to prepare plans for using the property they own more efficiently and effectively.
  - It may also present opportunities to acquire assets for the future.

## **4. AUDIT COMMISSION'S RECOMMENDATIONS**

### **4.1 What councils should do:**

- Improve their knowledge of their estates and their partners' estates by:
  - collecting data on size, use, occupancy, condition, running costs and having an eye to the open market value (at realistic alternative uses);
  - ensuring that asset management plans include quantification of the potential costs and benefits of proposals;

- sharing this information with other local bodies providing public services; and
- publishing maps or details of the properties held by the public sector in local areas, and inviting proposals for alternative use of them.
- Identify areas for improvement and other councils to learn from by:
  - collecting data to populate the corporate value for money indicators developed by the Audit Commission, National Audit Office, Wales Audit Office, Audit Scotland and the Northern Ireland Audit Office and participating in their benchmarking services; and
  - participating in other benchmarking networks, such as those offered by CIPFA Property.
- Review property holdings and reduce them where possible by:
  - identifying and disposing of surplus or under-utilised property;
  - reconfiguring services and administration so that they occupy less space; and
  - considering tenure other than ownership – such as lease, rent or lease-back – where that gives demonstrably better value.
- Motivate service managers who occupy property to use it economically, for example, by:
  - implementing capital charging arrangements that make them accountable for the cost of the capital they use; and
  - allowing them to keep a proportion of any sales proceeds.
- Develop the capacity needed to bring about change by:
  - recruiting appropriately skilled staff on permanent or temporary contracts;
  - consider how to improve motivation for service managers who occupy property to use it economically;
  - commissioning reviews from property professionals in the private sector; and
  - making the best use of the support available from 4P's and the Beacon councils as well as from the private sector.
- Collaborate with local partners by:
  - raising the profile of property on the local strategic partnership (LSP) agenda;
  - sharing the existing estate with partners where beneficial; and
  - sharing property data among partners.
- Seek opportunities presented by the recession such as:
  - acquiring property at reduced prices to satisfy future need; and
  - employing high calibre staff newly in the employment market.

#### 4.2 What Central Government should do:

- Clarify what it expects councils to do with their property during recession and public spending constraint, following the Government's publication of the Operational Efficiency Programme specifically how councils should balance the apparently conflicting priorities to;

- maximise receipts from disposal of assets; or
- Enhance the estate to deliver better services.
- Raise the profile of asset management, for example by:
  - making capital and revenue targets more specific; and
  - Referring to Asset Management, for example, where Local Area Agreements (LAAs) are reviewed or renegotiated.
- Make Councils accountable for the cost of the capital they have tied up in property, giving them incentives to make better use of the money.
- Review the rules governing what can be capitalised and how capital receipts can be used, to allow councils more flexibility. This would still be in line with the overall government objective of using capital receipts for investment purposes, and could, for example, enable councils to:
  - fund option appraisals to assess the potential for rationalisation, asset sharing or spend to save projects; and
  - Support the revenue costs of capital projects designed to improve public services or support regeneration or economic development.

#### 4.3 What the Audit Commission will do:

- Publish detailed case studies of excellent asset management;
- Support councillors in scrutinising how councils are managing assets;
- Assess councils' stewardship of property through Use of Resources assessments;
- Continue to develop benchmarking services with other audit agencies; and
- Public guidance and good practice examples on the Improvement Network website.

## 5. THE COUNCIL'S RESPONSE

5.1 The Council is already responding to many of the actions identified by the Audit Commission via the Asset Management business case of the Business Transformation Programme based on four key objectives:

- i) Rationalise Council administrative buildings through the introduction of accommodation strategy based on a reduction in space allocated per workstation, hot desking and stringent storage targets;
- ii) A centralised Asset and Property Management Unit;
- iii) Reduce surplus property and land portfolio of non administrative operational buildings and land by 10%, and apply a commercial approach to review the property and land on the asset register aiming to reduce the surplus by 25%;
- iv) Reduce energy consumption and the authorities' carbon foot print through an 'Invest-to-Save' programme



- 5.2 The programme will serve to strengthen Strategic Asset Management within the Council; in addition, we will need to develop this work together with our partners across the town as a whole, in line with the Audit Commission's recommendations and the idea of "Total Place" management within the Government Operational Efficiency Programme.

## **6. RECOMMENDATIONS**

- 6.1 That the Portfolio Holder notes the report with comments welcomed

## **7. BACKGROUND PAPERS**

<http://www.audit-commission.gov.uk/nationalstudies/localgov/Pages/roomforimprovement17jun2009.aspx>

## **8. CONTACT OFFICER**

Graham Frankland  
Head of Procurement, Property and Public Protection  
Level 3  
Civic Centre  
Hartlepool TS24 8AY

Tel: 01429 523211

E-mail: [graham.frankland@hartlepool.gov.uk](mailto:graham.frankland@hartlepool.gov.uk)

## **FINANCE & PERFORMANCE PORTFOLIO**

Report to Portfolio Holder

14<sup>th</sup> August 2009



**Report of:** Chief Personnel Officer

**Subject:** HARTLEPOOL CONNECT – REVIEW OF  
2008-09

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### **SUMMARY**

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

To provide the Portfolio Holder with an update on Hartlepool Connect's performance and key achievements during the year April 2008 to March 2009.

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

The report has details of performance and key achievements by Hartlepool Connect during 2008-09 and includes information on preferred contact channels, customer satisfaction, service transfers and future plans.

#### **3. RELEVANCE TO PORTFOLIO MEMBERS**

The Portfolio Holder has responsibility for Hartlepool Connect under Performance.

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

Non-key decision.

#### **5. DECISION MAKING ROUTE**

Finance & Performance Portfolio Holder meeting on 14 August 2009.

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

That the Portfolio Holder considers the report and provides any further comments, prior to an extract of this information being published in Hartbeat.

**Report of:** Chief Personnel Officer

**Subject:** HARTLEPOOL CONNECT – REVIEW OF 2008-09

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**1. PURPOSE OF REPORT**

To provide the Portfolio Holder with an update on Hartlepool Connect's performance and key achievements during the year April 2008 to March 2009.

**2. BACKGROUND**

Following a successful pilot phase, Hartlepool Connect was officially launched in February 2007 and has been gathering performance and customer satisfaction information over the last couple of years. This data is being used to monitor performance and set continuous improvement targets.

**3. REVIEW**

**3.1 Hartlepool Connect - Overview**

3.1.1 Hartlepool Connect is the customer services element of Hartlepool Borough Council and provides access to a wide range of council services. Customers access services via telephone, textphone, fax, by visiting the Civic Centre, by email and by post. To take account of the diverse community, services can be provided via an interpreter and/or in other languages.

3.1.2 The Hartlepool Connect team aims to resolve the majority of enquiries at the first point of contact and offers a one-stop shop approach to service delivery. Customers can pay a Council Tax bill, book a bulky-household waste collection, apply for planning permission and report a faulty street light in one straightforward contact.

**3.2 Customer Contact Preferences**

3.2.1 Hartlepool Connect dealt with almost 500,000 contacts during 2008-09. Telephone calls accounted for 82% of contacts, with 16% of customers visiting in person and 2% contacting us via the website or email.

**3.3. Performance**

3.3.1 Telephone contact is either to the Council's switchboard or to dedicated lines for service requests. The switchboard received almost 300,000 calls during 2008-09 and 78% were answered in less than 20 seconds. Calls increased during July 2008 when the refuse collection rounds were changed

and dropped the following month when schools were on holiday. The lowest number of calls was received during December 2008 as the Civic Centre is closed over the Christmas period.

- 3.3.2 Over 81500 telephone calls were answered by the Hartlepool Connect service team with the most calls received during quarter 2. Again, the call volume increased that quarter when the refuse collection rounds changed in July 2008. The average response time during 2008-09 was just over one minute though for quarter 2 the response time increased by 15 seconds.
- 3.3.3 In October last year, the queue management system at the Civic Centre was upgraded. The upgrade enabled the team to record 'casual caller' contacts ie those customers dealt with at the Information Point. In the final 6 months of the year almost 18500 customers were dealt with at the Information Point equating to approximately 37000 contacts per year.
- 3.3.4 The service desks dealt with just over 39500 customers. Of that number, 76% had their query fully dealt with and the remaining 24% were passed onto a specialist to answer their more complex enquiries.
- 3.3.5 Almost 9500 emails were received into the Hartlepool Connect customer service email account where they were either dealt with by the team or passed onto the relevant specialist officer.

#### 3.4 Customer Satisfaction

- 3.4.1 Throughout 2008-09 customers were surveyed and 90% rated Hartlepool Connect services as either excellent or good. We have recently introduced an additional question to the survey to be answered by those who rated our services less than good. The question asks what changes customers would like to see to improve the service. This feedback will be considered as we further develop Hartlepool Connect services.
- 3.4.2 The deaf community have given us some very positive feedback on our efforts to break down the communication barriers with this group of customers. Hartlepool Connect has embarked on a training programme to ensure that all members of the team receive basic training in deaf and deaf-blind communication skills.

#### 3.5 Service Transfers

- 3.5.1 During 2008-09 the following services transferred to Hartlepool Connect –
  - Job Evaluation – HR, Payments and Trade Union
  - CRB Service – appointment bookings and interviews
  - Fixed Penalty Notices – payments and setting up instalment plans
  - Non-domestic Rates – Payments
  - Dog Warden Service
  - Untaxed Vehicle Service

- 3.5.2 The Planning and Building Control one-stop shop transferred in May 2009 and work is continuing on the transfer of the mobile benefits appointment service and the Revenues and Benefits scanning team.

### 3.6 Key Achievements

- 3.6.1 Throughout 2008-09, the number of calls and personal visits has increased. Hartlepool Connect dealt with a 10% increase in telephone calls with the same number of staff.
- 3.6.2 A training and development strategy has been developed and introduced to ensure that all permanent employees are now multi-skilled and are able to work on telephones, at a service desk, at the Information Point or responding to emails. This has helped us to deal with increased service demand in specific areas. As an example, during the recent heavy downpours when the number of telephone callers increased and visitors to the Civic Centre fell, staff were able to quickly transfer from the service desk to the telephones to help deal with the additional volume of phone calls.
- 3.6.3 Data collection improvements, including measuring contacts across all access channels, have allowed us to benchmark ourselves with other councils across the Tees Valley and with Sedgefield Council. This benchmarking work will be further enhanced during 2009-10.
- 3.6.4 Currently 65% of the team have achieved an NVQ in Customer Services at either Level 2 or Level 3. Training in deaf and deaf-blind awareness is being undertaken and a number of team members have already been awarded their certificates in basic British Sign Language (BSL) with one member of the team undertaking a qualification to BSL Level 1.
- 3.6.5 The upgraded queue management system, together with the telephone monitoring system, has allowed team leaders to move staff quickly and efficiently to contact points where queues are forming.

### 3.7 Future Plans

- 3.7.1 Hartlepool Connect will continue to introduce and transfer more services to the corporate customer service centre. This will improve the customer experience by delivering more services at a single point. All customer contacts will be recorded helping the Council to identify the customer contact channels most in use and will give us valuable insight into who our customers are and what they contact us about most.
- 3.7.2 Improving our technology, by enhancing the website, will allow customers easier access to payments and bookings. This will help us to be more efficient as those customers who wish to, will be able to 'self-serve' - 24 hours a day, 7 days a week.
- 3.7.3 Performance indicators have been reviewed and revised with new targets introduced. Performance information is being collected in relation to

telephone and visitor waiting times, customer, staff and client satisfaction levels, deadlines for responding to emails, staff retention rates and requests dealt with at first point of contact. The information is used to identify areas where further improvements can be made either by changing working practices or developing services.

- 3.8. As the customer service centre for the Council, Hartlepool Connect is continuing to develop and extend the number of services that it delivers. The section has recently undergone a pre-assessment for the government's Customer Service Excellence Award. Further interviews will be undertaken by the assessor prior to the team being awarded the standard. We expect to receive the award in the next 6 months. Hartlepool Connect will then assist other service areas and departments who wish to apply for the Customer Service Excellence Award.
- 3.9 Regular updates on Hartlepool Connect developments will appear in Hartbeat to ensure that customers are kept up to date with changes to service delivery and to make them aware of the different methods available to contact us. A couple of pages been reserved in the autumn edition of Hartbeat where we hope to include an extract of this report highlighting the achievements of the last year together with our proposed, future developments.

#### **4. RECOMMENDATIONS**

That the Portfolio Holder notes the report.

#### **5. BACKGROUND PAPERS**

Hartlepool Connect Key Achievements 2008-09  
Hartlepool Connect Out-turn Performance 2008-09  
Hartlepool Connect Performance Indicators 2009-10

#### **6. CONTACT OFFICER**

Christine Armstrong  
Central Services Manager

Tel: 01429 523016

Email: [christine.armstrong@hartlepool.gov.uk](mailto:christine.armstrong@hartlepool.gov.uk)