

CABINET AGENDA



Tuesday 22nd December 2009

at 9.00 am

in Committee Room B, Civic Centre, Hartlepool

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

To receive the Record of Decision in respect of the meeting held on 14th December 2009 (previously circulated)

4. BUDGET AND POLICY FRAMEWORK

4.1 Medium Term Financial Strategy (MTFS) 2010/2011 to 2013/2014 – Formal Scrutiny Proposals – *Corporate Management Team*

5. KEY DECISIONS

No items

6. OTHER ITEMS REQUIRING DECISION

No items

7. ITEMS FOR DISCUSSION / INFORMATION

- 7.1 Business Transformation – Service Delivery Options Review Programme Report – *Assistant Chief Executive*
- 7.2 Comprehensive Area Assessment (CAA), OFSTED Children's Services Annual Rating and Annual Performance Assessment Report 2008/09 Adult and Social Care Services – *Assistant Chief Executive*

8. REPORTS FROM OVERVIEW OF SCRUTINY FORUMS

No items

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) Act 1985

9. EXEMPT ITEMS FOR DISCUSSION / INFORMATION

- 9.1 Youth Offending Service – Results of the Core Case Inspection of Youth Offending Work – *Assistant Director (Community Safety and Protection)* (Para 10)
- 9.2 OFSTED Unannounced Inspection of Safeguarding Services – *Assistant Director, Safeguarding and Targeted Services* (Para 10)

CABINET REPORT

22 December 2009



Report of: Corporate Management Team

Subject: MEDIUM TERM FINANCIAL STRATEGY (MTFS)
2010/2011 TO 2013/2014 – FORMAL SCRUTINY
PROPOSALS

SUMMARY

1. PURPOSE OF REPORT

- 1.1 To enable Cabinet to reconsider the MTFS in the light of the latest position, consider feedback on its initial proposal and to determine the proposals it wishes to put forward for formal Scrutiny.

2. SUMMARY OF CONTENTS

- 2.1 The report provides a detailed overview of the financial issues affecting the Council in relation to:
- The background for the initial consultation proposals
 - Changes since those initial proposals and the implications for
 - The development of the 2009/2010 Outturn Strategy;
 - Capital Programme 2010/2011 to 2013/2014;
 - General Fund and Council Tax 2010/2011 to 2013/2014.

3. RELEVANCE TO CABINET

- 3.1 The report enables Cabinet to determine the Budget and Policy Framework proposals it wishes to put forward for formal Scrutiny.

4. TYPE OF DECISION

- 4.1 Budget and Policy Framework.

5. DECISION MAKING ROUTE

- 5.1 Cabinet, Scrutiny Co-ordinating Committee, Scrutiny Forums and Council.

6. DECISION(S) REQUIRED

- 6.1 Cabinet is required to determine its proposals.

Report of: Corporate Management Team

Subject: MEDIUM TERM FINANCIAL STRATEGY
(MTFS) 2010/2011 TO 2013/2014 – FORMAL
SCRUTINY PROPOSALS

1. PURPOSE OF REPORT

- 1.1 To enable Cabinet to reconsider the MTFS in the light of the latest position, consider feedback on its initial proposal and to determine the proposals it wishes to put forward for formal Scrutiny.

2. BACKGROUND

- 2.1 The proposed MTFS was approved by Cabinet in September 2009 and covers the years 2010/2011 to 2013/2014.
- 2.2 This report considers those changes necessary since that report was initially considered, the implications of those changes and the feedback from consultation to date. The initial proposals are included at **Appendix A** for information.

3. CHANGES SINCE LAST REPORT

3.1 National Background

The economy nationally continues in technical recession and no certain trend out of recession towards sustained growth has yet emerged. There continues to be both optimism for consumer driven growth in the economy and fears of a double dip recession. Increased uncertainty in recent weeks over Dubai also complicates the position.

Public Sector Borrowing continues to increase and may exceed the Chancellors forecast of £175bn for 2009/10.

Against this background the Chancellors pre budget statement is awaited at the time of writing this report although the government has confirmed the third and final year of the three year settlement for Local Government. This has removed a significant risk from the Council's initial Budget proposals, as this had been assumed in the Council's forecasts and is very much welcomed. Cabinet might consider responding to the Minister thanking the Government for this stability whilst emphasising the continued need to unwind and reduce

Floor Damping. This is particularly important for 2011/12 onwards and also emphasising the continued need for resource equalisation for Hartlepool.

The Government have also announced that they expect the average level of Council Tax increases to be below 3%. The Council's current proposals of 2.5% are within this limit and as such should avoid capping.

Uncertainty over the next Comprehensive Spending Review remains and the planning assumption of a 5% per annum cut in grant for 2011/12 and on wards continues to be an appropriate balance between the need to balance the Government's structural deficit without further destabilising the fragile economic recovery.

3.2 Local Position

The initial budget proposals were based upon a gross budget deficit before action to mitigate this of £7.2m. It was expected that this would be bridged by: using one off funding from reserves of £1.937m (coming from the Budget Support Fund). The initial tranche of savings from the Business Transformation programme of £2.514m; other corporate efficiencies and savings of £1.75m and some £0.911 m from a 2.5% increase in Council Tax. In total this achieves ongoing efficiencies in excess of 5% of the budget and reduced the deficit to £64,000.

It is necessary to update this position for changes since your September meeting. The net deficit has increased to £300,000 as detailed in the table below.

	£'000	
Deficit reported to Cabinet 21.09.09	64	
Add		
- Shortfall in £0.3m income target	76	Permanent
- Increase in contingency - Safeguarding Children's Pressure	80	Permanent
- Shortfall Car Allowances saving (implementation delayed until 01.10.10)	200	Temporary
- Fire Safety Risk Management	30	Temporary
Revised Gross Deficit	450	
Less		
- April 2009 pay award saving	(150)	Permanent
Net Deficit	300	

Members attention is drawn to the increase in the contingency reflecting the increase in Social Workers as a result of the surprise inspection and anticipated phased implementation of the changes to the Car Allowance scheme, which will only impact on 2010/11. Cabinet allocated a target for additional income of £300,000, proposals that achieve £224,000 have been attached at **Appendix B** for members consideration.

Thus although there has been an increase in the deficit it is not expected to continue through into later years. This is an important point as in these circumstances the use of temporary monies is a reasonable solution without jeopardising future years positions. How this might be funded is considered further in the report.

3.3 Budget Risks

The Council continues to monitor the risks it faces and make appropriate plans to mitigate those risks so that services are not unnecessarily and adversely affected. In your initial proposals risks to income budgets from the recession, Job Evaluation appeals, delays in the Business Transformation programme and Building Schools for the Future were identified. Further work has been and continues to be done to refine these and other risks. In this regard it is now necessary to consider a number of other risks.

- **Equal Pay**
The Council continues to receive various equal pay claims a separate detailed report on these is being prepared for Cabinet early in the new year. However for the purpose of the budget proposals a significance additional provision is necessary to attempt to safeguard services and the Council's position.
- **Salary Turnover Target**
The Council for many years now has included a 3% reduction in staffing cost to reflect the normal delays in filling vacancies and the normal holding of vacancies to meet service requirements. This target is currently some £1m and has generally been achieved. It has become apparent as the work on the management structures has progressed that the achievement of this in future years will be much less likely as vacant posts are deleted permanently from the structure and the overall number of vacancies in Local Government reduces because of local governments financial position.
- **LPSA Reward Grant.** Although the main grants have been broadly confirmed for 2010/11 the LPSA reward grant is potentially at risk as it may not be honoured by a new government. As part of the current year's approved budget the revenue element of this grant is already committed to support future years budget and the

capital element allocated towards one-off Building Schools for the Future costs.

The risks currently anticipated for the Budget Proposals are set out in the following table using the normal traffic lights.

Risk Issue	Risk Assessment	Year	Estimated Value £'000
Income shortfalls	Red	09/10 & 10/11	500
Equal pay and equal value claims	Red	10/11 onwards(?)	2,000+
JE appeal costs exceed £0.4m;	Amber	10/11 onwards plus back-dated to 06/07	?
Business Transformation savings delayed;	Amber	10/11 onwards	?
Achievement of salary turnover targets	Amber	10/11 onwards	500
Receipt LPSA Reward grant	Green	10/11 onwards	?
Additional BSF one-off costs.	Green	12/13	1,800
Estimated value of risks			4,800+

3.4 Risk Mitigation

The Council's previous strategy for mitigating risks has been to allocate monies to individual risks and carry earmarked reserves either in their own right or as part of the general fund reserve. This is dependant upon there being sufficient financial flexibility to do this. It has previously been reported that there are uncommitted resources owing to the corporate underspend for 2009/10 (£1.0m) and the monies no longer specifically needed for grant repayment within the supporting people reserve (£0.5m).

In addition to these there is now the likely saving of £0.5m of the monies set aside for the strategic land acquisition which is now unlikely to proceed either as early or as expected. This takes the total flexibility to £2.0m which is insufficient to meet all the risks currently assessed but is likely to be sufficient in total to meet those cash requirements expected to become payable in 2010/11.

The Council has received notification of some £0.44m additional Working Neighbourhood funds grant on a one off basis for 2010/11. Work is currently underway to examine to what extent this can be used to fund existing general fund commitments that would free up further general fund resources to facilitate the overall financial position. At this stage no account has been taken of this.

Accordingly it is suggested that a single risk reserve be created, funded as identified above to meet these risks. It will also be necessary for the

Council to consider topping up this risk reserve in future years depending on the changes in the underlying risk factors or in the availability of any further flexibility. Should the amounts payable in any year exceed the risk reserve, then this will need to be met from the General Fund Balance as a last resort.

3.5 Residual Deficit for 2010/11

There remains a residual deficit for 2010/11 of £270,000 arising largely from a temporary factor. Within the base budget projections for 2010/11 remains the £300,000 provision for prudential borrowing for the Mill House Replacement. This is very unlikely to be required in 2010/11 and it is suggested that this be used to bridge the gap.

3.6 Outturn Strategy for 2009/10

It follows from the above that the outturn strategy for 2009/10 needs to compliment and reflect the risk mitigations set out above. The current year continues largely in accordance with expectations. First and second quarter management reports have been considered by Cabinet and Scrutiny. An overall net underspend is expected. Accordingly the resources and flexibilities identified in 3.4 above should be transferred into the new risk reserve. The only factor not currently reflected is an anticipated underspend in relation to the looked after Children contingency of some £0.3m. Equally this continues to be a volatile area and members will note that this was not included in the risk factors mentioned above. This is because this is a risk that is best addressed departmentally and it is suggested that this anticipated underspend be carried forward ring fenced within departmental reserves.

3.7 Budget Proposal 2010/11

The Council has consulted on its initial proposals as follows:
Scrutiny Committees – reported to Cabinet 14 December 2009
Trade Unions – notes attached at **Appendix C**
Business Representatives – notes attached **Appendix D**
Equality and Diversity Group - notes attached **Appendix E**

Responses to the proposals have in general been favourable in the circumstances and Cabinet needs to determine whether it wishes to amend its previous decisions in relation to the funding of pressures, declining the funding of priorities, determining the details of the income generation attached at appendix B and confirming a formal proposal for a 2.5% increase in Council Tax.

4. CAPITAL PROGRAMME 2010/2011 TO 2013/2014

4.1 Government Capital Allocations

Detailed capital allocations from Government have not yet been announced. A severe tightening of capital expenditure is expected as a result of the national economic position and this may begin in 2010/11. Further details are expected late December /early January.

4.2 Local Allocations

In February 2009 Members confirmed their commitment to Unsupported Prudential Borrowing for a range of local priorities which do not attract Government funding and to provide the following annual allocation until 2011/2012.

This is the area that members can most readily exercise policy choices, albeit at a cost to the revenue budget, unless schemes can generate sufficient income in their own right.

Budget provision to fund the revenue consequences of the following prudential borrowing have been built into the budget process.

	<u>£'000</u>
SCRAPT Priorities	1,200
Community Safety Initiatives	150
Disabled Adaptations	50
Neighbourhood Forum Minor Works	156

Detailed proposal are currently being developed for the SCRAPT priorities. In previous years these details have not been included in the detail budget proposals submitted to Scrutiny prior to consideration at Council. Following on from comments at Scrutiny, when the second quarter financial monitoring report was considered and bearing in mind that they are an intrinsic part of the budget and policy framework it is suggested that they be submitted separately for Scrutiny so that their views can be incorporated into the Cabinet's final budget recommendations to Council in February as detail allocations will not be available until early January and Cabinet will also need to consider the details.

5. SCRUTINY PROPOSALS

5.1 Cabinet needs to determine the specific scrutiny proposals it wishes to refer for consultation in relation to the following issues. These are based on the original proposals considered by Cabinet in September modified where necessary for changing circumstances.

5.2 2009/2010 Proposed Outturn Strategy

- 5.3 Do Cabinet wish to propose the creation of a risk reserve of initially £2m as set out in 3.6 together with a Looked After Children's reserve?
- 5.4 Do Cabinet wish to allocate the 2009/2010 and 2010/2011 total LABGI allocation of £80,000 to support the 2011/2012 budgets?
- 5.5 Capital Programme 2010/2012 to 2013/2014

Do Cabinet wish to confirm their commitment to use Unsupported Prudential Borrowing for the following local priorities in 2010/2011:

	<u>£'000</u>
SCRAPT Priorities	1,200
Community Safety Initiatives	150
Disabled Adaptations	50
Neighbourhood Forum Minor Works	156
5.6 Do Cabinet wish to review the continuation of the above priorities in 2011/2012 and beyond as part of the comprehensive review of budget priorities in 2010?	
5.7 Do Cabinet wish to confirm their commitment to use £3m of Unsupported Prudential Borrowing for the replacement of Mill House but in 2010/2011 take temporary revenue saving of £0.3m?	
5.8 Do Cabinet wish to support the proposal to use Prudential Borrowing to replace the cremators during 2010/2011 and to repay this loan from 2011/2012 by increasing the cost of an adult cremation by £90, in addition to the normal inflationary increases?	
5.9 2010/2011 Budget	
5.10 Do Cabinet support the proposed corporate efficiencies and savings of £1.75m?	
5.11 Do Cabinet support a proposed Council Tax increase of 2.5% for 2010/11?	
5.12 Do Cabinet support the proposals for allocating the £1.5m headroom to fund budget pressures and the budget contingency as detailed in the previous report?	
5.13 Do Cabinet wish to confirm that no Budget Priorities are funded?	
5.14 Do Cabinet support the income proposals at Appendix B?	

5.15 Do Cabinet wish to respond to Central Government on the Settlement?

5.16 2011/12 to 2013/14

5.17 Do Cabinet support indicative Council Tax increases of 2.5% for 2011/12 and 2012/13 and 3.9% for 2013/14?

CABINET REPORT

21st September, 2009



Report of: Corporate Management Team

Subject: MEDIUM TERM FINANCIAL STRATEGY (MTFS)
2010/2011 TO 2013/2014 – INITIAL CONSULTATION
PROPOSALS

SUMMARY

1. PURPOSE OF REPORT

- 1.1 To enable Cabinet to review the MTFS and to determine the initial proposals it wishes to put forward for consultation.

2. SUMMARY OF CONTENTS

- 2.1 The report provides a detailed overview of the financial issues affecting the Council in relation to:
- The development of the 2009/2010 Outturn Strategy;
 - Capital Programme 2010/2011 to 2013/2014;
 - General Fund and Council Tax 2010/2011 to 2013/2014.

3. RELEVANCE TO CABINET

- 3.1 The report enables Cabinet to determine the initial Budget and Policy Framework proposals it wishes to put forward for consultation.

4. TYPE OF DECISION

- 4.1 Budget and Policy Framework.

5. DECISION MAKING ROUTE

- 5.1 Cabinet, Scrutiny Co-ordinating Committee, Scrutiny Forums and Council.

6. DECISION(S) REQUIRED

- 6.1 Cabinet is required to determine its proposals.

Report of: Corporate Management Team

Subject: MEDIUM TERM FINANCIAL STRATEGY
(MTFS) 2010/2011 TO 2013/2014 – INITIAL
CONSULTATION PROPOSALS

1. PURPOSE OF REPORT

- 1.1 To enable Cabinet to review the MTFS and to determine the initial proposals it wishes to put forward for consultation.

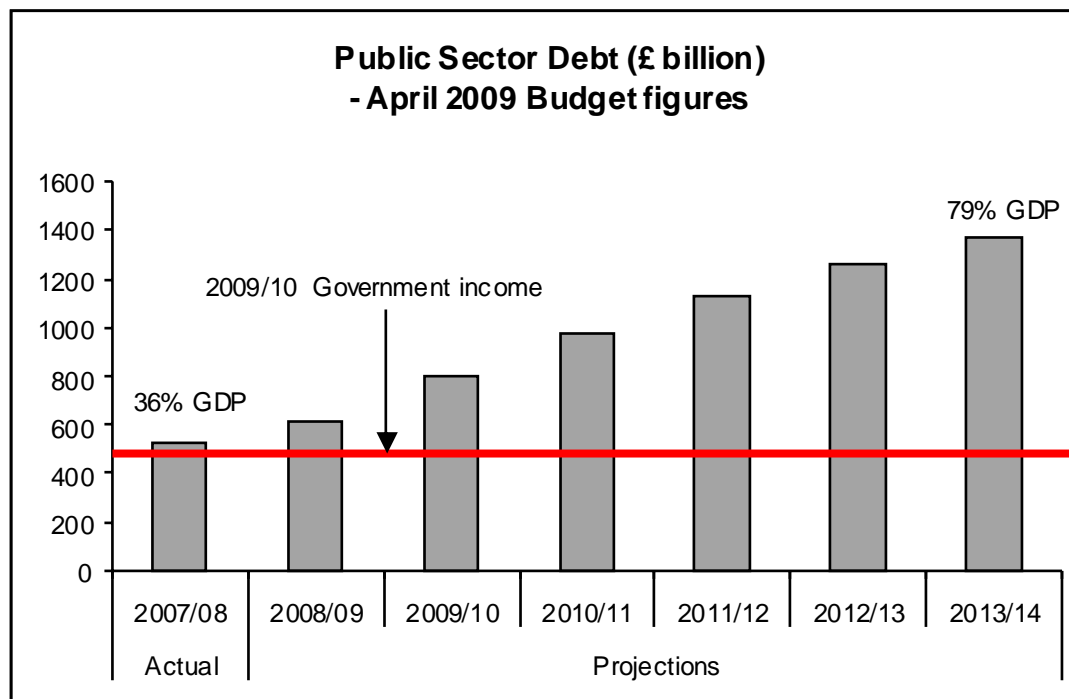
2. BACKGROUND

- 2.1 The current MTFS was approved in February, 2009 and covers the three years 2009/2010 to 2011/2012. As reported in February the final year of the current Comprehensive Spending Review (CSR) is 2010/2011. The MTFS assumes that the Government will confirm the previously announced grant allocations for 2010/2011, although this cannot be guaranteed owing to the deterioration of the national finances.
- 2.2 The MTFS needs to be rolled forward to cover the three years 2011/2012 to 2013/2014, which is expected to be the period covered by the next CSR. Details of the next CSR will not be known until after the General Election. The credit crunch and recession have had a deeper and longer impact on the public sector finances than previously anticipated. It is becoming clearer that the public sector is facing a prolonged period of austerity. For Local Government this is expected to result in grant reductions and this issue is covered in more detail later in the report.

3. NATIONAL FINANCIAL POSITION

- 3.1 In April, 2009, the Chancellor presented the 2009 Budget to Parliament and at the same time published the detailed budget report – “Economic and Financial Strategy Report and Financial Statement and Budget Report”, which runs to 268 pages.
- 3.2 The Budget Report highlights the impact of the financial crisis on the world economy, which is experiencing a severe recession. In the current year world Gross Domestic Product (GDP) is forecast to fall by 1 ½%, which is the first full year contraction in the post-war period.

- 3.3 The contraction in advanced economies (the G7 group) is forecast to be 4%. The Chancellor forecasts the world economy will begin to recover towards the end of 2009, with growth picking up through 2010 and 2011. In some countries there is some evidence that economic activity is beginning to pick up slightly, but it is not yet clear if this is sustainable, or will transfer to other countries.
- 3.4 In relation to the UK economy the Chancellor forecasts a sharp recession in 2009, with growth progressively picking up through 2010 and 2011.
- 3.5 The global recession will have a profound and long lasting effect on the financial position of Governments across the world as public sector debt is likely to rise significantly in all advanced economies.
- 3.6 In the UK this position initially arises from a reduction in tax revenues, particularly in relation to the banking and financial sectors. These reductions reflect London's position as a major international financial centre and the greater proportion of Government revenue which came from this sector than in other advanced economies.
- 3.7 On an ongoing basis Government expenditure on unemployment and related benefits will increase and continue at a higher level until the economy recovers on a sustainable basis. The recession will also have an ongoing impact on Government revenues as higher unemployment means less people will be paying income tax. In addition, company profits will be lower and consequently there will be a reduction in corporation tax and other business taxes.
- 3.8 The recovery in the UK economy (when it comes) is likely to be protracted as the factors driving the economy in recent years, i.e. rising house prices, the availability of relatively cheap consumer credit and foreign investment in the UK, will not be available.
- 3.9 In the current financial year the Chancellor has forecast a budget deficit of £175m, or put another way for every £1 of public spending the Government is only raising 75p.
- 3.10 This is not a one-off deficit but a structural problem caused by a reduction in Government income and increased Government expenditure driven by the recession. The Chancellor has indicated that this position will not improve until 2013/2014. By this date, the Chancellor is forecasting a cumulative shortfall of £700 billion, which means that Public Sector Debt is forecast to double by 2013/2014, as shown in the following table.



3.11 The increase in Public Sector Debt will result in higher debt interest payments for the Government which will be an additional pressure on the public finances. In the medium term the increase in debt may lead to higher interest rates as investors seek a higher return for continuing to support Government debt.

3.12 Impact of the recession on Public Sector Spending

3.13 In April the Chancellor made a number of specific announcements relating to public sector spending:

- Public Sector spending growth from 2011/2012 onwards was revised down to only 0.7% in real terms. This is the increase in total public sector spending. Details of increases for individual areas will not be known until the next CSR is published. In practise, whichever party forms the next Government, this increase will not cover increased social protection costs (unemployment benefits, etc.) and political commitments in relation to Health, Education and defence. The Government will also need to increase the amount it spends on debt interest. Together these items account for nearly 70% of Government spending so it is clear other areas, including local government, will face real term reductions to protect these areas and to begin to address the shortfall in the public finance.
- Increase in the efficiency target for 2010/2011 from £30 billion to £35 billion – which increases the efficiency target from 3% to 4%.

- Public sector net investment reducing to 1½% of GDP by 2013/2014 (2009/2010 3.1%).

4. 2009/10 FINANCIAL POSITION AND PROPOSED OUTTURN STRATEGY

- 4.1 A detailed budget management report for the first six months will be submitted to Cabinet in early November. The report will include the first detailed outturn forecasts for the current year.
- 4.2 A number of adverse trends have been identified in relation to income streams. These trends commenced in the previous financial year and, as part of the 2008/09 outturn strategy, specific reserves were created to manage these risks - £150,000 in respect of Shopping Centre income, and £120,000 for general income risks.
- 4.3 Based on the first quarter's income from the Shopping Centre, it is anticipated that £80,000 of the available Shopping Centre Income Reserve will be needed in the current year. As these trends are expected to continue in the medium term, it is hoped that the balance on this reserve will be sufficient to cover the potential shortfall in 2010/2011 and that income will recover to the budgeted level in 2011/2012, provided the economy recovers.
- 4.4 In relation to other areas, the adverse trends on Car Parking and Land Charges income are continuing and it is anticipated that there may be shortfalls of £200,000 and £120,000 respectively, at the year end. Therefore, there is a potential income shortfall of £320,000 compared to the General Income Risk Reserve of £120,000. The resulting shortfall will either need to be funded from the underspend on the Centralised Estimates budget (identified in paragraph 4.5), or from General Fund Balances if this underspend is allocated for other purposes. As these trends are expected to continue in 2010/2011 it would be prudent to set aside say £0.3m to address this risk from the 2009/2010 centralised estimate underspend.
- 4.5 The position in relation to corporate budgets is favourable owing to an anticipated underspend on the Centralised Estimates budget. As reported to Council in April the interest rate structures have been volatile. This provided a number of opportunities that allowed the council to repay what are now relatively expensive debt and net down cash balances which were expected to earn little interest in the medium term as base rates are expected to remain extremely low. The impact of this is that, in a full year, the Council's borrowing costs are expected to fall by £0.6m compared to the budgeted level. It was suggested that part of this benefit be allocated towards supporting strategic land acquisitions via prudential borrowing. It is now becoming unlikely that these resources will be needed in the current year as the strategic land acquisitions are not expected to be completed in the current financial year.

- 4.6 With respect to the outlook for interest rates it is now expected that following the Bank of England decisions to undertake 'Quantitative Easing' that there will be no further reductions in interest rates and the next movement is likely to be upwards, although this will not occur for sometime yet. Against this background it is now expected that the Council should be able to earn slightly higher interest rates on its investment than expected when the budget was set. In addition, the Council's cashflow, particularly the receipt of Council Tax payments, are holding up much better than feared and this will also have a positive impact on investment income. Taken together it is anticipated that these changes could have a positive benefit by the year end of £0.4m. A firmer estimate will be reported in the next financial management report based on the first six months activity.
- 4.7 On the downside it is expected that the Council will need to set aside additional resources for Equal Pay costs arising from Equal Pay tribunal decisions against a neighbouring authority at the end of July in relation to male employee claims. Locally the Council has received over 100 such claims covering the pre 1st April 2007 period on the basis that they were related to male bonus earners and also for the post 1st April 2007 period on the basis of protection given to male employees. At this stage it is not possible to quantify these potential costs as the detailed legal issues in relation to Hartlepool employees have not yet been considered by the Tribunal Judge. If these claims are successful the cost could be significant owing to the backdating of claims. It is hoped that an initial estimate will be available for the next financial management report. Once these potential costs have been estimated a funding strategy will need to be developed. It would be prudent to begin to earmark some resources for these liabilities from the underspend on corporate budgets.
- 4.8 On a slightly more positive note, on the 29th July, 2009, the Government announced details of the LABGI (Local Authority Business Growth Incentive) scheme for 2009/2010 and 2010/2011. As reported previously, the amount distributed over these two years will be £100m, which is approximately ten per cent of the amount distributed under the previous scheme. Half of this amount will be distributed in 2009/2010 and half in 2010/2011. The Government have also changed the methodology for distributing the LABGI Reward Grant. Under the previous system these monies were allocated on the basis of the increase in an individual authority's business rates tax base. Under the new system all authorities are allocated to a sub-regional group and the reward grant is initially allocated to the sub-regional group on the basis of the overall change in the business rate tax base. The sub-regional allocation is then distributed to individual authorities on the basis of population. Locally the sub-regional group consists of the five Tees Valley authorities. For 2009/2010 the sub-regional allocation is £317,000 and Hartlepool's share is £40,641. The Government have indicated that

details of the 2010/11 allocations will be made later this year and before authorities set their 2010/2011 budgets. It is expected that the 2010/2011 allocation will be broadly in line with the current years' allocation. It is suggested that these amounts are allocated to assist balance the 2011/2012 budget.

- 4.9 In summary it is anticipated that there will be a net underspend on corporate budgets of £80,000 as detailed in the table below. It is suggested that this amount is earmarked to support the budget in 2011/2012.

	<u>Adverse/ (Favourable) Variance £'000</u>
Centralised Estimates	1,000
LABGI Reward Grant	80
Provision for current year income shortfalls	(200)
Provision for continuing income shortfalls 2010/2011	(300)
Provision for Equal Pay Tribunal Costs	<u>(500)</u>
Allocated to Support 2011/2012 Budget	<u>80</u>

5. CAPITAL PROGRAMME 2010/2011 TO 2013/2014

5.1 Government Capital Allocations

- 5.2 In April's Budget Statement the Chancellor indicated that by 2013/2014 net public sector investment will reduce to 1½% of GDP, compared to 3.1% in 2009/2010. Details of where this reduction will fall will not be known until the next CSR is published. Given the existing national commitments for health and Building Schools for the Future it is anticipated that local authority capital allocation will be reduced as the Government directs resources to national priorities. The Council will need to review this position when detailed allocations for future years are known.

5.3 Local Allocations

- 5.4 In February, 2009 Members confirmed their commitment to continue to use Unsupported Prudential Borrowing for a range of local priorities which do not attract Government funding and to provide the following annual allocation until 2011/2012.

	<u>£'000</u>
SCRAPT Priorities	1,200
Community Safety Initiatives	150
Disabled Adaptations	50
Neighbourhood Forum Minor Works	156

- 5.5 The annual repayment costs of using Unsupported Prudential Borrowing for the above schemes are reflected in the budget forecasts for future years. At this stage it is assumed Cabinet will wish to continue with this investment until 2011/2012. Given the challenging financial position from 2011/2012 Cabinet may wish to reconsider this position as part of the prioritisation of services which will need to be undertaken during 2010. At this stage the revenue forecasts do not include provision to continue these priorities after 2011/12. If Members wish to continue these priorities the borrowing costs will need to be funded from the revenue budget headroom.
- 5.6 The revenue budget forecast for 2010/2011 has reinstated the £0.3m provision to support a capital contribution towards the redevelopment of the Mill House Leisure Centre. This issue will also need to be reassessed as part of the prioritisation of services during 2010.
- 5.7 **Replacement of Cremators**
- 5.8 To comply with emissions regulations the Council will need to replace the existing Cremators by 31st December 2012. As there is finite capacity of cremator manufacturers it is suggested that to meet this deadline the Council replaces the cremators during 2010/11.
- 5.9 A detailed report was considered by the Adult and Public Health Services Portfolio holder on 3rd August 2009 which indicated this scheme will cost in the order of £1m. This cost will need to be funded from Prudential borrowing and the estimated annual repayments costs will be £90,000. The report indicated that the cost of a cremation equates to approximately 19% of the total fees charged by funeral directors for the average funeral.
- 5.10 The Portfolio holder considered two options for funding the annual repayment costs:
- Option 1 – an additional increase to the normal inflation increase in the adult cremation fee of £90 from 1st April 2011;
 - Option 2 – the introduction of an environmental surcharge on every adult cremation beginning in 2009/10, with an additional fee increase in 2011/12.
- 5.11 The Portfolio holder recommendation that Cabinet consider the adoption of Option 1 as part of the MTFS process for 2010/11 to ensure a funding strategy is in place for this scheme.

6. 2010/2011 BUDGET AND COUNCIL TAX

6.1 The current three year settlement for local authorities covers the period up to 2010/2011. In February, 2009 the Government announced the Council's provisional grant allocation for 2010/2011 of £51.5m, which is a 3.4% (£1.7m) increase on the current years' allocation. This amount should be confirmed just before Christmas, although there is potentially a greater risk that allocations for 2010/2011 will change owing to the deterioration of the public finances. However, the Government have previously emphasised the benefits of providing local authorities with three-year settlement so it is hoped the provisional allocations will be confirmed later in the year. The figures in the remainder of the report assume the provisional grant allocation is confirmed. There is however a risk that if there is a change in Government at the General Election that the new Government will implement an emergency in-year budget and may claw-back all, or part, of the 2010/11 grant increase.

6.2 After reflecting the provisional grant increase for 2010/2011 the Council still faces a very challenging financial position next year, which is driven by a number of factors:

- the impact of inflation. Whilst, inflation levels are currently low it is still expected that inflationary cost pressures will be in the order of £2.2m, which is greater than the provisional grant increase. The resulting shortfall equates to a Council Tax increase of 1.3% before any other cost pressures are taken into account;
- In the current year the Council is using temporary funding of £4.9m to support the revenue budget (£4.7m from the Budget Support Fund and £0.2m Area Based Grant). This is not sustainable and the available temporary funding will fall to £1.9m in 2010/2011. There will be further reductions from 2011/2012;
- The inclusion of £1.5m headroom for budget pressures. Detailed proposals which will need to be funded from this provision are covered in paragraph 6.3;
- The current budget includes a temporary investment income benefit of £0.7m which reflects the impact of longer term investments placed before the Bank of England reduced interest rates significantly. These investments had interest rates of up to 5.5% and matured during the earlier part of the current year. Interest rates on replacement investments are typically 0.5% to 0.75%, therefore this benefit will not continue. It is not expected that interest rates will begin to increase until late 2010 or early 2011 and will then only increase very slightly, unless inflationary pressures begin to pick up.

- Mill House Leisure Centre Prudential Borrowing repayment budget of £0.3m. This was taken as a temporary benefit in 2009/2010.
- The current years' budget included a contribution of £0.5m towards one-off Building Schools for the Future costs, which is not needed on an ongoing basis.

6.3 Headroom

- 6.4 An initial review of commitments which may need to be funded from the available £1.5m budget headroom has been undertaken and this has identified a range of issues which fall into the following broad categories, which reflect the definitions used in previous years:

- Budget Pressures – total value £1.159m

Budget pressures are defined as unavoidable additional costs arising from either legislative changes, new government requirements or unavoidable increases in demand or an unavoidable additional cost of continuing to provide existing services.

Details of budget pressures for 2010/11 are provided in **Appendix 1**.

- Budget Contingency – total value £0.341m

Budget contingencies are similar to budget pressures and relate to issues which are either not certain or subject to ongoing negotiations and explicit disclosure at this early stage would not be in the Council's financial interest. As these items are not certain it is suggested that a global provision is made for these items.

For 2010/11 there are three items which fall into this category. Firstly, the repayment of 2008/09 severance costs over a period of up to five years. Secondly, potential increases in energy costs from April 2010, which NEPO (North East Purchasing Organisation) have indicated could be in the order of 10% for both gas and electric. Thirdly, potential increases in discretionary Business Rates relief costs during the recession. These items could exceed £0.5m in total, although it is hoped that they will not exceed the proposed value of the contingency.

Further detailed work is needed to assess these issues and these details will be reported to Cabinet in December to enable Members to determine the detailed proposals they wish to put forward for formal scrutiny.

- Budget Priorities – total value £0.343m

These items relate to proposals to improve existing services, or introduce new services, and the Council can therefore choose if it wishes to fund these issues.

These items are detailed in **Appendix 2**. At this stage it is not suggested that these items are funded as this would over commitment the available headroom. If Members wish to support these issues they will need to determine those areas where compensating savings are made.

- 6.5 The review of pressures has identified an additional requirement of £180,000 for Disabled Facility Grants. It is suggested that this issue is considered as a priority for capital funding from the uncommitted 2010/11 SCRAPT allocation.
- 6.6 After reflecting the above factors there is a gross budget deficit of approximately £7.2m, as summarised below

	<u>£'000</u>
Continuing Expenditure from previous year not funded from sustainable resources (funded Budget Support Fund)	4,630
Add	
- Inflation	2,225
- Loss 2009/10 Temporary Investment income	700
- Mill House - Prudential Borrowing repayment budget	309
- Headroom for pressures	1,500
<u>Less</u>	
- Contribution to BSF one-off costs (included in 2009/10 base)	(500)
- Grant Reduction/(increase)	<u>(1,688)</u>
Gross Budget Deficit	<u>7,176</u>

- 6.7 A strategy needs to be developed for funding this deficit and a series of proposals are detailed in the following paragraphs for Cabinet's consideration.
- 6.8 **Business Transformation Programme – Benefit £2.514m Gross**
- 6.9 Cabinet has previously approved the overall Business Transformation Programme and noted that these efficiencies will take four or five years to delivery, owing to the longer timescale for service delivery options and asset management.
- 6.10 In terms of integrating the Business Transformation Programme and the MTFS specific efficiency figures have been included in the budget forecasts from 2010/2011. These targets were based on funding

one-off severance costs on a loan basis repayable over five years. On this basis the annual Business Transformation efficiencies which can be taken to help balance the budget are as follows:

	<u>Annual Efficiencies £'000</u>	<u>Ongoing Efficiencies £'000</u>
2010/2011	2,088	2,088
2011/2012	1,105	3,193
2012/2013	2,020	5,213
2013/2014	0	5,213
2014/2015	0	5,213
2015/2016	477	5,690
2016/2017	320	6,010

- 6.11 If Council approve Cabinet's revised proposal to fund part of these costs from one-off resources this enables the Business Transformation efficiencies to be taken to the revenue budget earlier. Under this option the full Business Transformation efficiencies can be taken by 2013/2014. The benefit in 2010/2011 will increase from £2.088m to £2.514m, as detailed below:

	<u>Annual Efficiencies £'000</u>	<u>Ongoing Efficiencies £'000</u>
2010/2011	2,514	2,514
2011/2012	1,310	3,824
2012/2013	2,102	5,926
2013/2014	84	6,010

6.12 Temporary Funding – Benefit £1.937m

- 6.13 A Budget Support Fund has previously been established to support the revenue budget over the period 2009/2010 to 2011/2012. At 1st April, 2009, the balance on this reserve was £6.755m. Commitments against this reserve total £7m, as summarised below. It is anticipated the shortfall will be bridged from future RTB receipts from Housing Hartlepool.

Phased Use of Budget Support Fund

	<u>£'000</u>
2009/2010	4,630
2010/2011	1,523
2011/2012	847
	<u>7,000</u>

6.14 In addition to the Budget Support Fund the Council has previously undertaken a detailed review of the Area Based Grant (ABG) to identify flexibility for using the ABG to support services/projects currently funded from the Council's core budget. This review released resources by capping increases in some ABG allocations to 2.5% and from taking some of the uncommitted element of the Working Neighbourhood Fund part of the ABG. In the current year this review released £0.287m and £0.414m in 2010/2011. The figure for 2010/11 assumes there is no reduction in the previously announced ABG allocation for 2010/2011.

6.15 **Corporate Efficiencies and Savings – Benefit £1.75m**

6.16 There are a range of corporate efficiencies and savings which if implemented could benefit the budget for 2010/2011 and the following three years covering the following issues:

i) <u>Benefit Subsidy Income</u>	<u>£'000</u> 300
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A temporary saving for additional benefit subsidy income of £0.2m was included in the 2009/2010 budget. It is anticipated that this benefit is likely to be sustainable at £0.3m on an ongoing basis assuming current subsidy regulations remain in place. There is a risk that less beneficial subsidy regulations may be introduced, although given the increase in workload for this service as a result of the recession this is unlikely in the next three years.

ii) <u>Landfill Allowance Trading Scheme (LATS) Income</u>	250
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As reported previously the Council will benefit from the sale of LATS permits from 2010/2011. Members have previously determined to allocate these resources to assist the revenue budget from 2010/2011 onwards; £0.25m in 2010/2011 and £0.2m for the following three years.

iii) <u>Capitalisation of Revenue Expenditure</u>	500
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The Council currently funds a variety of projects from revenue budgets which could be capitalised to produce gross revenue saving of £0.5m in 2010/2011. This could be achieved by replacing revenue funding with Prudential Borrowing. The resulting repayment costs are a first call in the revenue headroom. The revenue costs of using

£0.5m of Prudential Borrowing will be in the order of £50,000 depending on the specific schemes undertaken.

In the medium term, i.e. 2011/2012 to 2013/2014 Members will need to determine if they wish to continue this strategy. This will enable current levels of investment to be maintained, although this will commit future revenue headroom. For planning purposes it is assumed that Members will wish to continue this strategy and will review its sustainability when details of the next three year grant allocations for Councils are known.

iv) Cross Departmental Income Review 300

In previous years individual departments have been able to retain any above inflationary increases in income from fees and charges to either offset expenditure pressures or to count towards departmental savings targets. As no departmental savings targets (other than those accruing from the BTP) are planned for 2010/2011, it is suggested that a cross departmental income target of £0.3m is established.

If Members approve this principal detailed proposals for achieving this target will be reported to a future Cabinet meeting. These details will then be referred to Scrutiny Co-ordinating Committee as part of the Formal Budget Consultation arrangements later in the year.

v) Review of Car Allowance 400

It is anticipated that efficiencies can be made by undertaking a comprehensive review of existing officer transport arrangements for official Council business. This review will cover the cost effectiveness of the existing arrangements and alternative arrangements aimed at reducing costs and the Council's environmental impact. These proposals have been discussed by the Tees Valley Chief Executive to determine if there is scope to achieve greater efficiencies by working together.

1,750

6.17 Council Tax Increase – benefit £0.911m

6.18 In February, 2010, Cabinet put forward an indicative Council Tax increase for 2010/2011 of 3.9%. Since that time there has been a reduction in the current level of inflation. This will impact on the inflationary increase in pensions which are expected to be pegged to 2.5%.

6.19 In addition, there will be increased public pressure for lower increases owing to the impact of increasing unemployment and pay freezes (or even reductions) in large parts of the economy. There will also be increasing political pressure on Council Tax increases in the run up to a 2010 General Election.

6.20 Against this background it is assumed that Members may wish to consider a lower Council Tax increase than the 3.9% indicative increase. For planning purposes an increase of 2.5% has been assumed for 2010/2011 to 2012/13 and 3.9% for 2013/14.

6.21 Each 1% additional increase/decrease in Council Tax equates to approximately £0.4m.

6.22 Summary Position 2010/2011

6.23 If Members approve the proposals detailed in the previous paragraphs the 2010/2011 budget can be broadly balanced, as summarised below:

	<u>£'000</u>	<u>£'000</u>
Gross Budget Deficit		7,176
<u>Less</u>		
Temporary Funding		(1,937)
Business Transformation Efficiencies (BTP)	(2,088)	
BTP earlier releases assuming revised funding strategy approved	<u>(426)</u>	
Total BTP		(2,514)
Corporate efficiencies and savings 2.5%		(1,750)
Council Tax increase		<u>(911)</u>
Net Deficit		<u>64</u>

6.24 In broad terms it is anticipated that the 2010/2011 budget can be balanced without having to undertake a specific efficiencies/savings exercise. Whilst, this initially appears less challenging than in previous years, the detailed position is still extremely challenging and will require a series of difficult decision to be made before the budget is approved in February.

- 6.25 These decisions will include issues relating to the detailed implementation of the Business Transformation Programme, including the strategy for funding one-off implementation costs. For planning purposes it is assumed that the Business Transformation efficiencies are implemented from 1st April, 2010.
- 6.26 **Budget Risks 2010/11**
- 6.27 In terms of budget risks the principal areas of risk relate to potential delays in the achievement of the BTP efficiencies and other efficiencies from 1st April, 2010.
- 6.28 There is also a risk in relation to the cost of Job Evaluation appeals. The budget forecasts include an ongoing provision for this risk of £0.4m per year. In practice, the final position on appeals will not be known until 2011/2012 so part of this amount may need to be carried forward until the final position is known.
- 6.29 In previous years the Council has increased the Looked after Children budget to safeguard children and address increasing caseloads following the Baby P case. At this stage no additional pressure has been identified for this area. However, as Members are aware this is a volatile area and very small changes in caseload, or the complexity of individual cases, can have a significant financial impact.
- 6.30 On the income side there is a risk around grant income, both the core revenue grant and the specific grant regimes. At this stage the Government have not provided any indication that provisional grant allocations previously announced for 2010/11 will be changed. This position may change, particularly if there is a new Government and they implement an emergency budget part way through 2010.

7. 2011/2012 TO 2013/2014 BUDGET

- 7.1 It is expected that the next CSR will cover the period 2011/2012 to 2013/2014, although these details will not be known until after the General Election. In practice, individual councils' grant allocations will probably not be known until late November/early December, 2010, owing to the lead time between the General Election result and the Government reviewing the public finances and determining its overall spending priorities.
- 7.2 The Council therefore faces a period of financial uncertainty. However, it is clear that the public sector faces a period of austerity from 2011/2012 which will fundamentally change public services.
- 7.3 Give the main political parties commitments to Health, Education and Defence and the need to begin to balance the public sector finances it is anticipated that Government funding for other services, including

councils, will be reduced from 2011/2012. What is not clear is how quickly the Government will implement such changes.

7.4 On a practical basis the Council cannot wait until after the General Election to find out future grant allocations as this will not provide adequate time to develop a rational strategy for reducing costs. The Council needs to begin to plan how it will manage and prioritise services with lower grant levels during 2010 to ensure a strategy can be developed and implemented.

7.5 In order to begin this work the budget forecasts have been rolled forward to cover the period 2011/2012 to 2013/2014 and reflect the following planning assumptions:

- Provision for Inflation

Whilst inflation levels are currently low it is expected that the Council will face inflationary cost pressures of 2.5% which increases costs by approximately £2.4m per year.

- Headroom for Pressures

The Council will continue to face additional budgeted pressures, particularly in relation to care services and legislative changes. Annual provisions of £2m for these items have previously been included in the budget forecasts from 2011/2012 as a planning assumption. Based on previous years approved pressures this planning assumption is still appropriate. However, given the more challenging financial position this area needs to be reviewed to determine if there is scope for reducing this provision.

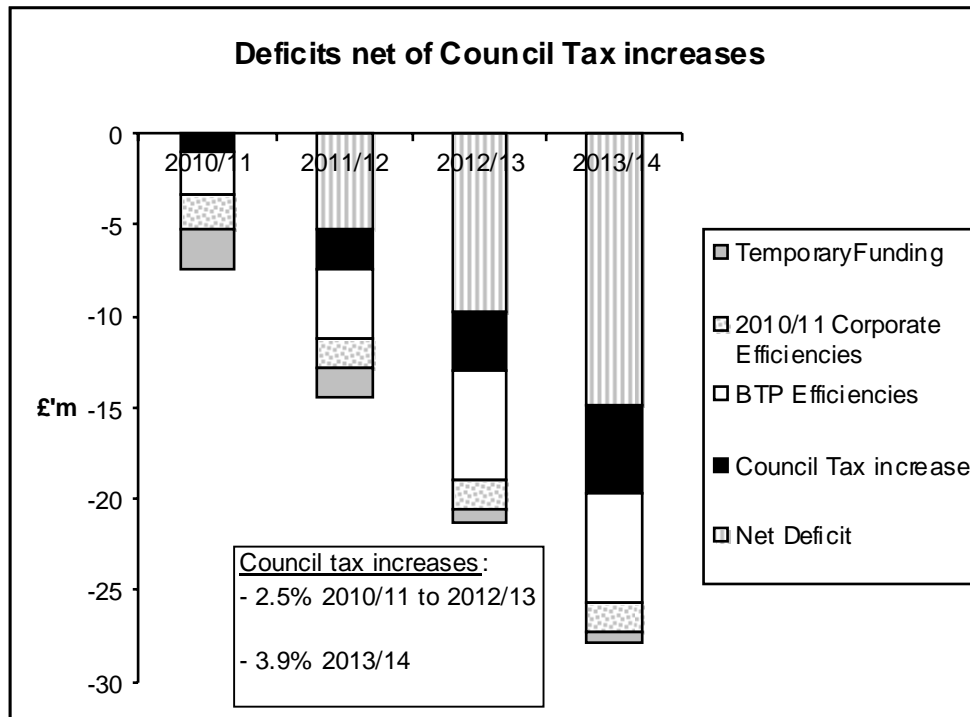
- Council Tax Levels

Council Tax levels will continue to be subject to public pressure owing to higher unemployment and continuing wage restraint in the private and public sectors. There will also be political pressure on Council Tax. For example, the Conservative Party have previously indicated that if authorities limit Council Tax increases to 2.5% an additional grant will be paid to effectively freeze the actual increase paid by individual tax payers for two years. For planning purposes the budget forecasts for 2011/2012 and 2012/13 assume annual Council Tax increases of 2.5% and 3.9% for 2013/14.

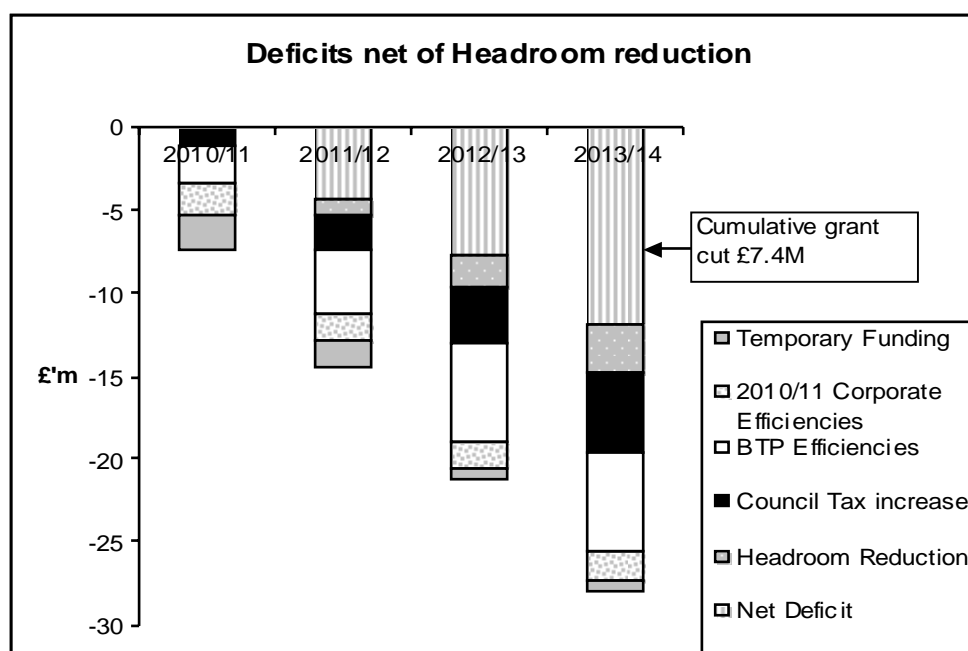
- Grant Levels

For planning purposes it is assumed that the Government will reduce grant funding by 5% per year from 2011/2012 for a three year period.

- 7.6 On the basis of the above planning assumptions the Council would need to make expenditure reductions of nearly £14m before the start of 2013/2014. This would be in addition to the use of temporary funding, the achievement of 2010/11 Corporate efficiencies, the achievement of the BTP efficiencies and suggested Council Tax increases, as detailed in the following table.



- 7.7 If the annual headroom could be reduced to £1m per year this would reduce the required expenditure reductions from £14m to £11m, as follows:

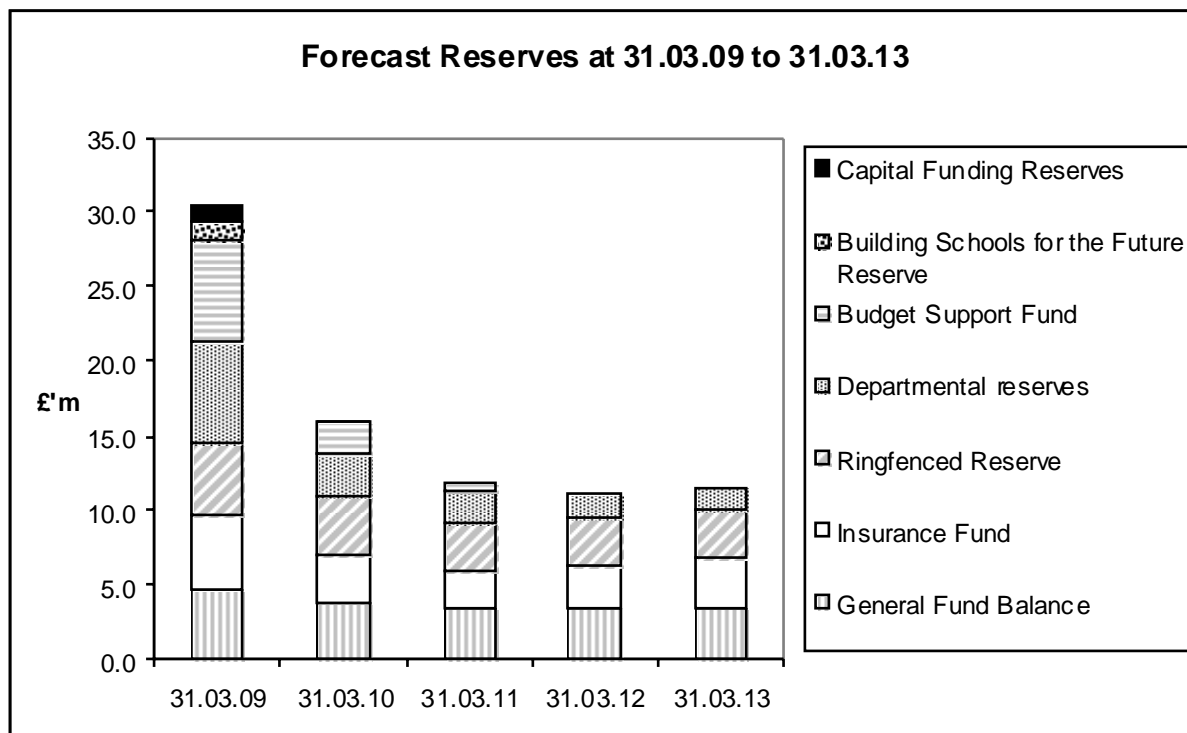


- 7.8 The budget forecasts assume annual grant reductions of 5% and Council Tax increases of 2.5%. The following table shows the impact of changing these assumptions by +/-1% on an annual basis and also the cumulative impact of +/-1% annual changes for three years from 2011/2012. These figures illustrate that there will need to be a significant change in the planning assumptions for either future grant levels, or Council Tax increases, to make a significant difference to forecast budget deficits.

	<u>Annual Impact</u>	<u>Cumulative Impact Over 3 Years</u>
	<u>£'000</u>	<u>£'000</u>
Impact of +/-1% change in Grant	+/-510	+/-1,530
Impact of +/-1% change in Council Tax	+/-440	+/-1,320

8. REVIEW OF RESERVES

- 8.1 Over the last few years the Council has been able to strengthen the Balance Sheet. This has been achieved as a result of higher investment income and the Local Authority Business Growth Incentive (LABGI) scheme. These factors will not continue as interest rates have fallen significantly and are expected to remain low in the medium term. At the same time the Council's investments are forecast to reduce as reserves are used. From 2009/2010 a new LABGI Scheme has been introduced which only allocates 10% of the amount allocated under the previous system.
- 8.2 Significant elements of these resources have been earmarked for Building Schools for the Future costs and to assist manage the budget over the medium term. These resources will be released over the next few years so the increase in reserves is temporary.
- 8.3 A review of the historical position shows that the increase in reserves was previously driven by investment income and stock transfer benefits, including RTB income. Reserves peaked in 2004/05 at £36m and are forecast to fall to the longer term trend level of £11m by 2012/13 as detailed below.



8.4 The level of reserves is forecast to fall to £11.3m by 31st March, 2013, compared to a minimum requirement at that date or £8.2m. The minimum requirement consists of:

- the General Fund Balance of £3m, which is the minimum recommended level and equates to 3% of the budget;
- the Insurance Fund Balance of £4.7m, which is the estimated value to meet outstanding claims. The actual balance at 31st March 2013 is forecast to be £3.4m which is less than the ongoing requirement owing to the temporary use of this reserve to fund Business Transformation one-off costs repayable over a five year basis. It is hoped that the timing of these repayments and the settlement of insurance claims can be managed over this period within the available cash balance on this reserve.

8.5 After reflecting the existing commitment of reserves and the minimum ongoing requirements the Council has effectively committed the majority of available reserves. The only area where there are potentially uncommitted resources is the Ring-fenced Reserve for Supporting People. This reserve was established to mitigate the potential repayment of grant and to manage the transition to the new grant regime. Further work is needed to assess how much can prudently be released from this reserve. It is suggested that in the first instance this amount is allocated towards Equal Pay costs and then to support the budget from 2011/2012 onwards, which will be the first year of the next CSR.

9. CONCLUSION

9.1 2009/10 Budget Position

9.2 The recession has produced a number of income shortfalls in relation to car parking, land charges and shopping centre income. These issues are partly covered from resources set aside in last year's closure strategy. These trends are expected to continue into 2010/2011, so it would be prudent to earmark additional resources to manage this risk.

9.3 Following recent Equal Pay Tribunal cases there is an increased risk of additional costs which will also need to be funded.

9.4 On the upside Centralised Estimates will underspend and in the current year this amount will not be needed to fund the revenue costs of strategic land acquisitions, which have been delayed. Therefore, this underspend can be allocated to fund the income shortfalls and to partly meet the anticipated additional Equal Pay costs. It is also suggested that any uncommitted resources are carried forward to help manage the 2011/2012 budget.

9.5 2010/2011 Budget Position

9.6 The Council faces a challenging financial position for 2010/2011 which can only be managed by implementing a series of measures, including a 2.5% Council Tax increase, a range of corporate efficiencies and the first phase of the Business Transformation Programme.

9.7 The most challenging part of this strategy is the implementation of the Business Transformation Programme owing to the lead in time for the start of the new financial year. This phase of the Business Transformation Programme will also lay the foundations for the second phase of this Programme which will achieve further savings in 2011/2012 and 2012/2013.

9.8 2011/2012 to 2013/2014 Budget Position

9.9 From 2011/2012 the Public Sector faces the toughest financial challenge for many years and probably faces a decade of reducing funding.

9.10 Given the main political parties commitments to Health, Education and Defence it is clear that other areas of the Public Sector will face reductions in funding. The current Chancellor in the April, 2009 budget reduced the growth in total public spending from 2011/2012 to 0.7% per year – this is further evidence that areas such as local authorities face reductions in funding.

- 9.11 At this stage it is not possible to accurately predict future grant levels. However, on the basis of existing information on the national financial position a planning assumption of annual grant reductions of 5% in the Council's core grant seems appropriate.
- 9.12 On this basis if no action is taken the Council will face a budget deficit of £14m by 2013/2014 – this assumes the Business Transformation efficiencies of £6m are achieved. This deficit is largely driven by the forecast grant reductions.
- 9.13 A strategy for managing this position will need to be developed during 2010 to address this position to ensure there is an adequate lead-in time to implement expenditure reductions once the actual grant allocations for 2011/2012 onwards are known. It will not be possible to bridge this deficit from a further round of efficiencies as the Business Transformation Programme will have exhausted this area. Therefore, the strategy will need to prioritise services, including identifying those services which the Council no longer provides and also review issues such as eligibility criteria and service levels across the remaining services.
- 9.14 At this stage no assessment of potential reductions in the Area Based Grant have been made as the Government may change this regime to reflect their own prioritisation of services. Similarly no assessment of potential reductions in specific grant regimes has been made. These issues will need reviewing when more information is available. This may require the Council to make difficult decisions to pass on grant reductions as the Council will not be able to afford to mainstream these reductions owing to anticipated reductions in core grant income and the resulting budget gap for the Council's own budget.

10. CONSULTATION PROPOSALS

- 10.1 Cabinet needs to determine the specific consultation proposals it wishes to refer for consultation in relation to the following issues.
- 10.2 2009/2010 Proposed Outturn Strategy**
- 10.3 Do Cabinet wish to allocate the anticipated centralised estimate underspend of £1m to manage the following budget risks:

	<u>£'000</u>
Provision for current year income shortfall	200
Provision for continuing income shortfalls 2010/2011	300
Provision for Equal Pay Tribunal Costs	500

- 10.4 Do Cabinet wish to allocate the 2009/2010 and 2010/2011 total LABGI allocation of £80,000 to support the 2011/2012 budgets?

10.5 Capital Programme 2010/2012 to 2013/2014

- 10.6 Do Cabinet wish to confirm their commitment to use Unsupported Prudential Borrowing for the following local priorities in 2010/2011:

£'000

SCRAPT Priorities	1,200
Community Safety Initiatives	150
Disabled Adaptations	50
Neighbourhood Forum Minor Works	156

- 10.7 Do Cabinet wish to review the continuation of the above priorities in 2011/2012 and beyond as part of the comprehensive review of budget priorities in 2010?
- 10.8 Do Cabinet wish to confirm their commitment to use £3m of Unsupported Prudential Borrowing for the replacement of Mill House in 2010/2011 or to take the £03.m revenue saving?.
- 10.9 Do Cabinet wish to support the proposal to use Prudential Borrowing to replace the cremators during 2010/2011 and to repay this loan from 2011/2012 by increasing the cost of an adult cremation by £90, in addition to the normal inflationary increases?

10.10 2010/2011 Budget

- 10.11 Do Cabinet support the proposed corporate efficiencies and savings of £1.75m (detailed in paragraph 6.12) and do they wish to refer these for consultation?
- 10.12 Do Cabinet support a proposed Council Tax increase of 2.5% for 2010/11?
- 10.13 Do Cabinet support the proposals for allocating the £1.5m headroom to fund budget pressures and the budget contingency detailed in paragraph 6.4?
- 10.14 Do Cabinet wish to refer the Budget Priorities detailed in Appendix 2 for consultation and to suggest that if Members want to fund these items they will need to suggest where compensating reductions should be made?
- 10.15 Do Cabinet support the proposal to allocate the uncommitted balance of the Supporting People reserve for Equal Pay costs and supporting the 2011/12 budget?

10.16 2011/12 to 2013/14

- 10.17 Do Cabinet support indicative Council Tax increases of 2.5% for 2011/12 and 2012/13 and 3.9% for 2013/14?

4.1 Appendix A /1

Initial Pressures 2010/11

	£'000	Description
<u>Corporate issues</u>		
Revenue cost of proposed £0.5m capitalisation	50	Estimated repayment cost of using Prudential Borrowing to capitalise £0.5m of expenditure, which will produce a gross revenue saving for 2010/11 of £0.5m
Discretionary Business Rates Hardship Relief	70	Temporary costs for up to three years to provide support to businesses during the recession.
<u>Child and Adult Services</u>		
Brierton School site pre Dyke House decant	125	Part year costs of the LA operating the site whilst construction works are undertaken until Dyke House School moves to Brierton on 1st September 2010 - Rates, energy, caretaking, security etc. May be possible to fund part of these costs from alternative funding sources, such as DSG and these options are currently being explored in more detail.
Home to School Transport	220	Part year costs of transporting Dyke House pupils from home to the Brierton site wef 1st September 2010. Significant additional costs are likely depending on what Members agree regarding an exceptional rule to the Home to School policy. Legally we are only obliged to provide free transport to pupils travelling beyond 3 miles although the limit is 2 miles for low income families. (Again possibility that this could be DSG funded) Costs would be for 2 academic years only, spread over three financial years and would cease when Dyke House school reopens in September 2012. This figure is an initial costing and will be reviewed once Cabinet has determined a transport policy for decant period of Dyke House school.
Mental Health - Agency placements	155	Increasing number of high cost community based packages associated with Aspergers/autism/complex Dual Diagnosis. The complex needs associated with these conditions require significant funding and diagnoses of these conditions are expected to increase in the coming years. Packages have previously been funded through vacancies but posts now filled. Statutory duty to meet assessed needs, risks around failure in meeting our Duty of Care.
Older People - Intermediate care/transitional beds	190	Current pressure exists in relation to intermediate care provision and transitional beds. There continues to be an increased demand for these services owing to demographic increases in Older People and specifically those with dementia. The existing transitional beds provision is not suitable for those individuals with severe dementia. Funding is required to expand the current provision and to explore alternative options for more sustainable community based solutions.
Learning Disability Agency	195	Three young people with learning disabilities currently in transitions will turn 18 years of age at the start of 10/11. Early indications are that there will be a pressure of approximately £55K for those individuals, one with complex learning disabilities estimated at £35K, the remaining 2 individuals estimated at £10K each. There are 20 young adults with Learning Disabilities who currently access Post 19 education and enrichment/day opportunity via Catcote School. The provision is supported from a mixture of funding streams, LSC funding supports 50% of the provision classified as teaching and learning, the remainder is supported by Catcote school, of which the council has supported in recent years £66K from short term grant funding. Catcote school can no longer subsidise the overall provision which predominantly meets the assessed social care needs of this complex and vulnerable group of individuals. A pressure of £140K is required to enable this provision to continue.
<u>Regeneration and Neighbourhoods</u>		
Support Bus Service and Concessionary Fares	154	This pressure arises due to the reinstatement of the hospital service H1 to North Tees and an anticipated above inflationary increase in concessionary fare payments.
	1,159	

4.1 Appendix A/2

Initial Priorities

	£'000	Description
<u>Corporate issues</u>		
Support of Credit Union	60	To support bids for administration of pump priming loan pool fund from DWP to help needy families and also to create a development fund to support initiatives of the Hartlepool Financial Inclusion Partnership.
<u>Regeneration and Neighbourhoods</u>		
Reactive Maintenance	50	Past years have seen reactive budget provision increase annually by less than construction industry cost increases. In addition energy costs have increased. Budget provision for the Windsor and Carnegie have been less than requested within the overall budget headings, a realignment against anticipated commitments has been undertaken involving Finance. The consequence of this is that the available resources for day to day responsive works have been significantly reduced.
Extension of out of hours service	183	Depending on Members' decision on options for extending the service the costs could be funded from existing budgets or incur additional costs of up to £183,000 .
Neighbourhood Management/Community Safety	50	With the demise of NDC the contribution towards the Neighbourhood Management/Policing and Community Safety programme at 173 York Road will cease. Cleveland police are committed to funding half of the costs and are pursuing the increase through their own budget pressure rounds. The costs cover premises/ half a FTE anti social behaviour officer and administrative support.
	343	

Schedule of Proposed Income Increases 2010/2011

Summary all Departments

Children's Services Budgets	£37,600.00
Adult and Community Services	£150,000.00
Chief Executives Department	£19,000.00
Neighbourhood Services	£17,000.00
Regeneration and Planning	£0.00
	£223,600.00

Children's' Services Department

Potential Sources of Additional Income - 2010/11.

Div		Section	Officers / Budget Holder	Item / Task Discussed	Estimated Additional Income
RSST	1	Finance Team	Mike Wall	updated projection of school buyback SLA income	£3,000.00
RSST	2	Performance Team	Kay Forgie	Fees from provision of training courses to schools	£1,700.00
RSST	3	Admissions Team	Sue Beevers	Charges relating to co-ordinating and overseeing admissions process in Secondary Schools following their transfer to Foundation status	£7,700.00
PSI	4	Youth Service - Admin	Peter Davies	Sale of places on Youth Service-run training courses to local area groups.	£2,000.00
PSI	5	Brinkburn Youth Centre	Peter Davies	Updated projection of income received from room hire	£800.00
S & SS	6	C&F - Staff Development Training	Louise Wood	Sale of franchise courses. Updated projection of income.	£8,000.00
S & SS	7	Direct Payments - Packages	Mark Gwilt	A number of packages of care include health care needs in addition to social care needs. A more focussed approach to recharging the PCT for the health care element is resulting in additional income	£5,900.00
PSI	8	English Martyrs Exclusion Project	Peter Davies	Net income from provision of project for pupils at risk of school exclusion.	£3,000.00
		Sub total			£32,100.00
S & SS	9	Care Proceedings	S O'Connor	Surplus of voluntary contributions from stakeholders towards court costs	£1,500.00
PSI	10	YC Youth Advisory Balances	Peter Davies	This income represents profit on tuck shop sales to Young People. The Youth Service has historically retained and delegated this back to projects in consultation with young people	£4,000.00
		Sub total			£37,600.00

Risk impact	Risk probability	Risk score	Risk status	Other Comments
1. Low	1. Unlikely	1	Green	
1. Low	1. Unlikely	1	Green	
1. Low	1. Unlikely	1	Green	
1. Low	1. Unlikely	1	Green	
1. Low	1. Unlikely	1	Green	
1. Low	1. Unlikely	1	Green	
1. Low	1. Unlikely	1	Green	
1. Low	2. Possible	2	Green	
1. Low	2. Possible	2	Green	

Adult & Community Services Department

Potential Sources of Additional Income - 2010/11.

		Section	Officers / Budget Holder	Item / Task Discussed	Estimated Additional Income
Adult Social Care	1	Commissioning Budgets	Phil Hornsby/Neil Harrison	Additional Expenditure in adult social care budgets and review of charging strategy has led to increased service user contributions being achieved. It is expected that this will be sustainable.	£100,000.00
Adult Social Care	2	Individual Staff supported through DWP	Geraldine Martin/Kath Millican	Increase in existing income budget to accommodate previous patterns of income and continued support from DWP	£20,000.00
Community Services	3	Museums & Heritage	David Worthington	Increases in Admission Fee income - volatile and sometimes weather dependant.	£15,000.00
Community Services	4	Strategic Arts	Stephen Cashman	Increased income from lettings - volatile	£5,000.00
Community Services	5	Sports & Leisure	Pat Usher	Increased admission fees - linked to Free Swims Initiative	£10,000.00
Grand Total					£150,000.00

Risk impact	Risk probability	Risk score	Risk status	Other Comments
3. High	2. Possible	6	Amber	Volatile owing to levels of income involved
1. Low	1. Unlikely	1	Green	
2. Medium	2. Possible	4	Amber	Volatile service areas
2. Medium	2. Possible	4	Amber	Volatile service areas
2. Medium	2. Possible	4	Amber	Volatile service areas

Chief Executives

Potential Sources of Additional Income - 2010/11.

		Section	Officers / Budget Holder	Item / Task Discussed	Estimated Additional Income
Legal	1	Legal	P Devlin	Increased income from provision of services to Cleveland Fire Authority in relation to support PFI scheme	£4,000.00
Finance	2	Internal Audit	N Adamson	Increase in income from schools for provision of Financial Management in Schools assessments	£4,000.00
Finance	3	Revenues and Benefits	J Morton	Increase in bailiff fees	£5,000.00
HR	4	HR	J Machers	Increased income from Management Development programme	£3,000.00
Corp. Strategy	5	Corp. Strategy	A Atkin	Website advertising, sell a small slot to google ads or similar	£2,000.00
Corp. Strategy	5	Corp. Strategy	A Atkin	School appeals review of charging as this was not taken into account this year	£1,000.00
Grand Total					£19,000.00

Risk impact	Risk probability	Risk score	Risk status	Other Comments
1. Low	1. Unlikely	1	Green	
1. Low	2. Possible	2	Green	
1. Low	1. Unlikely	1	Green	
1. Low	1. Unlikely	1	Green	
1. Low	2. Possible	2	Green	

Neighbourhood Services

Potential Sources of Additional Income - 2010/11.

	Section	Officers / Budget Holder	Item / Task Discussed	Estimated Additional Income
Property Services	Environmental Protection	Adrian Hurst/Heather Deane	Sponsorship of Pest Control Vans - Local companies may be willing to pay for advertising on Council vehicles which are on the road around the town all day.	£5,000
Property Services	Environmental Sustainability	Helen Beaman/SEAI officer	Schools Environmental Action Initiative (SEAI)- This programme is currently funded through the Working Neighbourhood Fund - other authorities have started to charge for Environmental support (e.g. Sunderland charges £1000 per school and has matched that with local funding). Each school to be charged £500 per annum per service - Anticipate that 4 schools will sign up this year.	£2,000
Property Services	Environmental Sustainability	Helen Beaman/Kate Ainger	Pride in Hartlepool sponsorship	£1,000
Property Services	Environmental Sustainability	Rocco Graziano/Helen Beaman	Resource use reduction - Offer service to schools to examine and reduce resource usage- programme currently funded through Working Neighbourhood Funding the charge could be a percentage of the savings achieved (as business such as KPMG). £1,000 per school (based on achieving a 20% saving)- anticipated that 2 schools will	£2,000
	Horticultural Services	Albert Cope		£5,000
	Environmental Services	Craig Thelwel		£2,000
	Grand Total			£17,000.00

Risk impact	Risk probability	Risk score	Risk status	Other Comments
2. Medium	1. Unlikely	2	Green	
2. Medium	2. Possible	4	Amber	
1. Low	1. Unlikely	1	Green	
2. Medium	2. Possible	4	Amber	
1. Low	1. Unlikely	1	Green	
1. Low	1. Unlikely	1	Green	



**BUDGET CONSULTATION MEETING WITH TRADE UNION
REPRESENTATIVES**

**Minutes of Meeting held on 26 October 2009
at 9.30am in the Mayor's Office, Level 2, Civic Centre**

Present: ***Hartlepool Borough Council Officers***
Paul Walker, Chief Executive
Chris Little, Assistant Chief Financial Officer
Joanne Machers, Chief Personnel Officer
Dave Stubbs, Director of Regeneration and Neighbourhoods

Councillors
Stuart Drummond, Mayor
Councillor G Hall

Trade Union Representatives
Edw in Jeffries
Tony Watson
Margaret Waterfield
Malcolm Sullivan

Apologies: Mike Ward, Chief Financial Officer

Kirsty Swanson, PA to the Chief Executive (Minutes)

1.	Presentation
<p>CL provided a detailed overview of the issues affecting the budget and policy framework proposal for 2009/10 to 2013/14 and sought views from the Trade Unions. A detailed overview of the following issues was provided:</p> <ul style="list-style-type: none">- National financial position- 2009/10 Budget Position- 2010/11 to 2013/14 Financial Outlook- Business Transformation Programme	

Comments Made	Response
SD queried if floor damping would be allocated next year.	CL stated that floor damping adjustment for 2010/11 was anticipated to be £0.4m lower than in the current year. However, floor damping reduction would still total £2.4m in 2010/11. The outlook for further reductions in floor damping after the election would depend on the new Government's priorities and the formula adopted for distributing grants. In the current financial climate it is unlikely that floor damping will be phased out quickly.
PW reiterated points made in the presentation that after all Business Transformation efficiencies and other proposals have been implemented annual savings of £4 million would be needed for three years from 2011/12.	
We are unable to predict what is going to happen in future years but the main issue is that Trade Unions are involved at the earliest opportunity.	PW agreed with these comments.



BUDGET CONSULTATION MEETING WITH BUSINESS REPRESENTATIVES

**Minutes of Meeting held on 21 October 2009
at 8.30am in the Mayor's Office, Level 2, Civic Centre**

Present: ***Hartlepool Borough Council Officers***
Chris Little, Assistant Chief Financial Officer
Peter Scott, Director of Regeneration & Planning
Andrew Atkin, Assistant Chief Executive
Antony Steinberg, Economic Development Manager

Councillors
Councillor R Payne
Councillor C Hill
Councillor G Hall
Councillor V Tumilty

Business Representatives
John Megson
Peter Olson
Brian Beaumont
Colin Griffiths
Adrian Liddell

Apologies: Stuart Drummond, Mayor
Paul Walker, Chief Executive
Mike Ward, Chief Financial Officer

Kirsty Swanson, PA to the Chief Executive (Minutes)

1.	Presentation
<p>CL provided a detailed overview of the issues affecting the budget and policy framework proposal for 2009/10 to 2013/14 and sought views from the Business Sector. A detailed overview of the following issues was provided:</p> <ul style="list-style-type: none"> - National financial position - 2009/10 Budget Position - 2010/11 to 2013/14 Financial Outlook - Business Transformation Programme 	
Comments Made	Response
What assumptions have been made for increases in the employee Pay Award?	2.5% has been factored in for future increases in pay costs, which needs to cover the April 2011 national insurance increase, annual cost of living pay awards and potential increases in employers pension contributions.
Will there be an increase in employees during Business Transformation Programme?	No additional employees will be recruited during the Business Transformation Programme. Councillor Hall commented that new jobs created by the Council were generally funded from specific grants and not the Council's core budget.
What happens if efficiencies are set at over 20%	This is possible but will be very difficult for all authorities. Our assessment is that in practice there will be reductions over a number of years, rather than a single reductions as the Government needs to take account of the impact of reductions in public sector spending on the overall economy.
Questions were raised in relation to redundancy costs of externally funded posts.	Redundancy costs are sometimes funded from the specific grant, but not always factored into the funding. Once the officer has been in post of two years they then become a council employee and redundancy costs will be payable. .

<p>Councillor G Hall asked the Business Sector Representatives if any of the new initiatives which the council has implemented for local business has helped.</p>	<p>Yes, the 10 day payment has helped a lot.</p> <p>A discussion took place regarding the procurement documents which need to be completed when tendering for a contract. Councillors expressed their commitment to supporting Hartlepool business and the local economy wherever ever this was possible within existing procurement rules and regulations.</p>
<p>Overall comments from business sector representatives are that they are very happy with the services the council is currently undertaking, particularly in relation to economic development and regeneration work over the last 10 years. .</p>	

Critical Challenge Series Three

Hartlepool Council – Budget Proposals for 2010/11

Tuesday 11th November 2009

Presentation

Mike Ward, the Council's Chief Finance Officer, gave a presentation on the Council budget, explaining where the funds come from, how it is spent and the plans for reducing expenditure next year as the pressure to reduce public expenditure grows.

Questions

The following general questions were raised:

- 1. Are the number of staff employed by the Council going to be reduced next year and in following years?**

Response

There is currently a freeze on all Council recruitment excluding those employed through schools and posts that have external funding sources. The Council's departmental structure is being re-organised into two main delivery departments and it is anticipated that this will lead to a reduction of staff, largely through people leaving and retiring. The Council has to learn how to do more with less, which is challenging and requires a change of culture.

- 2. Will work currently done by Council staff be “out sourced” to other organisation.**

Response

This is not currently planned and in any case does not always save money as the staff have to be transferred on existing terms and conditions.

- 3. Are energy saving devices being installed in Council buildings?**

Response

Yes, all light bulbs are low energy and there are monitors fitted in the Civic Centre that turn the lights off when there is no one present in the room.

- 4. Many people who are entitled to reductions in their Council tax do not apply for these reductions. Will the Council continue to publicise this even though it cost you money?**

Response

Yes, this is part of the Council social inclusion strategy, this will not be protect income from Council Tax.

- 5. In the past businesses that have failed to pay their business rates have had their debts written off. Will this continue?**

Response

Less than 0.2% of outstanding business rate income is written off. In any case this is not a loss to the Council as these funds go to the government and are redistributed to local authorities.

6. If there is to be a 5% reduction on public expenditure over the next three years won't that inevitably lead to cuts in services?

Response

The next three years are going to be tough. Expenditure must go down otherwise there will be an increasing deficit. However, next year's budget has been planned to this in such a way that services are unaffected and the Council must learn to be more efficient in the way it delivers its services in order to avoid impacting too heavily on people who rely on Council Services.

Responses to the specific budget pressures

1. Brierton and Dyke House School decant

Fair enough, these costs will have to be met.

2. Home to school transport

The notes state that these costs will have to be met for people up to the age of 25. This is not the case, as pupils leave Dyke House at 16. Suggest that there could be a big saving there. **Need to do an Equality impact assessment.**

3. Mental Health Agency payments

The group felt that more assessment is needed of the impact of these changes. They would like to know more about the numbers involved in using the service currently and why it costs so much.

Needs to undergo a full Equality Impact assessment.

4. Older People Intermediate Care/transitional beds

It is inevitable that these costs will rise with an ageing population. It is justified.

5. Learning Disability Agency

Again the Council would appear to have little choice but to meet these costs.

6. North Tees Hospital Bus Service

This service is important and should be maintained.

7. Corporate issues

No comments on these

CABINET REPORT

22 December 2009



Report of: Assistant Chief Executive

Subject: BUSINESS TRANSFORMATION – SERVICE
DELIVERY OPTIONS REVIEW PROGRAMME
REPORT

SUMMARY

1. PURPOSE OF REPORT

To provide an update on the Service Delivery Options (SDO) review programme and the delivery plans for the year one review programme.

2. SUMMARY OF CONTENTS

The report contains the Delivery plans for the Service Delivery Options (SDO) reviews previously agreed as being part of year one of the programme for this element of the Business Transformation programme and outline timescales for these first reviews

3. RELEVANCE TO CABINET

The report concerns one of the workstreams of the Business Transformation Programme, Service Delivery Options

4. TYPE OF DECISION

Non Key

5. DECISION MAKING ROUTE

Cabinet, 22nd December 2009

6. DECISION(S) REQUIRED

Cabinet are recommended to note the scope, inclusions and timescales for the reviews.

Report of: Assistant Chief Executive

Subject: BUSINESS TRANSFORMATION – SERVICE
DELIVERY OPTIONS REVIEW PROGRAMME
REPORT

1. PURPOSE OF REPORT

- 1.1 To provide an update on the Service Delivery Options (SDO) review programme and the delivery plans for the year one review programme.

2. BACKGROUND

- 2.1 The programme of SDOs has been broken down into a three year schedule of reviews which encompass the operations of the authority. In addition, and as has been considered by Programme Board previously, a “How to Guide” has been developed for those officers leading each of these reviews.

- 2.2 The “How to Guide” identifies that there are number of stages in undertaking each of the SDO’s

- Delivery Plans – essentially the scope, inclusions and exclusions and timetable for the review
- Options Report – based on the investigations undertaken what are the options available for the delivery of the service
- Report and implementation plan – recommendations on the options available to deliver the efficiency savings and an implementation plan

3. SERVICE DELIVERY OPTIONS PROGRAMME

- 3.1 The programme has commenced and attached to this report (as **Appendix 1**) are the summaries of the delivery plans for the Year 1 SDOs

- 3.2 The Year One programme includes

- Children’s Social Care
- Connexions / Youth Service
- Supporting People and Strategic Commissioning (Adults)
- User Property & Finance (Child and Adult Services)
- Facilities Management
- Building Consultancy and Engineering Consultancy
- Waste Management
- Reprographics
- Human Resources

- 3.3 In addition as part of the Service Delivery Option (SDO) reviews there are a number of other reviews currently ongoing that were included as part of the programme and also have associated targets attached. A limited number of these are being considered as part of centralisation proposals and are linked to either the Management Structures workstream (Financial Management, Audit Accountancy) or aligned with work being undertaken as part of the Non Transactional workstream (ICT) or will be commenced after the deliver of the SDO's above due to the fact that they are both likely to be impacted upon by the SDOs above and can still be delivered in line with the financial expectations of the Medium Term Financial Strategy.

4.0 FINANCIAL SUMMARY

- 4.1 The reviews, and those other elements of work included, above have an overall target of £1.4M.

5.0 RISK

- 5.1 As has been stated previously the SDO programme carries with it a degree of risk in respect of the overall Business Transformation Programme. The determination of the phased programme for delivery and the supporting management arrangements are designed to mitigate the risks associated with overall slippage in the programme in respect of how this may detrimentally affect the established financial strategy.
- 5.2 The three stage approach to Reviews, Delivery Plans, Options and final report with implementation plan have been determined to provide for both the consideration of options and the determination of clear options and the ability to implement these but this will require decisions to be taken in a timely manner.

6.0 CONCLUSIONS

- 6.1 The challenging programme has been established to form part of the Business Transformation Programme and the Medium Term Financial Strategy. As has been stated previously there are unlikely to be any easily identifiable solutions or those which are simple to implement. It is important however to ensure that progress on the programme is maintained and that difficult decisions which are required are considered and ultimately implemented in a timely manner if the contribution to the budget strategy is to be maximised.
- 6.2 This is the first stage in the SDO programme and the timescales for the individuals reviews are broadly comparable although it is expected that there will be some, limited, slippage as the programme develops and work commences, as it has to, on year two reviews.

7.0 DECISIONS REQUIRED

- 7.1 Cabinet are recommended to note the scope, inclusions and timescales for the reviews.

Children's Social Care

1.0 Target saving

This review has an efficiency target of £485,500 however, this is to be achieved over the three years to 2012

2.0 Review Objectives & Scope

2.1 The aim of this review is to:-

The aim of this review is to provide safe and co-ordinated children's social care and safeguarding processes. Services must be able to meet legislative requirements and comply with accepted good practice standards as identified by the DCSF and Ofsted. The review will identify efficiencies, where possible, as required by the council's business transformation programme. The review must, however, ensure that the safety of vulnerable children within Hartlepool remains paramount and recognise also that preventative services are necessary in order to avoid children and families reaching crisis point and thus requiring specialist, more expensive support packages.

2.2 The scope of this review has been set to include all the teams currently within the Safeguarding and Specialist Services division of Child and Adult Services. In addition, the duty team has been included in this first year review; this team is shared with Adult Social Care Services

2.3 The scope of services to be covered in the review includes:

- Initial response team
- 3 safeguarding, assessment and support teams
- Disability team
- Resource teams (family resource workers)
- Settled care team
- Placement team
- Leaving care team
- Duty team
- Safeguarding and Review Unit (Independent Reviewing Officers)
- Local Safeguarding Children Board business functions
- Preventative services (parenting, Acorn team, Think Family, prevention, Children's Fund, CAF, Participation)

3.0 Exclusions from the scope

3.1 The disability team is engaged actively in the Aiming High for Disabled Children programme which is currently being rolled out by Government. The funding for this project is allocated to the Local Authority via the SureStart grant and therefore, Aiming High will not be included in the scope of the review of the disability team.

The review will not include children's social care commissioning which is planned for review in year three of the programme

4.0 Resource Requirements / Costs

- 4.1 No additional resources/costs will be required for the review, however it is difficult to predict at this stage what, if any resource requirements will be required depending upon whether an alternative service delivery model is adopted.

5.0 Constraints on the review

- 5.1 The duty team which is shared with Adult Services has been included in year one of the service delivery option review programme. It may not be appropriate or possible to finish the review of this area of service during year one as adult social provider services are not being reviewed until year two of the programme.
- 5.2 The review will incorporate the fostering service delivered by Hartlepool, however, parallel to this review, it should be noted that the Regional Improvement and Efficiency Partnership is exploring a number of regional and sub regional service delivery models which will lead to greater collaboration and efficiency. Factors emerging from this regional work may impact upon the review of the fostering service and may not be completed within the year one programme.
- 5.3 The council has a preferred provider partnership with National Fostering Agency to deliver foster placements for children looked after by Hartlepool Council. As part of this partnership the council is exploring a range of service delivery models in partnership with the independent sector which will further influence the review of the fostering service.

6.0 Reporting schedule

Reporting Schedule	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10
Delivery Plan to Programme Board and Cabinet						
Options Report to Programme Board and Cabinet						
Implementation Plan to Programme Board and Cabinet						

Connexions / Youth Service

1.0 Target saving

This review has an efficiency target of £133,800 (5%)

2.0 Review Objectives & Scope

2.1 The aim of this review is to:-

Provide a co-ordinated service to deliver youth services across Hartlepool in line with government expectations for Integrated Youth Support Services and in line with the aspirations of local young people. The services must be able to meet legislative requirements and comply with accepted practice standards as identified by the DCSF and Ofsted. The review needs to take into account the importance of preventative services in ensuring young people do not reach crisis points in their lives, leading to the need for specialist, more expensive support packages. The review will identify efficiencies as required as part of the council's business transformation programme.

2.2 The scope of this review has been set to include all the teams currently within the Hartlepool Borough Council Youth Service and the Hartlepool Connexions Service. In addition, areas of work which have been commissioned from the voluntary and community sector by these teams will be included in the review.

2.3 The scope of services to be covered in the review include:

- Youth centres and projects – including commissioned work
- Participation
- Detached and mobile youth services
- Targeted Youth Support– including commissioned work
- Connexions personal adviser team –information, advice and guidance
- Connexions personal adviser team – NEET (not in education, employment or training) reduction & vulnerable groups
- One Stop Shop
- Keeping in Touch workers
- Citizenship and volunteering

3.0 Exclusions from the scope

3.1 The Youth Capital Fund, Youth Capital Fund Plus and Youth Opportunities Fund are currently providing grants to Hartlepool. Any efficiencies identified in the SDO will not be able to draw on this ring fenced funding.

3.2 Young inspectors programme, which is a ring fenced grant running for 18 months.

3.3 Positive Activities for Young People grant which runs till March 2011.

- 3.4 The Neighbourhood Renewal Fund HOT (Hartlepool on Track) project which runs till March 2011.

4.0 Resource Requirements / Costs

- 4.1 No additional resources/costs will be required for the review, however it is difficult to predict at this stage what, if any resource requirements will be required depending upon whether an alternative service delivery model is adopted.

5.0 Constraints on the review

- 5.1 The Local Authority has a duty under section 507B of the Education Act 1996, which is amplified in the Education and Inspections Act 2006 to provide sufficient educational and recreational leisure time activities for young people. The local authority must seek the views of young people in providing this and publicise what is available.
- 5.2 Government expects Local Authorities to make arrangements to provide Targeted Youth Support to meet the needs of vulnerable young people.
- 5.3 The Local Authority has a statutory duty to provide information, advice and guidance (IAG) to young people. Interim arrangements pending the passing of the Education and Skills Bill currently before Parliament require Local Authorities to secure: 1)The provision of Connexions services under Section 114 of the Learning and Skills Act 2000; 2)The conducting of Assessments relating to learning difficulties under section 14o of the Learning and Skills Act 2000; 3)The provision of careers services under section 8 & 9 of the Employment and Training Act 1973.
- 5.4 NEET reduction is a key indicator in measuring Local Authority performance and is an improvement target within the Local Area Agreement.
- 5.5 The Connexions service currently has an agreement with other Tees Valley authorities around the provision of the CCIS data management system (the key management system for Connexions activities). Stockton BC is managing the service under an agreement which runs to March 2011

6.0 Reporting schedule

Reporting Schedule	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10
Delivery Plan to Programme Board and Cabinet						
Options Report to Programme Board and Cabinet						
Implementation Plan to Programme Board and Cabinet						

Supporting People and Strategic Commissioning (Adults)

1.0 Target saving

This review has an efficiency target of £66,000 (5%)

2.0 Review Objectives & Scope

2.1 The aim of this review is to ensure that commissioning, contracting and development functions are delivered efficiently and effectively within the new Child & Adult Services Department. The review will identify efficiencies, where possible, as required by the council's business transformation programme.

2.2 The scope of services to be covered in the review includes:

- Strategic Commissioning Function (Adults)
- Commissioned Services Team including Supporting People (Adults)
- Supporting People Admin Grant
- Modernisation Team (Adults)
- Development Team (Adults)
- Childrens Commissioning Function

3.0 Exclusions from the scope

3.1 The review will not include commissioning budgets which are part of a planned review in year three of the programme but will focus solely on the delivery of the commissioning, contracting and development functions.

4.0 Resource Requirements / Costs

4.1 No additional resources/costs will be required for the review, however it is difficult to predict at this stage what, if any resource requirements will be required depending upon whether an alternative service delivery model is adopted.

5.0 Constraints on the review

5.1 No constraints have been identified at this stage although it should be noted that one of the teams covered within the review – the Development Team (adult services) actually sits within the Support Services function and covers elements of service which may overlap with other reviews (including workforce development, diversity and communications).

6.0 Reporting schedule

Reporting Schedule	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10
Delivery Plan to Prog Board and Cabinet						
Options Report to Prog Board and Cabinet						
Implementation Plan to Prog Board and Cabinet						

User Property & Finance (Child and Adult Services)

1.0 Target saving

This review has an efficiency target of £20,000

2.0 Review Objectives & Scope

- 2.1 The aim of this review is to ensure efficient, timely and appropriate process. Services must be able to meet legislative requirements and comply with accepted good practice standards as under various elements of legislation. The review will identify efficiencies, where possible, as required by the council's business transformation programme. The review must, however, ensure that where commitments have been made to individuals to provide services around personal financial management that these commitments can be honoured for existing users of the current service.
- 2.2 The scope of this review has been set to include all the elements of the services provided by the team.
- 2.3 The scope of services to be covered in the review includes:
- **Financial Assessment for Residential Services** – the Charging for Residential Accommodation Guide (CRAG) in support of the National Assistance (Assessment of Resources) Regulations 1992
 - **Financial Assessment for Non Residential Services** – Hartlepool Borough Council's Contribution Policy for Non Residential Services in support of Fairer Charging Policies for Home Care and Other Non Residential Services 2003
 - **Appointeeship** – Regulation 33 of the Social Security (Claims & Payments) Regulations 1987 enables the Secretary of State to appoint someone to claim and receive benefits where the claimant is "unable to act for him or herself". The Director of Child & Adult Services is "Appointed to Act" when there are no other family members or suitable persons available to manage the benefits of an individual on their behalf.
 - **Court of Protection i.e. Deputyship (Property & Affairs)** – the Mental Capacity Act 2005, which applies to all people making decisions for or acting in connection with those who may lack capacity to make particular decisions.
 - **Arranging a Funeral for An Ultimus Haeres Death** (i.e. a death in the community with no known blood relatives to deal with the funeral) – National Assistance Act 1948
 - **Protection of Properties** – in accordance with Section 48 of the National Assistance Act, 1948, the User Property & Finance Team is responsible on behalf of Hartlepool Borough Council for the protection of property in the following circumstances:

1. A person is admitted as a patient into hospital OR
2. A person is admitted into residential care by the Council OR
3. A person is admitted into any other place by an order made under Section 47 of the National Assistance Act 1948

and where it appears to the Council that there is a danger of loss or damage to the person's property and that no suitable arrangements have been made, or are being made to protect the property

- **Boarding of Pets** – in accordance with Section 48 of the National Assistance Act 1948
- **Sundry activities carried out by the team** – Review of homecare invoices, Debt recovery for social care debts, arrangement for collection of income, maximisation of benefits for individuals receiving social care services.

3.0 Exclusions from the scope

- 3.1 There are not exclusions from the scope of the review.

4.0 Resource Requirements / Costs

- 4.1 No additional resources/costs have been identified at this stage as being required for the review

5.0 Constraints on the review

- 5.1 The recent implementation of a new Contribution policy for non-residential services has increased work load significantly.
- 5.2 Introduction of Personal budgets and the link to the contribution policy has created a system for assessment and collection of income that is only half implemented through Controcc (the system used to carry out financial assessment).
- 5.3 Work has begun to share workloads between the clerking function of UPFT and the general Finance team – clarity around the corresponding council finance review may create issues for tasks that are part of the integrated finance team.
- 5.4 Owing to the phased implementation of Controcc it is intended that this review is completed over two phases. The first phase to complete baseline information and review areas of practise not directly impacted by Controcc. The second phase to review the impact of full implementation and assure effective and efficient use of resources. It is expected that any preparatory work will inform and complement the work around full implementation Controcc..

6.0 Reporting schedule

Reporting Schedule	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10
Delivery Plan to Prog Board and Cabinet						
Options Report to Prog Board and Cabinet						
Implementation Plan to Prog Board and Cabinet						

Facilities Management

1.0 Target saving

This review has an efficiency target of £260,000 (5%)

2.0 Review Objectives & Scope

2.1 The aim of this review is to provide clarity on who we are and what we do, the purpose and value of the services we provide and how those services are and could be provided in the future.

2.2 The scope of this review has been set as wide as possible to yield maximum benefits and efficiencies this includes some services which are currently provided within the Child & Adult Dept e.g. building cleaning, caretaking and catering. As the review proceeds the range of services considered for alternative service delivery may change but will be excluded in an objective manner to ensure transparency in decision making.

2.3 The scope of services to be covered in the review include:

- Building Cleaning (across all departments)
- Catering services (across all departments)
- Security
- School Grounds maintenance service
- Public conveniences
- Civic attendants
- Caretaking (across all departments)
- Auxiliary staff
- Building Maintenance
- Stores
- Small plant store

3.0 Exclusions from the scope

3.1 Job Evaluation - building cleaning and catering services are both subsidised by the council to cover the additional costs incurred due to job evaluation, as the client is schools. This will be considered outside the review

4.0 Resource Requirements / Costs

4.1 No additional resources/costs will be required for the review, however it is difficult to predict at this stage what, if any resource requirements will be required depending upon whether an alternative service delivery model is adopted.

5.0 Constraints on the review

- 5.1 Service Vehicles are procured from the councils Integrated Transport Unit, any alternative service delivery arrangements will have to be considered by the ITU to mitigate cost shunting regarding increased vehicle costs within the fleet.
- 5.2 Healthy Eating grant, a 3 year grant is allocated to all local authorities to provide healthy school meal which terminates in 2011/12. The grant for Hartlepool in 2008/9 was £147,000. The funding of the school meals is through school meal charges, there is no budget, the service is provided to all schools apart from Dyke House and Catcote by the Councils in-house team. At this stage government have yet to inform us whether this grant will continue post 2011/12, which places additional pressures on the council who may have to decide in future whether to support the provision of this service or transfer additional costs to parent, or a combination of the two.
- 5.3 There is also the constraint of time if the council chooses an alternative delivery option. A number of legislative timescales apply especially in relation to TUPE. These issues will be considered in the Options analysis for phase 3.

6.0 Reporting schedule

Reporting Schedule	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10
Delivery Plan to Programme Board and Cabinet						
Options Report to Programme Board and Cabinet						
Implementation Plan to Programme Board and Cabinet						

Building Consultancy and Engineering Consultancy

1.0 Target saving

This review has an efficiency target of £120,000

2.0 Review Objectives & Scope

2.1 The objectives of this review are:

- To identify the services the Council needs to provide and how these are currently delivered.
- To consider levels of service and their value.
- To utilise more efficient ways of working across the consultancies.
- To improve budgeting monitoring and project management.

2.2 To consider how services could be best provided in the future

2.3 The scope of the services is to be covered in the review include:

- Engineering Consultancy
 - Civil Engineering Design and Construction
 - Structural Engineering
 - Contaminated Land
 - Coast Protection
 - Land drainage / flooding
 - Demolition
 - Project Management / CDM function
- Building Consultancy
 - Architectural services
 - Quantity Surveyors
 - Landscape architecture
 - Mechanical and Electrical Design and Construction
 - Legionella Management
 - Project Management

2.4 As the review proceeds the range of services considered for alternative service delivery may change but any such decision will be considered having regard to the objectives of this Delivery Plan to ensure transparency in decision making and to ensure that the initial scope and objectives are maintained

3.0 Exclusions from the scope

3.1 There are no exclusions from the scope, although it is recognised that the outcomes of the review will need to take into account of the small budgets in place (e.g. only £150k of actual budget in Building Consultancy) against a large salary expenditure which has to be recovered in fees

4.0 Resource Requirements / Costs

- 4.1 No additional resources/costs will be required for the review, however it is difficult to predict at this stage what, if any resource requirements will be required depending upon whether an alternative service delivery model is adopted.

5.0 Constraints on the review

- 5.1 Both the Engineering and Building Consultancies have statutory functions which must be undertaken within relatively small budgets.
- 5.2 The statutory functions stated above must be balanced with the requirement to generate fees in delivery works of a capital nature.
- 5.3 Fee earning / Technical Officer Salary realigning does not fit easily into identifying “budget” savings when budgets cover such a small element of the overall cost of the services.
- 5.4 Retraining or re-skilling may be required for the future development of both consultancies which may affect staff morale.
- 5.5 The type of work undertaken by both consultancies can vary and is difficult to predict. Service delivery options must allow for this flexibility.
- 5.6 There are significant time constraints on the review, which must be completed by February 2010..

6.0 Reporting schedule

Reporting Schedule	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10
Delivery Plan to Programme Board and Cabinet						
Options Report to Programme Board and Cabinet						
Implementation Plan to Programme Board and Cabinet						

Waste Management

1.0 Target saving

This review has an efficiency target of £240,000

2.0 Review Objectives & Scope

2.1 The aim of this review is to

Provide a value for money waste management service that continues to be forward looking, meet the needs of our residents, comply with legislation and government policy and provides the efficiencies required as part of the councils business transformation programme.

2.2 The scope of this review has been set as wide as possible to yield maximum benefits and efficiencies. As the review proceeds the range of services considered for alternative service delivery may change but will be excluded in an objective manner to ensure transparency in decision making. The main aspects of the service include labour and vehicles and/ or external contracts.

2.3 The scope of services to be covered in the review include:

- Domestic waste collections – residual & recyclables
- Commercial waste collections – internal & external
- Household waste recycling centre & recycling bring sites
- Bulky household waste collections
- Delivery of waste containers
- Confidential waste collection & disposal
- Waste disposal / recycling outlets
- Income generation - rates charged for service provision

3.0 Exclusions from the scope

3.1 The Household waste management contract has been tendered this year which has delivered efficiencies enabling service improvements to be made i.e. the redevelopment and expansion of the centre.

3.2 The Council has over the last 3 years received a Waste Infrastructure Capital Grant, 2007/8 -£160,556, 2008/9 -£160,414 and 2009/10 - £50,050, aimed at investing in recycling to improve the councils performance. As this is the last year we will receive this funding it makes sense to exclude it from the review

4.0 Resource Requirements / Costs

4.1 No additional resources/costs will be required for the review, however it is difficult to predict at this stage what, if any resource requirements will be required depending upon whether an alternative service delivery model is adopted.

5.0 Constraints on the review

- 5.1 The Waste Disposal contract covering Energy from waste and landfill has been excluded from the scope. This is a 25 year joint contract procured by the four authorities which used to make up Cleveland County terminates in 2020. the contract includes for Energy recovery from waste and landfill.
- 5.2 The Tees Valley Waste Management group, involving, Darlington, Hartlepool, Middlesbrough, Redcar and Stockton borough councils operate in partnership in the implementation of the Joint Waste Management strategy, any changes to service delivery which conflict with the strategy will need to be considered and agreed by the TV WMG. The partnership also jointly funds two officers to manage the waste disposal contract, currently seconded to the JSU.
- 5.3 The Council has entered into a 5 year agreement for the sale of excess LATS (Landfill allowance trading scheme) in collaboration with our Tees Valley partners.
- 5.4 The Councils kerbside collection contract for the collection of dry recyclables terminates in March 2010 with an option to extend for a further year, it is worth noting a contract extension may be required if procurement of this service is an outcome of the review implementation plan.
- 5.5 Service Vehicles are procured from the councils Integrated Transport Unit, any alternative service delivery arrangements will have to be considered by the ITU to mitigate cost shunting regarding increased vehicle costs within the fleet.
- 5.6 There is also the constraint of time if the council chooses an alternative delivery option. A number of legislative timescales apply especially in relation to TUPE. These issues will be documented in the Options analysis for phase 3.

6.0 Reporting schedule

Reporting Schedule	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10
Delivery Plan to Programme Board and Cabinet						
Options Report to Programme Board and Cabinet						
Implementation Plan to Programme Board and Cabinet						

Reprographics

1.0 Target saving

This review has an efficiency target of £30,000

2.0 Review Objectives & Scope

2.1 The aim of this review is to

Provide a value for money reprographics service that continues to meet the needs of our service users that is forward looking and provides the efficiencies required as part of the Council's business transformation programme.

2.2 The scope of this review has been set as wide as possible to yield maximum benefits and efficiencies. As the review proceeds the range of services considered for alternative service delivery may change but will be excluded in an objective manner to ensure transparency in decision making. The main aspects of the service include labour, reprographics machinery and external contracts.

2.3 The scope of services to be covered in the review include:

- Print management including advice and guidance
- High volume offset litho printing
- High volume colour and black on white photocopying
- Production of high volume variable data documents
- Document finishing
- Supply of photocopying paper
- Desk Top Publishing
- Graphic Design
- Printing/photocopying with external companies

3.0 Exclusions from the scope

3.1 The courier service is excluded from the review as this service has been identified for transfer to the Integrated Transport Unit in January 2010

4.0 Resource Requirements / Costs

4.1 No additional resources/costs will be required for the review, however it is difficult to predict at this stage what, if any resource requirements will be required depending upon whether an alternative service delivery model is adopted.

5.0 Constraints on the review

- 5.1 As the Reprographics Unit operates on a 'trading account' basis, identifying savings on a zero budget provision is a challenge. It may be that savings will be realised from departmental printing budgets.
- 5.2 There is also the constraint of time if the Council chooses an alternative delivery option. A number of legislative timescales apply especially in relation to TUPE. These issues will be documented in the Options analysis for phase 3.

6.0 Reporting schedule

Reporting Schedule	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10
Delivery Plan to Programme Board and Cabinet						
Options Report to Programme Board and Cabinet						
Implementation Plan to Programme Board and Cabinet						

Human Resources

1.0 Target saving

This review has an efficiency target of £108,000

2.0 Review Objectives & Scope

2.1 The aim of this review is to improve the strategic contribution and quality of service provided by the HR function and to define a delivery model that would best enable HR to support the future business of the Council. Intrinsic to this aim is building the capacity of all managers in the Council and transforming the support for managers and employees from HR. The review will identify efficiencies as required as part of the council's business transformation programme.

2.2 The scope of this review has been set to include the HR services and activities as currently provided by HR Divisional staff based in the Windsor Offices:

- HR Advisors,
- HR Operations,
- Health, Safety & Wellbeing, Pay & Rewards,
- Workforce Development" & Diversity

3.0 Exclusions from the scope

3.1 The review does not include some workforce support arrangements within service departments e.g. workforce development which is included in a separate SDO review

4.0 Resource Requirements / Costs

4.1 No additional resources/costs will be required for the review, however it is difficult to predict at this stage what, if any resource requirements will be required depending upon whether an alternative service delivery model is adopted.

5.0 Constraints on the review

5.1 The review is constrained by the new HR/Payroll system, ResourceLink, being in the early phase of implementation. Payroll elements have been developed and are about to be activated. HR modules within the system will provide wide-ranging opportunities for transforming how HR information, processes and administration are undertaken. At this early stage it is difficult to be clear exactly how and when that functionality will be activated. This limited understanding constrains the creativity of the Team which could restrict the options identified. Before the end of the 2009/10 financial year a far clearer understanding will have been achieved

6.0 Reporting schedule

Reporting Schedule	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10
Delivery Plan to Programme Board and Cabinet						
Options Report to Programme Board and Cabinet						
Implementation Plan to Programme Board and Cabinet						

CABINET REPORT

22 December 2009



Report of: Assistant Chief Executive

Subject: COMPREHENSIVE AREA ASSESSMENT (CAA),
OFSTED CHILDREN SERVICES ANNUAL
RATING AND ANNUAL PERFORMANCE
ASSESSMENT REPORT 2008/09 ADULT AND
SOCIAL CARE SERVICES

SUMMARY

1. PURPOSE OF REPORT

To update Cabinet on the results of the Comprehensive Area Assessment that came into effect from 1 April 2009. Cabinet was informed of the new inspection regime in March 2009 with a report outlining the overarching principles of CAA. This report briefly describes the results from the first year of the CAA inspection. The report also details the Ofsted Children Services Annual Rating and the Annual Performance Assessment Report 2008/09 Adult and Social Care Services.

2. SUMMARY OF CONTENTS

The report details the results from the Area Assessment and the Council's Organisational Assessment including the Use of Resources and Performance Management Assessment of the Council. The report also summarises the results from the Ofsted Children Services Annual Rating and the Annual Performance Assessment Report 2008/09 Adult and Social Care Services.

3. RELEVANCE TO CABINET

This is a new, harder inspection regime and is a major change in the way that the Council and its partners are inspected. It is important that the Council's members and officers understand this new inspection regime and the significance of the results achieved.

4. TYPE OF DECISION

Non key

5. DECISION MAKING ROUTE

Cabinet 22 December 2009 and Council

6. DECISION(S) REQUIRED

Cabinet is requested to note the report and the results achieved by the Council and its partners.

Report of: Assistant Chief Executive

Subject: COMPREHENSIVE AREA ASSESSMENT (CAA),
OFSTED CHILDREN SERVICES ANNUAL
RATING AND ANNUAL PERFORMANCE
ASSESSMENT REPORT 2008/09 ADULT AND
SOCIAL CARE SERVICES

1. PURPOSE OF REPORT

- 1.1 To update Cabinet on the results of the Comprehensive Area Assessment that came into effect from 1 April 2009. Cabinet was informed of the new inspection regime in March 2009 with a report outlining the overarching principles of CAA. This report briefly describes the results for Hartlepool from the first year of the CAA inspection. The report also details the Ofsted Children Services Annual Rating and the Annual Performance Assessment Report 2008/09 Adult and Social Care Services.

2. BACKGROUND

- 2.1 CAA is the new approach from the Government that is intended to provide an independent assessment of the prospects for local areas and the quality of life for people living there. It is suggested that it will assess and report how well public money is spent and will try to ensure that local public bodies are accountable for their quality and impact.
- 2.2 It is important to note that the CAA is a more demanding inspection regime than its predecessor, the Comprehensive Performance Assessment (CPA), and not only looks at how the Council is performing but also how the council and its partners are working together to improve the community as a whole. Due to these changes the scores from CPA and CAA are not directly comparable.
- 2.3 CAA brings together the work of the following seven inspectorates to provide an overview of how successfully the local organisations are working together to improve what matters locally:
- Audit Commission;
 - Commission for Social Care Inspection;
 - Healthcare Commission;
 - HM Inspectorate of Constabulary;
 - HM Inspectorate of Prisons;
 - HM Inspectorate of Probation
 - Ofsted.

2.4 CAA aims to focus on:

- Areas not just organisations
- Likelihood of future delivery not just performance in the past
- Outcomes for communities and in particular, those most in need, rather than outputs and process
- Local priorities as well as national targets
- not just the council but an inspection of local partners including Police, Fire, Health Services, Probation Services, service users, residents and third sector organisations.

2.5 There are two key elements of CAA, the Area Assessment and the Organisational Assessment. Both of these inspections were intended to be based upon information of local services and partnerships use to understand and manage their own areas. In practice the process has required a considerable amount of additional resource from the Council and other partners to meet the requirements of the inspections.

3. AREA ASSESSMENT

3.1 The Area Assessment judges how well public services are meeting local priorities and whether improvement is likely to continue. The Area Assessment took the Local Area Agreement (LAA) and sustainable community strategies as its starting point, but also looked more widely at outcomes for local people and other inspection evidence. The broad approach assessed the future prospects in the area for achieving better outcomes by looking at the impact the local service organisations are collectively having on improving priority outcomes. It is based on work by the Audit Commission and the other inspection authorities detailed in paragraph 2.2. The Area Assessment has Green Flags which are used to highlight exceptional performance or improvements and Red Flags which highlight significant concerns about outcomes and future prospects for outcomes which are not being tackled adequately.

3.2 The report says 'Partners in Hartlepool are working well with local people in their own neighbourhood and communities. Hartlepool faces several big challenges, but it has a good understanding of what these are. Local people have a clear picture of what they want the town to be like in the future. They have good plans to make the big changes the town needs.' (See **Appendix 1**)

3.3 The Area Assessment for Hartlepool currently has no green flags but one red flag for tackling the harm caused by alcohol. Dangerous drinking and

the harm caused by alcohol are increasing in Hartlepool. Partnerships across the North East of England have agreed a new approach to address the problem, but detailed service plans and increases in long term funding have not yet been agreed in Hartlepool. It is essential that this funding is provided to put the strategy into action. Without this the Audit Commission believe that improvements on the necessary scale are unlikely.

4. ORGANISATIONAL ASSESSMENT FOR 2008/9

- 4.1 The Audit Commission assessed the effectiveness of each council based on Use of Resources and Performance. This uses four themes, 3 from Use of Resources and a Performance Management theme. A judgement has been made for each theme using the Audit Commission's point scale from 1 to 4, with 4 being the highest.

1	An organisation that does not meet minimum requirements	Performs poorly
2	An organisation that meets only minimum requirements	Performs adequately
3	An organisation that exceeds minimum requirements	Performs well
4	An organisation that significantly exceeds minimum requirements	Performs excellently

- 4.2 For Use of Resources 2008/09 Hartlepool Borough Council has been awarded an **overall score of 3**. A break down of that result can be seen in Table 1 – Use of Resources Theme Scores.

Table 1 – Use of Resources Theme Scores 2008/09

Managing Finance - How effectively does the organisation manage it's finances to deliver value for money		
1.1 Financial Planning	2	Level 2
1.2 Understanding Costs	2	
1.3 Financial Reporting	2	

Governing the business - How well does the organisation govern itself and commission services that provide value for money and deliver better outcomes for local people		
2.1 Commissioning and Procurement	2	Level 3
2.2 Data Quality	3	
2.3 Good Governance	3	
2.4 Risk Management and Internal Control	3	
Managing Resources - How well does the organisation manage its natural resources, physical assets and people to meet current and future needs and deliver value for money		
3.1 Use of natural resources	3	Level 3
3.2 Strategic Asset Management	2	

- 4.3 For the Performance Management Theme a **score of 3** was awarded. Combined with the Use of Resources score of 3, this gives the Council an overall **Organisational assessment of 3**.
- 4.4 The Audit Commission said that 'the Council is making good progress on its priorities and is contributing strongly to the Hartlepool Partnership priorities. Hartlepool Council works well with its local partners on very challenging and ambitious plans to revitalise the town and secure a better future for the people of Hartlepool.' (See **Appendix 2**)
- 4.5 The report continues to highlight that the Council recognises the areas where it needs to make further improvements which include helping to get more people into work and improve the economy, improve the number of young people achieving five or more good GCSEs, reducing waste, ensuring that people can get affordable homes where they want to live, improving health and making the area safer.
- 4.6 When looking at comparisons 64% of councils across England are performing well with a further 7% performing excellently. Across the North East 9 out of 10 of the Councils are performing well (Durham and Northumberland have been excluded due to recent restructures). All authorities across the Tees Valley are performing well.

5. OFSTED – CHILDREN SERVICES ANNUAL RATING

- 5.1 Ofsted has rated the Council's children's services as **performing well (score of 3 out of 4)** (See **Appendix 3**). Most childcare and schools are rated good or outstanding and none are inadequate. Schools prepare pupils well for learning and results are improving. Progress is being made by young people from poorer areas is good and pupils with learning difficulties and/or disabilities progress and achieve well in most schools. National comparisons and a breakdown of scores for Children Services Annual Rating were not available at the time of writing this report.

6 CARE QUALITY COMMISSION – ANNUAL PERFORMANCE ASSESSMENT REPORT 2008/09 ADULT AND SOCIAL CARE SERVICES

- 6.1 The Care Quality Commission has rated the Council's adult social care as **excellent** (the highest possible rating) outcomes from social care services (See **Appendix 4 and 5**). People are able to choose how they will be supported and have budgets to buy services. They have good support to live independently and those living in care homes are cared for safely. A break down of that result can be seen in Table 3.

Table 3 – Delivering Outcomes Assessment. Overall Hartlepool Borough Council is performing excellently

Outcome 1	
Improved health and well-being	The council is performing: Excellent
Outcome 2	
Improved quality of life	The council is performing: Excellent
Outcome 3	
Making a positive contribution	The council is performing: Excellent
Outcome 4	
Increased choice and control	The council is performing: Excellent

Outcome 5	
Freedom from discrimination and harassment	The council is performing: Well
Outcome 6	
Economic Well-being	The council is performing: Excellently
Outcome 7	
Maintaining personal dignity and respect	The council is performing: Well

- 6.2 A total of 21% of authorities nationally were assessed as performing excellently with regards to Adult Social Care. Hartlepool Council sits in this category, along side only one other Tees Valley Authority and a further three North East Authorities.

7 CONCLUSIONS

- 7.1 The introduction of CAA has been a fundamental change in the way that inspections have been conducted and so cannot be compared with previous inspection regimes. It is a new regime which is a harder test than the previous CPA inspection regime. It has involved the Council and local partners and groups working together to produce a robust area assessment.
- 7.2 The Organisational Assessment scores of three in both the Use of Resources and in the Performance Management Assessment is an excellent result for Hartlepool Council as this was a harder test than the previous year.
- 7.4 Adults Services have been scored as excellent with 5 out of 7 outcomes being excellent and Children Services scored a 3 (performing well).
- 7.5 Overall the results are positive and the recommendations from all these inspections will be used by partners and the Council to help further improve services and the town in the future.
- 7.3 The public face name for CAA has been announced as 'One Place' and the Audit Commission have launched a web site that aims to bring together all CAA information on public services into one place. The website is available from the 10 December 2009.

8. RECOMMENDATIONS

- 8.1 Cabinet is requested to note the report and the results achieved by the Council and its partners.

Appendices

Appendix 1 – Area Assessment for Hartlepool 2009

Appendix 2 – Organisational Assessment for Hartlepool Council 2009

Appendix 3 – Letter of Children's Services Annual Rating December 2009

Appendix 4 - Letter of Annual Performance Assessment of Adult Social Care for Hartlepool Council 2008/09

Appendix 5 – Report of Annual Performance Assessment of Adult Social Care for Hartlepool Council 2008/09

Hartlepool

Area Assessment

Pre-publication version dated 03 December 2009

Provided under embargo



for an independent overview
of local public services

Contents

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How is Hartlepool doing?

About Hartlepool

How well do priorities for Hartlepool
express community needs and
aspirations?

Priorities for Hartlepool

- Health and Wellbeing
- Jobs and the Economy
- Lifelong Learning and Skills
- Community Safety
- Environment
- Housing
- Culture and Leisure
- Strengthening Communities

Hartlepool at a glance

This independent assessment by six inspectorates sets out how well local public services are tackling the major issues in Hartlepool. It says how well they are delivering better results for local people and how likely these are to improve in future. If, and only if, our assessment shows that the following special circumstances are met in relation to a major issue, we use flags to highlight our judgements. We use a green flag to highlight where others can learn from outstanding achievements or improvements or an innovation that has very promising prospects of success. We use a red flag to highlight where we have significant concerns about results and future prospects that are not being tackled adequately. This means that local partners need to do something more or different to improve these prospects.

Green flags - exceptional performance or innovation that others can learn from

No green flags have been identified for Hartlepool

Red flags - significant concerns, action needed

 Red flag: Tackling the harm caused by alcohol

The local area

Hartlepool is located on the North-East coast within the Tees Valley sub-region. It is a compact town, linked to the rest of the region and country by road, rail and sea. The A19 passes through the western rural part of the Borough and the A1 (M) is close by. Trains travel along the East coast connecting Hartlepool to Newcastle, the rest of the Tees Valley and directly to London. Hartlepool also has a significant port and a world-class marina.

The town combines dense urban areas, the marina and expanding suburbs with several distinct rural villages set in attractive countryside.

Around 90,000 people live in the town of which just over one per cent are from black and minority ethnic communities and almost a fifth are at or above retirement age.

Hartlepool became a major port in the 19th century, when shipping and shipbuilding brought wealth and importance to the area. When the shipyards and related industries closed in the 1960's Hartlepool's fortunes declined.

Significant regeneration over the last 20 years has transformed the town. Today it has tourism activity linked to its maritime heritage. The local economy includes chemical engineering activity, new business parks and an increasing

number of small businesses.

The Borough forms part of the Tees Valley City Region, home to some 662,100 people living mainly around the lower Tees. It includes Stockton-on-Tees, Middlesbrough, Redcar & Cleveland, Darlington and Hartlepool.

The next section tells you how Hartlepool's public services are doing in each of their local priority areas.

How is Hartlepool doing?

Health and Wellbeing

People in Hartlepool have worse health and die younger than people in other parts of the country. The reasons for this are often related to the lifestyles that they lead. Local partners are taking action to reduce people's health problems and there are some signs of improvement. Many local services are good and people who use the services that partners provide usually have an excellent experience. However, there are some services which are not making enough difference. For example, those aimed at reducing alcohol misuse and partners have not committed to funding new and better plans. The number of teenage pregnancies are not reducing fast enough and there are increasing numbers of obese children.

Even where the services which are in place are good they will only work if enough people take them up and make changes to their lifestyles. We will continue to look closely at this next year.

Jobs and the Economy

Hartlepool's economy is stronger than it was 10 years ago and there are examples of things getting better. More businesses are starting up and there is support from partners to help them to develop. As the town has more businesses, it is less vulnerable to large-scale closures than it was in the past.

More people who haven't worked or haven't worked for some time are getting practical help, training, work experience and jobs thanks to good partnership working.

More young people than before have jobs or are taking part in employment, education or training because local organisations are working together well to make sure there are opportunities there for them.

Overall there are still many people out of work and on benefits in Hartlepool.

Although there are some examples of high skill jobs in Hartlepool, low skilled jobs make up most of Hartlepool's economy. This makes growth more difficult and makes the area vulnerable to downturn. The town needs to make sure that it develops a higher skill economy which can grow and remains competitive.

Lifelong Learning and Skills

Partners are improving the opportunities people have to develop their learning and skills, but many Hartlepool people of all ages are not ambitious or motivated to get good qualifications or develop their skills. The situation is improving because of local services' work.

Children's achievements at schools are improving and the level of qualifications that they achieve at age 16 and by age 19 compares well with similar authorities and overall matches the national average. Therefore more young people are leaving school and college better equipped for work and further and higher education.

Adults are also improving their skills. Local public organisations are improving facilities such as schools and colleges. They are also encouraging people and businesses to take up opportunities for learning, but there is still a long way to go if Hartlepool's workforce is going to be able to compete well in the economy.

This is an area we will focus on next year.

Community Safety

Thanks to local services working together well, the biggest improvements in people's safety have come in the areas where there were previously more problems.

Crime is a problem in Hartlepool but the Community Safety Partnership is making a real difference and it is reducing. They are concentrating on improving in the worst areas and on working with young people to stop them becoming involved in crime and anti- social behaviour. As a result there are fewer victims of crime.

They are also working together to make the area safer by for example reducing fire risks in the home and improving the environment by for example removing rubbish - which could otherwise have been used to light fires.

They have a good understanding of the risks associated with alcohol and drug misuse but they need to better understand why people misuse alcohol to make sure that they are tackling the problems effectively.

The partnership is good at learning from what has worked well. When it identifies things which work well in one area, they copy and adapt it to meet the needs of other areas. This shows that partners are working together effectively and are likely to continue to make Hartlepool safer, but we will continue to check progress, particularly on alcohol related matters.

Environment

In Hartlepool, the quality of the local environment is improving. The area is cleaner and the way the Council dealing with waste is improving. There is still

more to do to reduce the amount of waste which the town needs to get rid of but the council knows this and has plans to deal with it.

The Council is taking a leading role in improving the environment. They are working with partners to improve and conserve the natural environment. They are helping the local community to think about how it can reduce the damage that modern lifestyles cause and make changes to help the environment. Their status as a Fairtrade town, with more businesses offering Fairtrade goods, is in keeping with the partnership's aim to support people to reduce poverty and promote peace and security in a way which is fair and causes least damage to the environment.

They are working with the other Tees Valley Councils and with public transport operators to improve public transport so people do not need to rely as much on using cars.

Other public organisations need to make sure that they are contributing as much as they can to improving the local environment especially by reducing the harm that their activities cause.

Housing

Partners are improving the quality and availability of housing in Hartlepool.

Vulnerable people are getting support and are living independently. A new retirement village recently opened to provide new homes for older people.

There are very few homeless people as a result of good work by local partners. There is a new housing advice and support centre to help people with all housing matters including helping people who face losing their homes for whatever reason.

However, there are many people waiting for social housing. Despite improvements in recent years, there are too many houses which people don't want to live in and there are not enough decent homes that people can afford. Dealing with this situation is difficult - especially in the recession - but partners are handling the situation well.

They have worked with residents to find out the best way to tackle the problem and have knocked down homes that people didn't want. New homes have been built to modern standards. They have realistic plans for improving the situation further by making sure that more houses are built and the quality of existing houses is improved.

Culture and Leisure

People in Hartlepool can enjoy many arts, leisure and cultural opportunities. The organisations that provide these try hard to make sure that they provide something to benefit everyone. Local partners believe these services and events can make a difference to local people's lives, for example by improving their health or prospects for employment.

There are many opportunities for people to take part in physical activities. Partners are targeting specific groups of people through discounts and special programmes and activities. Sometimes they are running these in particular neighbourhoods or for certain groups of people who they have identified as people who don't normally take part. As a result, more people take part in physical activity in Hartlepool than in other parts of Tees Valley. This is important as many people lead unhealthy lifestyles and are obese.

There are also opportunities for people to enjoy culture and the arts and to volunteer to benefit themselves and others.

However, partners don't do enough to measure whether these are delivering the benefits they wanted, so it isn't always clear whether they are good value for money.

Strengthening Communities

Partners in Hartlepool are working well with local people in their own neighbourhoods and communities.

People are getting involved in making plans for the future of their areas and are taking part in activities and opportunities that can bring people together and improve their quality of life. Young people are getting involved in decision making about things that are important to them. As a result, they are taking part in more positive activities than young people elsewhere in the region or nationally.

More people from poorer areas are volunteering than from the town as a whole, but overall the level of volunteering is similar to that of the rest of the region. Partners are increasing the range of opportunities for people to volunteer to develop their skills get to know and understand others in the community and improve their quality of life.

Local services are focused on helping people from poorer areas to catch up with others in all aspects of life, but the extent to which this is working is unclear and more research is needed. Nevertheless, partners are identifying some practical measures they can take to help to make sure people have the same opportunities. For example, by helping people who don't have bank accounts to get them, they are helping them get discounts on utilities because they can pay by direct debit.

About Hartlepool

A recent survey shows that in Hartlepool 77 per cent of people are satisfied with their immediate local area as a place to live. This is broadly the same as the average for similar areas and lower than the national average of 81 per cent.

Hartlepool is located on the North East coast within the Tees Valley sub region. It is a compact town, linked to the rest of the region and country by road, rail and sea. The A19 passes through the western rural part of the Borough and the A1 (M) is close by. Trains travel along the East coast

connecting Hartlepool to Newcastle, the rest of the Tees Valley and London. Hartlepool also has a significant port and a world-class marina.

The town combines dense urban areas, the marina and expanding suburbs with several distinct rural villages set in attractive countryside.

Around 90,000 people live in the town of which just over one per cent are from black and minority ethnic communities and almost a fifth are at or above retirement age.

Hartlepool became a major port in the 19th century, when shipping and shipbuilding brought wealth and importance to the area. When the shipyards and related industries closed in the 1960's Hartlepool's fortunes declined.

Significant regeneration over the last 20 years has transformed the town. Today it has tourism activity linked to its maritime heritage. The local economy includes chemical engineering activity, new business parks and an increasing number of small businesses.

The Borough forms part of the Tees Valley City Region, home to some 662,100 people living mainly around the lower Tees. It includes Stockton-on-Tees, Middlesbrough, Redcar & Cleveland, Darlington and Hartlepool.

Hartlepool's council is a unitary local authority represented by a directly elected mayor and cabinet. The Hartlepool Partnership, which brings together the public, private, community and voluntary sectors, leads and continues the town's strong tradition of partnership working. It is made up of a board and a series of theme partnerships.

Hartlepool's ambition and aspirations for the future:

"Hartlepool will be a thriving, respectful, inclusive, healthy, ambitious and outward-looking community, in an attractive and safe environment, where everyone is able to realise their potential."

How well do priorities for Hartlepool express community needs and aspirations?

Hartlepool faces several big challenges, but it has a good understanding of what these are. Local people have a clear picture of what they want the town to be like in the future. They have good plans to make the big changes the town needs.

The plans aim to change many things about the town. Partners and the community want to make the town more ambitious and a more attractive and safer place where people get along well. They want people to enjoy the same good quality of life and irrespective of their backgrounds and where they live. They want it to be a place with a stronger economy where everyone can achieve their potential. They want people to have good quality housing and be healthier. In common with much of the north-east health is a big issue - people here die younger than people in other parts of the country.

To achieve all of this they have spelled out eight priorities. People in Hartlepool have had a big say in these, and in the plans to achieve them.

Partners have made sure the plans have a strong focus on young people and people who might be overlooked because they are from minority groups or other groups which might find it hard to get involved. They have also tried to make sure that they have considered how the changes they are planning to make will affect the environment and future generations. They have tried to lessen any potential damage and increase any potential benefits.

Some parts of the town are much worse off than others. As a result, people are disadvantaged in several ways. For example, they are less likely to have good jobs, more likely to have poorer housing and more likely to have poor health than people in other parts of the area.

Partners are keen to 'narrow the gaps' between richer and poorer parts of the town and between the town and the country as a whole in all of their priorities. They know that to achieve all of this will mean putting in extra efforts in those areas and this is reflected in their plans.

Partners are working well together. They are taking action in the areas where they have said they would and usually they are making progress. For example, by making the place safer, diversifying the economy, improved attainment and skills among young people.

Health and Wellbeing



Red flag: Tackling the harm caused by alcohol

Dangerous drinking and the harm caused by alcohol are increasing in Hartlepool. Partnerships across the North East of England have agreed a new approach to address the problem, but detailed service plans and increases in long term funding have not yet been agreed in Hartlepool. It is essential that this funding is provided to put the strategy into action. Without this, improvements on the necessary scale are unlikely.

According to the Department of Health in 2008, the harm caused by alcohol in Hartlepool is significantly worse than in many other areas of England, although similar to that in the north east overall. In 2003, Hartlepool Hospital was admitting just over nine hundred people with alcohol related problems. This was 10 per cent more than the average for England. By 2008, the numbers had increased to more than two thousand. This is 32 per cent more than the average for England and the rate of increase (92 per cent) is considerably higher than the national rate of increase (59 per cent) and the regional rate of increase (68 per cent).

Alcohol misuse is taking a toll on health and the general quality of life in Hartlepool. While similar to other areas in the North East, Hartlepool is amongst the worst areas in the country for binge-drinking. People are committing crimes and violent crimes while under the influence of alcohol. Almost half of the victims of violent crime admitted to hospital described their attacker as being 'drunk'. Over a third of violent crimes take place around

licensed premises. The Safer Hartlepool partnership has shown leadership on these aspects of the problem.

Hartlepool Partnership has not focussed so strongly on the harm caused by alcohol to local people's health, and the Local Area Agreement does not include reducing admissions to hospital caused by alcohol as one of its top targets in the first three years.

Partners in Hartlepool are supporting BALANCE, a regional organisation tackling alcohol misuse in the same way that the regional stop smoking office (FRESH) is successfully tackling smoking. BALANCE is raising the profile of alcohol-related issues and challenging people across the region to change the way they drink alcohol to reduce their drinking to lower risk. Hartlepool Partnership has not agreed what more they can do jointly to tackle this problem.

Hartlepool PCT and partners have begun to develop the plans for new treatment services this year to tackle the health related problems of dangerous drinking locally in ways that would be likely to succeed. But success will depend on the funding being in place to put the plan into action without delay. These treatment services will need a commitment to long term funding which is not in place yet.

What's being done in response?

Outline Business Case for new service is expected to be presented to the PCT Board in October 2009 with a view to commissioning the service in 2010.

Health and Wellbeing

Men and women in Hartlepool are more likely to die younger than people in other parts of the country. People in some parts of Hartlepool are likely to die eight years earlier than in other parts of the borough. The gap between death rates in Hartlepool and the rest of the country is getting wider. It is worse for women. The biggest causes of death are heart disease, strokes and cancers and unhealthy lifestyles contribute to these.

More people in Hartlepool risk poor health and early death because of smoking, drinking alcohol unwisely and being obese than in other areas of the country.

Children of teenage mothers have a higher risk of health problems later in life as do obese children. More children in Hartlepool fall into these groups than elsewhere in the country

Local services are focusing on reducing the illnesses that lead to more than half of early deaths in Hartlepool. As a result, more people in Hartlepool are stopping smoking especially in the poorer areas. More people are getting advice about healthy living and are taking up exercise. Schools are encouraging healthy eating. This is important because there are many children who are obese. Most doctors are offering a thorough check up to assess people's health risks and are prescribing a combination of drugs and a health plan to lessen them.

Some plans for improving health and life expectancy are good. Some new services are being introduced that have worked well elsewhere. These new services concentrate on the needs of Hartlepool people and focus on the things most likely to improve their health and lessen the risk of early death. However, as they are new they will take some time and money to make a difference.

The North East regional strategy for reducing the harm caused by alcohol is good. BALANCE, a regional organisation, is tackling alcohol misuse in the same way that the regional stop smoking office (FRESH) is successfully tackling smoking.

Plans to reduce problems of dangerous levels of alcohol drinking in Hartlepool are still in development and will rely on partners putting new treatment services in place. They have not agreed to spend the money they need for the new services.

Actions to prevent ill health in future generations because of unhealthy lifestyles among younger people are not working. Teenage pregnancies have an adverse impact on both the mother and child's well-being. Efforts to reduce teenage pregnancies are not working. Partners have plans to improve the services available based on recommendations from an independent review. These will not be in place until 2010 and until they test them, it is difficult to say how successful they will be.

There are no detailed plans to reduce the number of obese children. This is a bigger problem in Hartlepool than in most other parts of the country and has an important part to play in the health of future generations.

The services that are now in place could help most Hartlepool people to live longer and healthier lives, but only if people decide to make the changes they need to make and to do it early enough and if partners can afford to support them.

If enough people take up the services which partners are providing and make the changes they need to, the prospects of living a longer and healthier life will be good. Sometimes the problems which local organisations are trying to solve depend on organisations working together to improve many factors which impact on people's life chances such as housing, education, employment and leisure opportunities. Even where these services are in place, not everyone with an unhealthy lifestyle thinks that they are damaging their health and so some of those most in need don't use the services. When they do, their needs are greater and the costs of meeting them are higher. This makes it more difficult for local partners to provide affordable services.

Many local services are good and people who use the services that partners provide usually have an excellent experience. For example, people have excellent outcomes from adult social care services. Partner organisations are helping them to choose how they would like to be supported, and give them budgets to buy services. Many disabled people are helped to use sport and leisure activities. Good support is helping people to come out of hospital quickly. Many people are being supported to live independently at home, with help such as Telecare equipment and services. Partners are encouraging people to give their views about services, and are making changes as a result. People living in care homes are cared for safely.

In year 1 of the Comprehensive Area Assessment we have not reported in detail on the mental health issues affecting local people nor on the range of mental health services in Tees Valley.

In year 2 we will explore this theme in more depth. We will report on what the local partnerships are doing to address the range of issues which are linked to mental health.

Jobs and the Economy

Hartlepool's economy is stronger than it was 10 years ago and there are examples of things getting better. More businesses are starting up and there is support from partners to help them to develop. More people who haven't worked or haven't worked for some time are getting support to help them into work. They are getting practical help, training, work experience and jobs thanks to good partnership working. There will be more opportunities for people to get work experience through volunteering because of partners working together on projects such as Tall Ships.

Regeneration projects have made a difference by improving facilities and locally available support for businesses. New developments have created jobs for local people.

However, there is more work to do to make sure the town has the right facilities and skills to develop a modern economy in which all local people can prosper.

There are still many people are out of work and on benefits in Hartlepool. The number of working age people with jobs is low compared with the north-east and the rest of the country as a whole. There are some good examples of projects which partners have set up which have helped people into jobs, but these are not available to everyone who needs them and some parts of the borough are still much worse-off than others.

Although there are some examples of high skill jobs in Hartlepool, low skilled jobs make up most of Hartlepool's economy. This makes growth more difficult and makes the area vulnerable to downturn. It is however, less vulnerable to large-scale closures than it used to be because there is now a wider range of different businesses. Unemployment rose earlier in 2009, but it looks as though local job losses and cuts in working hours are not getting any worse.

Young people have the potential to make a big difference to the future prosperity of the town. Partners are working together to improve young people's skills and prospects. All young people get the chance to undertake work experience while they are at school and almost all take these up. More young people, including those from poorer backgrounds, have the opportunity to go on to higher education now than in the past.

Unemployment among young people has been a problem here for a long time. The partnership has taken action to stop it getting even worse because of the recession. For example, they have arranged for young people in apprenticeships to complete them even if the companies they work for need

to reduce numbers.

More young people than before have jobs or are in education or training because local organisations are working together well to make sure that there are opportunities there for them. Now only 7.9 per cent of young people are not in education, employment or training.

Local spending supports the local economy and partners understand this well. Therefore, they are trying out schemes which help to keep money flowing locally. For example, the Council is helping local businesses during the recession by paying their bills early. They are also working hard to make sure empty retail units are occupied and helping people try out business ideas at little or no cost.

Tees-wide working:

Partners across the Tees Valley have worked together well - including through the development of Tees Valley Unlimited - to raise the profile of the area and develop a good case for investing in it. As a result Tees Valley was one of the first Multi Area Agreements signed off by government. By working together strategically they have succeeded in getting more money for the sub-region from government to support some key projects which will help to improve the area in future. The planned metro system is one example of this.

But not all partnership working has been as successful. Joint work to improve employment and skills in the longer term has not progressed well. The group which leads this has not been meeting regularly and is now being re-shaped. Sub-groups to work on specific themes are being put in place. The local authorities and partners in Tees Valley Unlimited recognise that more work is needed to develop a good enough understanding of what works well and what Tees Valley needs to do to compete better in a global economy.

We will be looking closely at this aspect of joint working in Year 2 of CAA, and report on how well the partners' are making progress against their long term plans to enable people and businesses in Tees Valley to compete.

Lifelong Learning and Skills

Partners are improving the opportunities people have to develop their learning and skills, but many Hartlepool people of all ages are not ambitious or motivated to get good qualifications or develop their skills. The situation is improving because of local services' work. More young people are leaving school and college better equipped for work and further and higher education. Adults are also improving their skills, but there is still a long way to go if Hartlepool's workforce is going to be able to compete well in the economy. This is an area we will focus on next year.

Young people in Hartlepool are doing better at school than in the past, and overall they do as well as others in similar areas but not yet as well as nationally. More people are achieving qualifications and developing their skills for work, but there are still many people with no qualifications or only low-level qualifications. There are few people with high-level skills needed to drive competitiveness.

Children make good progress in their primary schools and most reach the expected national levels by age 11. At that age, they do better than in similar areas and are slightly above the national average.

However not enough pupils get five or more good passes - including Maths and English at GCSE, despite steady improvement on overall GCSE results. Just over 39 per cent of pupils get good passes in five or more subjects. This is below the national average of almost 48 per cent and just below similar areas. Unvalidated results for 2009 show further improvements.

Children with special educational needs do well and their achievements are closer to those without special needs than they used to be. Pupils on free school meals also do well.

Most young people are in education, training or employment. The proportion of those who are not is reducing and - at 7.9 per cent - is now lower than in similar areas and in line with the national figure.

Over the last four years more young people have achieved level 2 and level 3 qualifications by age 19. Around 7 out of 10 achieve level 2 and around 4 out of 10 achieve level 3 - this is better than similar areas and matches the national picture. It looks like partners' actions to reduce the number of young people who stay on in education or training at 16, but drop out at 17, are making a difference, therefore further improvements are likely.

More young people from poorer backgrounds now have the qualifications they need to go on to higher education now than in the past. Hartlepool College and Teesside University are encouraging people to continue with their studies by offering college students the opportunity to study a university level unit alongside their regular studies. This is also helping them develop the skills they need to complete higher level courses.

Partners including the Council and Hartlepool College are investing in learning facilities by building new schools and colleges.

Skills in Hartlepool are improving thanks to good leadership from the local Skills Partnership. Partners are encouraging and supporting adults to take up training opportunities and get qualifications. Employers are investing in their workforce so they can compete better. As a result, more adults are taking up training and getting qualifications and on some measures they are making more progress than regionally and nationally.

However, there are still not enough people with higher and advanced skills in key industries to help the local economy become more competitive.

The area is still living with a legacy of low skill levels and productivity and raising aspirations among local people also remains an issue. Local services plan to help local people benefit from the Tall Ships through volunteering, training and work experience.

Local people can learn in the community and at Hartlepool College for pleasure, or to help them to improve to their lives. By making courses available across the town, more people can get to classes. Many topics are focused on local priorities - for example stop smoking courses are helping lessen the

number of people who are smoking.

Community Safety

Local services are working together well to improve community safety. They are reducing crime, making the area safer and making it a safer place for people of all ages. They are good at learning from what works and making changes as a result. People are worrying less about crime and anti-social behaviour than previously. They are confident in their local services, but although they have a good understanding of the risks associated with alcohol and drugs misuse, they need to better understand why people misuse alcohol to make sure that they are tackling the problems effectively.

People in Hartlepool are safer now than they were in the past. There are fewer victims of crime. Public services understand most issues affecting community safety and use this knowledge to intervene where they will make the biggest difference. As a result, there are fewer victims of crime and fires. 60 per cent of people in Hartlepool say they are satisfied with their local police and 84 per cent are satisfied with their fire service. In both cases they are more positive about these services than people elsewhere in the country are with their local services.

Local public bodies such as the police, council and fire work together as one team in the town centre. The single team approach located within the community means that it is easy for local people to contact someone who can help them. As a result, they are quickly identifying and tackling problems. These arrangements have received national recognition for reducing crime and make the town centre cleaner and safer for residents and visitors at day and night.

Partners therefore plan to extend this way of working right across Hartlepool.

Local people see anti-social behaviour as less of an issue now than they did in the past. This is because local services have worked together well and taken action, for example making environmental and security improvements to streets and open spaces affected by anti-social behaviour which has made a difference.

Young people at risk of offending are identified early and the numbers entering the criminal justice system for the first time are falling. However, they are still too high and too many young people re-offend.

Local organisations know that many crimes and accidents happen because people are drinking too much alcohol or misusing other substances. They have a good understanding of the risks associated with misuse and how these are likely to affect local people's behaviours and reactions. They have put some projects in place to try to deal with drug and alcohol misuse. They need to understand better, however, why people harm themselves and others around them by misusing alcohol to make sure that they are tackling the problems effectively.

Services to offenders who use drugs are meeting targets. More people are entering drug treatment. There are still adults who continue to commit the

same types of crime repeatedly. The Council, police and probation are working closely to tackle re-offending. They also have a special unit to tackle the offenders who commit most of the crime in Hartlepool.

The number of fires is reducing because local services identify those most at risk, such as people cooking with chip pans and people using candles, and the fire service is taking action to help people reduce those risks. Despite some significant reductions, there are still too many deliberate fires in Hartlepool.

Young people's safety is taken seriously and organisations such as schools, colleges, children's homes and other education services have worked together well.

Thanks to local services working together well, the most improvements in people's safety have come in the areas where there were previously more problems. This shows that partners are working together effectively and they are likely to continue to make Hartlepool safer.

Environment

In Hartlepool the quality of the local environment is improving. The area is cleaner, and the Council has worked with residents to improve the way they deal with waste, but they still need to do more to reduce the overall level of waste produced. The Council is leading on good work to improve the environment and is involving the community. Other partners need to make sure that they are contributing as much as they can to improving the environment.

Partners, especially the Council, are tackling issues like litter, waste, energy use and transport and local people are playing their part to make things better. Hartlepool Council is leading on much of this work and is involving residents both in planning and making changes.

Partners and local people have worked hard together to make Hartlepool's streets and town centre much cleaner. This was a concern for local people, and they still say litter is a problem.

Residents have been involved in schemes to improve neighbourhoods and increase their pride in the town, such as 'tidy ups' and more activities are planned. Volunteers are also working on nature conservation projects with partners including Natural England and Tees Valley Wildlife Trust.

People in Hartlepool can recycle household waste easily because the Council has provided good recycling facilities. Recycling rates have improved and now stand at more than 37 per cent. However, Hartlepool still produces too much waste.

Partners aim to reduce waste produced, and ensure it is all disposed of properly - and not dumped.

Partners have involved residents closely to develop good long-term plans to improve the environment of Hartlepool. Hartlepool Council leads the way in much of this work.

The Council has made some good progress with practical plans to reduce the energy it uses. The Council is working with local neighbourhoods on practical action plans to improve specific parts of the town. It gives residents clear information and advice on cutting their energy use - saving them money and helping the environment. It is working with schools to make big savings and educate children about how they can reduce the damage people cause to the environment. Their status as a Fairtrade town, with more businesses offering Fairtrade goods, is in keeping with the social justice priority of sustainability.

Housing

Partners are improving the quality and availability of housing in Hartlepool. Vulnerable people are getting support and are living independently, but there are many people waiting for social housing. Despite improvements in recent years, there are too many houses which people don't want to live in and there aren't enough decent, affordable homes. Dealing with this situation is difficult - especially in the recession - but partners are handling it well and have realistic plans for improving.

Increasing numbers of vulnerable people in Hartlepool now live independently. A new retirement village opened recently to provide new homes for older people. Vulnerable people receive better support from public services. It is important that public partners find ways to maintain good support - as people live longer, the number of people needing support increases.

There are few homeless people in Hartlepool, thanks largely to good work by local services in giving early support to people to prevent them becoming homeless. Partners have opened a new advice and support centre to help people with all housing matters. This includes providing advice and support for people facing losing their homes because of changed circumstances - this is particularly important during the recession.

Residents and the Council have worked together to agree how to get more homes that people want to live in. As a result, 650 smaller terraced houses have been knocked down and 324 new homes have been built to modern standards. One in five of these will count as affordable.

Local housing providers including the Council and Housing Hartlepool plan to increase the number of houses, especially ones which local people can afford, in the town. They are getting extra help from government to help them to do this.

They are not just concentrating on new homes to buy, but on making sure that there are good homes to rent too which meet the needs of local families and individuals. They have made some good progress on making sure all social housing meets or exceeds the government's quality standard for Decent Homes by next year. Currently 90 per cent of Hartlepool's public sector housing meets this standard and they should reach the target set for 2010.

A recent independent assessment of Housing Hartlepool, which manages most local social housing, was positive about the service it offered to tenants and prospects for further improvements.

However, poorer people in Hartlepool are more likely to live in non-decent housing than in other parts of the country. Local services give grants and loans to help people, especially the most vulnerable, to improve their homes. The Council's housing service also works with other landlords to encourage them to improve standards and providing incentives for them to maintain their properties.

The partners haven't always been able to provide enough new houses which are within reach of local people's incomes. Therefore, they have done much good work to make sure that empty homes can be lived in again by making them more attractive and suitable for people to live in. Current plans and targets are realistic given the money that will be available during the recession.

Culture and Leisure

People in Hartlepool can enjoy many arts, leisure and cultural opportunities. The organisations that provide these try hard to make sure that they provide something to benefit everyone. Local partners believe these services and events can make a difference to local people's lives, for example by improving their health or prospects for employment, but they don't do enough to measure whether this is the case. It isn't, therefore, always clear whether they are good value for money.

More people take part in physical activity in Hartlepool than other parts of Tees Valley, which is important as many people lead unhealthy lifestyles and are obese.

Organisations work together well to fund services and activities for a wide range of people and to meet some very particular needs. These include sports activities and courses aimed at groups who are traditionally less likely to take part, such as women, young children, drug users, people with physical disabilities, those with mental health problems, and older people.

Partners encourage participation from different parts of the community through price discounts, offering crèches and transport, and running activities in more deprived areas to reach people who might otherwise be unable to take part. Some free activities allow people with little or no money to enjoy positive activities.

Hartlepool has good open public spaces including parks, play areas, beaches, allotments and the countryside. Specific groups of people are encouraged to enjoy outside facilities through targeted activities and events.

Local services know that the arts and culture are important to their plans for improving local people's lives. People come together to get to know one another better and enjoy themselves through events like community carnivals, pantomimes and projects which help them to tell their stories.

There are many opportunities for people to volunteer to benefit themselves and others. This can help people improve, for example, their health or job prospects, as well as making the area a nicer place to live. 2010's Tall Ships race will be used to create opportunities for volunteering and employment.

However, the council and its partners need to do more research to see whether culture and leisure activities are making a real difference to people's lives. Accurate data will enable partners to focus on what works, and get the best value for money.

Strengthening Communities

Partners in Hartlepool are working well with local people in their own neighbourhoods and communities. People are getting involved in making plans for their areas and are taking part in activities and opportunities that can bring people together and improve their quality of life. Partners are identifying some practical measures they can take to help to make sure people have the same opportunities. For example by helping people get bank accounts the partners are also helping them get discounts on utilities by paying through direct debit.

Partners ensure that local people can influence plans which affect them. They understand local communities well because they carry out much research and involve local people and organisations in developing plans. As a result, more people in Hartlepool than other parts of the region or country as a whole feel they know how they can get involved in decision making.

Eight of the less well-off areas have neighbourhood action plans developed by partners and the local community. These identify what can improve people's quality of life in the area and set out what they expect the area to be like in five years time. They update the action plans every year.

Young people in Hartlepool are encouraged and helped to make a positive contribution to the community. Local services are good at consulting children and young people. They are participating in decision making about things which are important to them through a range of activities. Vulnerable young people are generally well supported. As a result, more young people in Hartlepool take part in positive activities than elsewhere in the region or nationally. However, too many young people are misusing drugs and that is a concern.

Partners encourage and support people in Hartlepool to be involved in their local community through volunteering and there is an active community and voluntary sector. There are many opportunities for people to volunteer and these are increasing through events such as Tall Ships. Volunteering helps provide valuable services and helps people to develop skills and get to know and understand others in the community. The level of volunteering is similar to that for the rest of the region, which is below the national level, but a greater proportion of people from the town's poorer areas than from the town as a whole take part in volunteering.

Local services are focused on helping people from poorer communities catch up with those in other areas in all aspects of life, such as health, jobs, education and training. However, it is not clear whether their plans are working, especially at local neighbourhood level and more research is needed.

Partners do undertake projects which can help narrow these gaps and make a difference to people's lives. They are tackling some aspects of inequality. For example, they are making sure that people with disabilities can take part

in sports.

They are also helping people who wouldn't otherwise be able to get bank accounts have the services most people take for granted through an innovative e-banking project. This allows people to do things like have their wages paid into a bank, get cash when they need it from cash machines, pay bills in convenient ways. People can also therefore benefit from discounts which companies only make available to people paying by direct debit. Public services benefit too because more people can pay their bills or receive benefits electronically, which reduces administration costs.

CAA looks at how well local public services, working together, are meeting the needs of the people they serve. It's a joint assessment made by a group of independent watchdogs about the performance of local public services, and how likely they are to meet local priorities. From 9 December you will find the results of Comprehensive Area Assessment on the Oneplace website - <http://oneplace.direct.gov.uk/>

Alternative formats - If you require a copy of PDF documents in this site in large print, in Braille, on tape, or in a language other than English, please call: 0844 798 7070

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for an independent overview
of local public services

Hartlepool Borough Council

Organisational Assessment

Pre-publication version dated 03 December 2009

Provided under embargo



for an independent overview
of local public services

Hartlepool Borough Council

Overall, Hartlepool Borough Council performs well

Managing performance	3 out of 4
Use of resources	3 out of 4
Managing finances	2 out of 4
Governing the business	3 out of 4
Managing resources	3 out of 4

Description of scores:

1. An organisation that does not meet minimum requirements, Performs Poorly
2. An organisation that meets only minimum requirements, Performs Adequately
3. An organisation that exceeds minimum requirements, Performs Well
4. An organisation that significantly exceeds minimum requirements, Performs Excellently

Summary

Hartlepool Council is performing well.

It is making good progress on its priorities and is contributing strongly to the Hartlepool Partnership priorities.

Hartlepool Council works well with its local partners on very challenging and ambitious plans to revitalise the town and secure a better future for the people of Hartlepool. It understands the local community and its needs well because it carries out a lot of research and involves local people and organisations in developing plans. It delivers good and improving services and its adult social care is excellent. It is improving how it works so that it can deliver services better and at lower costs. This is important because, in common with many other councils its costs are rising faster than its resources. Sometimes this is because demand for its services are increasing.

Hartlepool scored three out of four for the way it uses resources and manages performance.

Ofsted has rated the Council's children's services as performing well. Most childcare and schools are rated good or outstanding and none are inadequate. Schools prepare pupils well for learning and results are improving. In 2008 results for those achieving five or more GCSEs at A* -C including maths and English - which are critical at work and for further education and training - improved but remained well below the national average. Unvalidated results for 2009 show further improvement. Progress made by young people from poorer areas is good and pupils with learning difficulties and /or disabilities progress and achieve well in most schools.

The Care Quality Commission has rated the Council's adult social care as excellent. People have excellent outcomes from social care services. People are able to choose how they will be supported and have budgets to buy services. They have good support to live independently and those living in care homes are cared for safely.

The council shares the priorities of the Hartlepool Partnership - so they are working towards achieving the same things as the rest of their partners. They also have an additional priority 'Developing the organisation'. This is about improving the way the Council itself works. This year it is focusing on making big changes to make it more efficient. So far it is managing these changes well.

It is contributing well to the priorities for the local area. It recognises the areas where it needs to make further improvements. These include continuing to help to get more people into work and improve the economy, improving the number of young people getting five or more good GCSEs, reducing waste, ensuring that people can get homes which they want to live in and can afford, improving health and making the area safer. In most cases it has plans in place which should help to improve these. But it still needs to do more work with partners to make sure that poor lifestyle choices which affect health, such as drinking too much alcohol are dealt with. It also needs to do more to make sure that it can show that all of the services it provides are making a difference to the people in the way they intend. Doing this would help the council demonstrate even better value for money.

The council is improving its services. It has managed to provide additional resources for important services such as those for adults with mental and physical disabilities. It has a good understanding of its impact on the environment and had made a number of changes to the way it works to improve this. It knows it has more to do. It has improved performance across a range of measures. It makes good use of the information it has, but it has not always had the best possible financial information available. It knows it needs to improve this and this is a priority for the current year.

About Hartlepool Borough Council

Hartlepool is located on the North-East coast within the Tees Valley sub-region. It is a compact town, linked to the rest of the region and country by road, rail and sea. The A19 passes through the western rural part of the Borough and the A1 (M) is close by. Trains travel along the East coast connecting Hartlepool to Newcastle, the rest of the Tees Valley and directly to London. Hartlepool also has a significant port and a world-class marina.

The town combines dense urban areas, the marina and expanding suburbs with several distinct rural villages set in attractive countryside.

Around 90,000 people live in the town of which just over one per cent are from black and minority ethnic communities and almost a fifth are at or above retirement age.

Hartlepool became an important major port in the 19th century, when shipping and shipbuilding brought wealth and importance to the area. When

the shipyards and related industries closed in the 1960's Hartlepool's fortunes declined.

Significant regeneration over the last 20 years has transformed the town. Today it has tourism activity linked to its maritime heritage. The local economy includes chemical engineering activity, new business parks and an increasing number of small businesses. However, there is still a legacy of high unemployment, poor health and low educational aspirations.

The Borough forms part of the Tees Valley City Region, home to some 662,100 people living mainly around the lower Tees. It includes Stockton-on-Tees, Middlesbrough, Redcar & Cleveland, Darlington and Hartlepool.

Hartlepool is a unitary local authority represented by a directly elected mayor and cabinet.

Organisational assessment

Jobs and the economy

Hartlepool's economy is stronger than it was 10 years ago and there are examples of things getting better. More businesses are starting up and there is much support from partners to help them to develop. More people who haven't worked or haven't worked for some time are getting support to help them into work. They are getting practical help, training, work experience and jobs thanks to good partnership working. There will be more opportunities for people to get work experience through volunteering because of partners working together on projects such as Tall Ships.

But, parts of Hartlepool's economy remain fragile and this makes growth more difficult and makes the area vulnerable to the current downturn. People in Hartlepool are less likely to be working and more likely to be receiving benefits than people in most other parts of the north-east or the country as a whole. There are a number of reasons for this. For example, there are too few jobs that local people can take-up. There are other jobs that people don't want to take-up or are unable to take up for health or other reasons.

The Council has been helping people get back into work for many years. To help local people who find it most difficult to get work the Council set up a special family support team. Because of their work the people they have supported have been able to get training or study for qualifications and some now have jobs.

To help to bring more jobs to the town the Council has helped to provide new or upgraded property for business and this has worked well. The refurbished Brougham Enterprise Centre and the new buildings on Queens Meadow, known as the Innovation Centre, are full and there are plans for further development.

The Council has helped local businesses to stay in business during the recession by, for example, making sure they are paying them very quickly when they buy from them. So far the recession has only made a small difference to the number of business premises that are empty.

The Council is working hard to make sure that empty retail units are occupied and has some good plans, with others, to help people try out business ideas at little or no cost and to help existing businesses.

There are now more businesses in Hartlepool than in the past. But although the rate at which new businesses have developed has grown well compared with other Tees Valley authorities, it is still a long way behind the rest of the country.

The recession has hit employment in Hartlepool harder than in many other parts of the country. But the effect has been less than it would have been if the Council had not encouraged and supported businesses.

Lifelong learning and skills

Hartlepool schools are contributing well to improving lifelong learning and skills.

A higher than average proportion of childcare, nurseries and primary schools is good or outstanding and none are inadequate. The two special schools are good, and the pupil referral unit is adequate. The children's home in Hartlepool is good. The proportion of good or better secondary schools, including the sixth forms, is higher than in similar areas. Schools are strong in ensuring that pupils are well prepared for learning and are well equipped to continue their education or training after the age of 16.

Schools are pleased with the support which the Council gives them to help them to make sure that children and young people are able to achieve and have a good start to their lives. Steady improvements have ensured that levels of qualifications that young people achieve at age 16 and by age 19 compare well with similar authorities and overall match the national average. Last year more young people left school with more qualifications. The 2008 GCSE results for those achieving 5 or more GCSEs at A* C including maths and English which are critical at work and for further education and training - did improve and were just 2% below similar areas. However they were well below the national figure and fell a long way short of the challenging government target. Provisional results for 2009 show GCSEs have significantly improved in Hartlepool.

Young people from poorer areas made more progress than others from similar backgrounds nationally.

When they start school children have low skills levels. But they make good progress in Hartlepool's primary schools and by age 11 they do better than children in similar areas. Results for younger (Key Stage 2) pupils showed some significant improvements but did not meet all targets. Pupils with learning difficulties and /or disabilities progress and achieve well in most schools.

Health and well-being

Many Council services play a part in people's health and well being. Poor

health and well being is a big concern in Hartlepool because people die younger and suffer more ill health than in other parts of the country.

People have excellent outcomes from adult social care services. The Council helps them to choose how they would like to be supported, and gives them budgets to buy services. Many disabled people are helped to use sport and leisure activities. Good support is helping people to come out of hospital quickly. Many people are supported to live independently at home, with help such as Telecare equipment and services. The Council is encouraging people to give their views about services, and they are making changes as a result. People living in care homes are cared for safely. Carers can access a new emergency care service if they have an emergency which means that they can't carry out their usual caring role. This is helping give peace of mind for carers and the people they look after. The Council has put new services in place to help grandparents and carers from families affected by drug misuse.

Surveys of people who receive these services show that they are happy with the services that they get and those who have telecare services feel safer in their homes.

The Council is working with others to get people in Hartlepool to live more healthily. As a result more people in Hartlepool are stopping smoking, especially in poorer areas. More people are getting advice about healthy living at work. People who need to take more exercise are starting to, through referral schemes and reduced price schemes. Schools are encouraging healthy eating. This is important as there are too many children who are obese and this affects their health.

But there are still issues where the Council needs to work with its partners to make a difference. There are still too many teenage pregnancies and too many people drink too much alcohol. These both affect health.

Community Safety

Hartlepool is a safer place because the Council works well with the community and other local organisations, such as police and the fire service to cut crime and make the area a safer place to live. Big falls in crime have continued and last year there were 1087 fewer victims of crime. There has been much work to tackle antisocial behaviour in areas where it was a big problem. Local people now feel that this is less of a problem now than it was in the past.

The Council shares buildings and staff with other organisations such as the police, fire brigade, victim support and probation, in the town centre. They work together as one team and identify and tackle problems quickly. As a result residents are more satisfied with the area as a place to live. This work has been nationally recognised as a good way of working which cuts crime.

The Council takes young people's safety seriously and its services contribute well to helping them to stay safe. Schools are strong in ensuring that pupils are safe. Children whose circumstances make them vulnerable and those who are in the care of the council have their needs reviewed promptly so that they can get support. Good work has been undertaken to reduce bullying.

But there are still many problems because people are drinking too much alcohol or misusing other substances and committing crimes when they are drunk. This is a big issue in Hartlepool.

The Council and partners have a good understanding of the risks that come with misuse of this kind. They have set up several projects to try to tackle this. For example they are trying to make sure that young people are aware of the risks they are taking through a project called 'Straightline'.

The Council is working with others to develop new plans to address problems related to alcohol. They need to understand more about why people harm themselves by misusing alcohol or other substances to make sure they are tackling the problems in the right way.

Services to offenders who use drugs are meeting targets. More people are entering drug treatment. The Council, police and probation are working closely to tackle re-offending. They also have a special unit to tackle the offenders who commit most of the crime in Hartlepool.

Environment

The Council has made changes which have improved the environment.

In the first year that recycling services have been fully available there has been a big improvement - with more than one-third of waste now reused, recycled and composted. Hartlepool still produces a lot of waste. The Council is making efforts to reduce this and to ensure that people get rid of all waste properly and don't dump it.

Although surveys show that local people still see litter as a problem, there is less now thanks to concentrated efforts in the backstreets and town centre. Local people help improve the environment. For example 83 groups took part in the Council's 'Pride in Hartlepool' campaign, and local schools have undertaken litter picks.

The Council has reduced energy use in its own buildings and street lighting. Schools have cut their water and energy consumption. The Council has worked hard with its own staff and throughout Hartlepool to help people find practical ways to reduce their environmental impact.

The Council's planners do a lot of work to make sure that the natural environment is protected when it is looking at plans for major developments. The Council has also made changes to the way it works to help to conserve and improve the natural environment. For example it now times tree pruning so it doesn't interfere with bird's nesting and it plants to attract wildlife.

Housing

The Council has worked well to make sure there are few people who do not have homes. It has good plans to deliver more new affordable homes and to improve some of the less attractive homes so people will want to live in them, and it thinks that these are realistic in the current economic climate. It is getting extra money from the government to help it to do this. This year the

Council helped to deliver more new affordable homes, mostly for older people in a new retirement village.

But there are too many houses in Hartlepool which people don't want to live in and not enough which people both want to live in and can afford despite improvements in recent years. But as a result many people are waiting for social housing. Several of the reasons for this are not within the Council's control.

Residents and the Council have worked together to agree how to get more homes that people want to live in. As a result 650 smaller terraced houses have been knocked down and 324 new homes have been built to modern standards. One in five of these will count as affordable.

There have been some good improvements to the condition of social housing in the town. Most social housing now meets national standards. Progress on improving some of the private sector homes in the town didn't quite meet the target which the Council set.

Housing services are helping people to live independently in the community and are helping some people to move to places where they'd like to be. Over the last year the Council contributed to helping 138 people to move back and integrate in the community. The new retirement village which opened provides extra care for people needing it as well as a mix of new homes for rent and to buy for older people. The Council will be making further improvements to housing for older people next year. A new scheme for tenants is letting them choose and apply for homes across Tees Valley, making it easier for people to move within the area.

Culture and leisure

The Council's culture and leisure services provide access to many arts, leisure and cultural opportunities for people to take part in and enjoy.

The Council is playing a major role in helping growing numbers of people take up physical activity in Hartlepool - which is vital as many people are obese and lead unhealthy lifestyles. Its culture and leisure facilities and services are enabling more people to take up more active lifestyles than in other parts of the Tees Valley.

Varied programmes and price cuts and discounts are boosting the numbers enjoying sports and active leisure pursuits such as swimming. The Council has secured funding to further improve leisure and play facilities.

The Council's mobile home library service serves people who cannot travel to a library, helping them keep their independence. People in Hartlepool use this service more than many other places. They value it and see it as an important way of keeping their minds active.

The Council plans to use the high-profile Tall Ships event in 2010 to promote healthy living messages. The event is creating opportunities for volunteering and employment. The Council feels that arts and culture play an important part in improving local people's lives. They use volunteering as a way of improving people's health and well-being, as well as giving people experience

and skills to help their employment prospects.

The Council is also encouraging local businesses to get involved and to sell more of their products and services through the event. But Hartlepool will not hold on to all the extra spending by visitors. For example, the local area does not have enough hotel accommodation, so other parts of the region will also benefit.

Growing numbers of people are taking part in the arts, leisure, education and sports in local communities. The Council and its partners hope that this will make a positive difference to people and neighbourhoods by improving, for example, health and job prospects. They need to find ways to measure their success to find out what does and doesn't work.

Strengthening communities

The Council ensures that local people have the opportunity to influence plans which affect them. The Council has a good understanding of local communities because it carries out much research and involves local people and organisations in developing plans. As a result more people in Hartlepool feel that they know how they can get involved in decision making.

Eight of the less well-off areas have neighbourhood action plans developed by the Council and local community. These identify what can improve people's quality of life in the area and set out what they expect the area to be like in five years time. They update the action plans every year.

Young people in Hartlepool are able to get services that they need to make a positive contribution. The Council is good at consulting children and young people. They are participating in making decisions about things which are important to them through a wide range of activities.

Council services are supporting vulnerable young people well. Following consultation with young people with learning difficulties and/or disabilities and their parents, the Council set up several new projects. As a result the services these young people receive are getting even better. Support for care leavers is particularly good. Fewer young people receive a custodial sentence and most take part in education, employment or training with most having access to suitable accommodation. Rates of permanent exclusions from schools are low. But too many young people are misusing substances and this is a concern.

Council plans and actions have a strong focus on helping people from poorer communities catch up with those in other areas in all aspects of life such as health, jobs and education. They can give examples of some services, such as education, and targeted projects and initiatives making a difference. But the Council can't always show that poorer neighbourhoods are catching up with better off ones across a broad range of measures.

The Council does undertake projects which really can help narrow gaps and make a difference to people's lives. For example it has worked with partners on a financial inclusion project. This has helped people who wouldn't otherwise be able to get bank accounts to have the use of banking facilities that most people take for granted. These include being able to get cash

when they need it from machines and being able pay bills by direct debit. People taking up these services will be able to get discounts which are only made available to people paying by direct debit.

Developing the organisation

The Council has developed its new plan for 2009/10. It fits well with overall plans for the area and continues to focus on the big issues which people in Hartlepool identified as needing to improve. The Council is placing more emphasis on some of the areas where it made less progress last year, such as the economy and raising achievement in secondary schools. It has also added new priorities in areas where it knows things will be more difficult over the coming year, such as finance.

The Council is making some big changes to the way it works. It needs to do this to ensure that it can afford to deliver good services which meet people's needs in future. It will share expertise and resources such as buildings and systems better to make sure that people can get the services they need more easily. Its services already provide good value for money, and this should help them become even better.

The Council has good leadership and skilled and knowledgeable staff committed to making improvements. It has a track record of developing good plans for improvements and carrying them out.

Its new plans aim to simplify the Council's structure and make it more efficient so it can deliver services at a lower cost. It has started to make some big changes to the organisation to make this happen. So far it is managing these changes well and meeting deadlines. The council has worked out how it can make major cost savings in years to come, although it expects to have some extra one-off costs in the short term.

CAA looks at how well local public services, working together, are meeting the needs of the people they serve. It's a joint assessment made by a group of independent watchdogs about the performance of local public services, and how likely they are to meet local priorities. From 9 December you will find the results of Comprehensive Area Assessment on the Oneplace website - <http://oneplace.direct.gov.uk/>

Alternative formats - If you require a copy of PDF documents in this site in large print, in Braille, on tape, or in a language other than English, please call: 0844 798 7070

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9 December 2009

Ms Nicola Bailey
Director of Children's Services
Hartlepool Borough Council
Civic Centre
Hartlepool
Durham
TS24 8AY

Dear Ms Bailey

Children's services annual rating

Ofsted guidance published in May 2009 explained that the annual rating would derive from a new performance profile of the quality of services and outcomes for children and young people in each local area. This profile includes findings from across Ofsted's inspection and regulation of services and settings for which the council has strategic or operational responsibilities, either alone or in partnership with others, together with data from the relevant *Every Child Matters* indicators in the new National Indicator Set (NIS).

In considering the evidence in the profile to determine the children's services rating for 2009 it has become clear that the continuing gaps in the data are significant, particularly those relating to aspects of social care and services for Looked After Children. Ofsted has decided therefore to use 2009 as a transitional year easing into the full application of the new system in 2010. As a consequence, although the performance profile remains central to Ofsted's rating, we have interpreted the performance bands with flexibility and exercised professional judgement with caution.

The annual rating derives from a four point scale:

4	Performs excellently	An organisation that significantly exceeds minimum requirements
3	Performs well	An organisation that exceeds minimum requirements
2	Performs adequately	An organisation that meets only minimum requirements
1	Performs poorly	An organisation that does not meet minimum requirements

Within each level there will be differing standards of provision. For example, a rating of 'performs excellently' does not mean all aspects of provision are perfect. Similarly, a rating of 'performs poorly' does not mean there are no adequate or even good aspects.



Children's services rating 2009

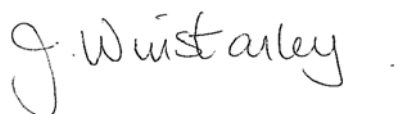
Children's services rating	Performs well (3)
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Children's services in Hartlepool Borough Council perform well.

A higher than average proportion of childcare, nurseries and primary schools is good or outstanding and none have been judged to be inadequate. The two special schools are good, but the pupil referral unit is only adequate. The children's home in Hartlepool is good. The proportion of good or better secondary schools, including the sixth forms, is higher than in similar areas. Schools are particularly strong in ensuring that pupils are safe and are well prepared for learning post-16. Performance of the council's fostering agency is good and private fostering arrangements are adequate. The adoption agency is also adequate.

Performance against a large majority of national indicators, including those for staying safe and enjoying and achieving, is in line with similar areas and broadly in line with the national figure. School achievements at age 11 are above those of similar areas and above the national average. At age 16, results match those in similar areas but they remain below the national average. The difference in the performance of children and young people whose circumstances make them vulnerable and others of the same age is reducing and children and young people with special educational needs do well at school. Pupils from different minority ethnic backgrounds also do well but results at five or more GCSEs at A* to C grades including English and maths for Asian students were low in 2008. Outcomes in levels 2 and 3 qualifications by age 19 match those of similar areas and nationally. The proportion of 16- to 18-year-olds who are not in education, employment or training is lower than in similar areas.

The children's services rating is provided for the purpose of section 138 of the Education and Inspections Act 2006. The rating of local authority children's services will contribute significantly to the managing performance theme of each local authority's Comprehensive Area Assessment (CAA) organisational assessment and therefore to the score for each local authority overall.



Juliet Winstanley
Divisional Manager, CAA

7.2 Appendix 4



CQC
St Nicholas' Building
St Nicholas' Street
Newcastle Upon Tyne
NE1 1NB

Ms N Bailey
Director of Adult and Community Services
Hartlepool Borough Council
PO Box 96
Victoria Road
Hartlepool
TS24 8YW

12th October 2009

Dear Director

Annual Performance Assessment of Adult Social Care for Hartlepool Council 2008/9

Introduction

The Annual Performance Assessment (APA) report outlines the findings of the 2009 Annual performance Assessment process for your council. Thank you for the information you provided to support this process, and for the time made available by yourself and your colleagues to discuss relevant issues.

With this letter is the final copy of the Annual Performance Assessment report. Also attached are:

- The Performance Assessment Notebook (PAN), which you have already had an opportunity to comment on for factual accuracy following the Annual Review Meeting and
- The Quality Assurance & Moderation summary, which provides a record of the process of consideration by CQC from which the APA report is derived.

The grades outlined in the APA report are an overall grade for delivering outcomes and a separate grade for each of seven outcomes. The commentary on the two domains of leadership, use of resources and commissioning will be directly transferred to the Comprehensive Area Assessment (CAA) from the APA report.

The grades we use are:

Grade	Descriptor
Grade 4: (Performing excellently) People who use services find that services deliver well above minimum requirements	A service that overall delivers well above minimum requirements for people, is highly cost effective and fully contributes to the achievement of wider outcomes for the community.
Grade 3: (Performing well) People who use services find that services consistently deliver above minimum requirements	A service that consistently delivers above minimum requirements for people is cost effective and makes contributions to wider outcomes for the community.
Grade 2: (Performing adequately) People who use services find that services deliver only minimum requirements	A service that delivers only minimum requirements for people, but is not consistently cost effective nor contributes significantly to wider outcomes for the community.
Grade 1: (Performing poorly) People who use services find that services do not deliver minimum (performing adequately) requirements	A service that does not deliver minimum requirements for people, is not cost effective and makes little or no contribution to wider outcomes for the community.

The Director of Adult Social Services (DASS) is expected to take the report to an open meeting of the relevant executive committee of the council by 31st January 2010 and to inform us of the date this will take place. The council should make the report available to members of the public at the same time and they must copy this grading letter and report to the council's appointed auditor.

ADULT SOCIAL CARE PERFORMANCE JUDGEMENTS FOR 2008/09

Overall Grade Awarded for Delivery of Outcomes	Excellent
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Delivering Outcomes	Grade Awarded
Improved health and emotional well-being	Excellent
Improved quality of life	Excellent
Making a positive contribution	Excellent
Increased choice and control	Excellent
Freedom from discrimination or harassment	Well
Economic well-being	Excellent
Maintaining personal dignity and respect	Well

The attached APA report sets out progress about areas of good performance, areas of improvement over the last year, areas which are priorities for improvement and, where appropriate, identifies any follow up action CQC will take.

Full details of the written representation process are available on our website at www.cqc.org.uk

The timescales are as follows:

- Councils have until 12 noon on Wed 14th Oct to inform us of their intention to make a written representation.
- Councils send in their full written representation by 12 noon on Monday 19th Oct 2009.

Any intention must be sent to: Louise Guss, Representations Officer, c/o the Representations Administrator Jenny Wright, either by email to jenny.wright@cqc.org.uk or by fax to 01484 770 420

Yours sincerely

A handwritten signature in dark ink, appearing to be 'J. Dent', written over a horizontal line.

Regional Director
Care Quality Commission

Council Name: Hartlepool

This report is a summary of the performance of how the council promotes adult social care outcomes for people in the council area.

The overall grade for performance is combined from the grades given for the individual outcomes. There is a brief description below – see Grading for Adult Social Care Outcomes 2008/09 in the Performance Assessment Guide web address below, for more detail.

Poorly performing – not delivering the minimum requirements for people

Performing adequately – only delivering the minimum requirements for people

Performing well – consistently delivering above the minimum requirements for people

Performing excellently- overall delivering well above the minimum requirements for people

We also make a written assessment about

Leadership and

Commissioning and use of resources

Information on these additional areas can be found in the outcomes framework

To see the outcomes framework please go to our web site: [Outcomes framework](#)

You will also find an explanation of terms used in the report in the glossary on the web site.

Delivering Outcomes Assessment

Overall Hartlepool council is performing:

Excellently

Outcome 1:

[Improved health and well-being](#)

The council is performing:

Excellently

Outcome 2:

[Improved quality of life](#)

The council is performing:

Excellently

Outcome 3:

[Making a positive contribution](#)

The council is performing:

Excellently

Outcome 4:

[Increased choice and control](#)

The council is performing:

Excellently

Outcome 5:

[Freedom from discrimination and harassment](#)

The council is performing:

Well

Outcome 6:
[Economic well-being](#)

The council is performing: **Excellent**

Outcome 7:
[Maintaining personal dignity and respect](#)

The council is performing: **Well**

Click on titles above to view a text summary of the outcome.

Assessment of Leadership and Commissioning and use of resources

Leadership

Strategies and plans across organisations in Hartlepool are linked through the local strategic partnership and the community strategy. The council as a whole has a focus on wellbeing. It is engaged in a "Business Transformation" process, to continue improving the way things are done. The move towards personalised social care is supported by a steering group and work groups which track progress. Plans are always developed in consultation with local people. Social care outcomes for people continue to improve and the council has demonstrated over the last year its ability to deliver significant changes to the way that people are supported. Since December 2007, it has offered a supported self assessment and a personal budget to everyone eligible for social care, other than people who are in crisis. Many people now direct their own support, and more use universal services than previously. There has been training about the personalisation of services for council social care staff and staff in other departments, elected members, independent providers, people who use services, their families and carers. There is a new transitions team for young people moving into adulthood, and a dedicated Personalisation Team who work with adults who wish to change their life or service fundamentally, for example if they wish to move out of residential care and back into the community.

Information about people's needs has been used in the development of key targets for the council and its partners. Planning and delivery are increasingly being undertaken jointly with health partners, and where appropriate they are undertaken in collaboration with a neighbouring council or on a Tees-wide basis. Feedback is gathered through a range of methods, including user-led evaluation and managers' visits to people who use services. The wide introduction of self-directed support is starting to impact on the use of traditional services, and this has needed new systems to check how resources are being used and to plan support in future. Discussions with service providers are helping them identify ways in which they can adapt, so that they offer services which people will want to purchase in future. Scrutiny forums this year investigated the quality of care homes and the leisure and recreation services available for vulnerable adults.

Management structures in commissioning are now integrated with the Primary Care Trust (PCT), and operational services work in a joint management structure with the Foundation Trust. The multi-disciplinary teams have been reviewed and confirmed as effective. Technology is being developed to enable managers and staff to view and share information across health and social care systems, and there is further work to do on this.

Performance management arrangements are based on the seven outcomes for social care. Performance against national and local indicators is discussed corporately and at team level. Joint performance reporting arrangements are being developed so that managers in social care and health can use information which is currently collated on separate systems. Some staff have been trained to lead reviews of the processes used during their work, rather than using external facilitators to do this work, and these reviews have led to the introduction of more effective and efficient approaches.

Commissioning and use of resources

The views of people who use services, their families and carers, are taken into account by the council, which can demonstrate changes it has made in response. All planning groups involve people who use services and their carers, and through these groups they have a strong influence on decisions about the use of funding. Lay assessors seek the views of older people who use residential care services. Integrated commissioning approaches between social care and health have been put in place this year, and good relationships with local providers ensure that they contribute to future plans. The move to personalised care has meant that many people are purchasing their own support, so that rather than participating in consultation they make their own commissioning decisions. Some people living in small residential homes or independent living schemes are being helped to obtain a personal budget and personalised package of support to replace block contracted provision.

The council has demonstrated the ability to successfully introduce a major change to the way that people are assessed and resources used. Elected members support the use of resources to increase the personalisation of care and to reduce inequalities. There is good information about performance, and knowledge of population need is increased through the use of detailed information about the profile of people who are the subject of referrals. A new finance and contract monitoring system is being phased in, and will be used to administer personal budgets as well as to pay service providers. A much higher proportion of residential care providers are paid an incentive fee for quality reasons than in similar councils. A Voluntary Sector Strategy has been developed this year, to make sure that the voluntary sector is supported in its delivery of good outcomes for people.

Summary of Performance

The council works together with other organisations to provide a wide range of information about healthy lifestyles in different formats. There are projects to support the wellbeing of people with particular needs. A high level of intermediate care and rehabilitation helps people return home from hospital as soon as they are well, and the council is not responsible for any older people staying in hospital for longer than is needed. There are services to help people avoid falling, and the number of falls has reduced. People in care homes receive varied meals which meet their individual needs. People who choose to be cared for in their own homes at the end of their lives, rather than in hospital, have appropriate support, and staff in care homes are trained about end of life care.

People are helped to find information and advice through the council's publication 'Hartbeat' and an 'A-Z' of council services, both of which are delivered to every household. The 'Hartlepool Now' website brings together health, social care, and other information. Information is provided in Braille, large print and written British Sign Language, if needed. Interpreters are also available. There is good support for people with lower-level needs, and help is available with small but important tasks such as decorating and changing light bulbs. Services for people from the Hindu and Sikh communities are provided through a contract with a neighbouring council. Telecare systems continue to support people at home, and a Telehealth project is being piloted. Many older people are helped to live in their own homes and equipment and adaptations are delivered very promptly. A significant number of carers now use direct payments to help them continue to provide care.

People who receive social care support use mainstream leisure activities. Some transport has been made easier to use and an accessible 'changing place' toilet for people with disabilities has opened. Direct payments help carers have better access to a social life. The widespread introduction of personal budgets means that many more people now choose their own support. The council and Foundation Trust have joint teams, which include Community Matrons, and staff work together to support people with long term conditions and those living in care homes that have health needs. Some people with complex disabilities have returned to their home area from placements elsewhere in the country.

Many people who use services, and their carers, are on public bodies and are helped to contribute fully to the work of partnership boards and other groups. There is a strong voluntary and community sector and a number of voluntary groups are led by people who use services or their carers. People are involved in planning and reviewing services, and there have been improvements as a result. Some people with learning disabilities quality monitor services. Managers and planners visit ten people each month to hear about their experiences. A lay assessor project trains volunteers to work with people who use services.

Information is monitored and amended if necessary. The 'Reach Out' website offers easy to read information for people with disabilities. A care homes' directory gives information on services which are regulated by the Care Quality Commission. Everyone, apart from those in a crisis, undertakes a self-assessment, is informed of their annual resource allocation, and is helped to decide how they wish this money to be used. More people now use services in the community such as lunch clubs and leisure centres, rather than traditional day care or respite services.

Advocacy services are available when needed. Most assessments take place promptly, and people receive services after assessment without delay. The number of people using direct payments continues to grow, and most payments are for a substantial amount. New extra care housing now offers an alternative to traditional residential care and the number of older people in residential care has reduced.

Carers have helped to develop a new carers' strategy, and contracts have been awarded for additional support for carers. Emergency duty services are provided through a Tees Valley arrangement, and a Carers' Emergency Respite Service has been established, which can be contacted day and night. The council has a good system for identifying changes that need to be made in the light of complaints.

Everyone can plan support that suits their own needs, regardless of whether or not they will pay for it. People who are not eligible for services under the council's criteria are directed to a wide range of other support. All staff have diversity training. The council monitors safeguarding referrals to identify any patterns, and takes action to tackle concerns. Some short films created by and for people with disabilities included issues about harassment and people's rights. A survey of people using Telecare found that it made them feel more confident. Equipment to help people feel safe in their homes includes remote control door entry and locking systems, and specialist equipment for people with sensory loss.

Everyone thinking about their choices of care has a welfare benefits check to make sure they receive everything they are entitled to. They can be helped to visit facilities before making a decision about the future. An employers' forum has been set up to increase work for people with disabilities. A high number of people with learning disabilities are in paid work, voluntary work, and education. More people now use their personal budgets to help them stay in work.

The council has raised public awareness of safeguarding issues and more referrals were received this year. They were responded to promptly. People with learning disabilities have been helped to recognise abuse and how to report it. The Hartlepool Adult Safeguarding Board includes managers of health organisations, and their staff are involved in safeguarding work. The council has had an independent review of safeguarding arrangements, and made some changes as a result. A Tees-wide Safeguarding Board has been set up to coordinate resources and training across neighbouring councils. The council visits care homes to make sure their staff understand safeguarding policy and procedures. A high proportion of the council's staff and care staff in the independent sector have had safeguarding training.

A 'risk enablement' panel helps to identify any potential risks in people's support plans, and how they can be managed. Social care staff and lay assessors ask people living in residential care and their families if they are treated with dignity and respect. The council has worked with providers to make sure there are improvements in individual homes' performance if needed. The environment in care homes and home care is good compared to similar areas. The council works with family members and carers, and has asked them how they would like support and services to be offered. Carers play a key part in awarding contracts for support.

Outcome 1: Improved health and well-being

The council is performing: **Excellent**

What the council does well.

- People are offered a wide range of information about healthy lifestyles, in a range of formats. These include a regular newsletter and a website for people with disabilities.
- Council staff across departments are trained about health issues through the 'Healthier Communities' programme.
- People with a range of social care needs are encouraged to have health checks and try out physical activities. People with learning disabilities try out sports activities, and a walking group for people with mental health problems has increased their self esteem and they now take part in group social activities.
- Older people do not spend longer in hospital than is medically necessary.
- To help people return home from hospital, there is a high level of intermediate care, and there are rehabilitation and transitional care beds. People can be supported with Telecare equipment when they return home.
- People with learning disabilities have helped to produce a training pack about healthy eating.
- Care home staff are helped understand the individual dietary needs of older people with mental health problems, and changes to food have resulted in a healthy weight increase for some people. Independent Assessors who evaluate services in care homes ask specific questions about meals and how people's cultural and dietary needs are met.
- People can choose to be cared for in their own homes at the end their lives, if they wish. There is a strategy for end of life care and the Gold Standards Framework for end of life care is being implemented across eleven care homes. Staff in care homes and the hospice are trained in providing end of life care for people with dementia.

What the council needs to improve.

- Make sure that the very small number of people with learning disabilities living in NHS campus provision move into suitable accommodation.
- Regularly review the needs of everyone who uses services.

Outcome 2: Improved quality of life

The council is performing: **Excellent**

What the council does well.

- A high number of people are helped to live independently in their own homes. Help includes support with simple tasks such as decorating and changing light bulbs.
- People are supported through Telecare systems.
- People receive equipment and adaptations very promptly after assessment.
- A significant number of carers now use Direct Payments to help them continue in their caring role and to have a better social life.

- People who use services are engaged in mainstream leisure activities. For example, people with mental health issues are encouraged to use community activity services rather than traditional building-based day services.
- The Waverley Terrace allotment project is used by a range of people who use services. It has accessible greenhouses, and participants are involved in planning and purchasing equipment.
- More people with learning disabilities are in educational placements this year, and twenty eight have completed a course in Citizenship.
- An accessible “changing place” toilet has opened in the central library.

What the council needs to improve.

- Make sure that everyone who uses services has good access to suitable transport arrangements by continuing to implement the findings of the transport review.
- Offer people with complex needs who live outside their home area the choice of moving to suitable accommodation locally if this is what they want.

Outcome 3: Making a positive contribution

The council is performing: **Excellently**

What the council does well.

- Many people who use services, and their carers, have roles on public bodies.
- A programme of capacity building helps people who use services to contribute fully to the work of partnership boards and other groups.
- There is a thriving voluntary and community sector in Hartlepool. Supervision, appraisal and training are being introduced for volunteers.
- A large number of voluntary groups are led by people who use services or their carers. Some offer advice or services in a locality, others support people with particular issues such as those with mental health needs.
- People who use services and their carers are involved in the planning and review of services, which have improved as a result.
- Connected Care, based in Owton Ward, is part of a national pilot. It co-ordinates services across organisations in response to people’s stated preferences. It helps with a range of issues including debt management and housing related needs.
- Some people with learning disabilities undertake quality monitoring of services.
- Carers control decisions about expenditure of the Carers’ Grant.
- Managers and planners visit ten people each month to hear about their experience of services and processes.
- A lay assessor project trains volunteers to work with people who use residential and day services and home care.

What the council needs to improve.

- Make sure that people receive well co-ordinated support and good outcomes from the large number of voluntary organisations working in Hartlepool, by implementing the new voluntary sector strategy.

Outcome 4: Increased choice and control

The council is performing: **Excellently**

What the council does well.

- Information is available in a range of formats and is routinely monitored and, where necessary, amended. It can be translated on request. The 'Reach Out' website offers easy read information for people with disabilities, including "browse aloud" software which reads text out loud.
- Self directed support is now widely used and is changing the lives of many people who use services. Supported self-assessments are undertaken by everyone, apart from those in a crisis situation. They are told their annual resource allocation, and are helped to write a personal support plan which will say how they wish this money to be used.
- As the use of personal budgets increases, more people are using services in the community such as lunch clubs and leisure centres, rather than traditional day care or respite services.
- Advocacy services are available for people who need them.
- Most assessments are undertaken promptly, and services are provided after assessment with less delay than in similar councils.
- The number of people using Direct Payments continues to expand, and most payments are for a substantial amount.
- The Hartfields retirement village opened this year, and extra care housing is now offering people in Hartlepool an alternative to traditional residential care. The number of older people in residential care has reduced.
- Carers have helped to develop a new carers' strategy, and the action plan is being implemented. Contracts have been awarded for additional support to carers.
- A Carers' Emergency Respite Service has been established, which can be accessed day and night, and can provide up to 72 hours of free domiciliary care.
- The level of complaints has been stable over the last few years and continues to be lower than in similar councils. The council has a good system for identifying changes that need to be made in the light of complaints, and "lessons learned" are shared with all managers.

What the council needs to improve.

- A new national measure of performance suggests that the council does not provide particularly high levels of support for carers. The council believes this is because information and advice for carers is provided, via contracts, by a range of external organisations and is not included in its figures. It should gather more information about the support offered to carers.

Outcome 5: Freedom from discrimination and harassment

The council is performing: **Well**

What the council does well.

- The introduction of personalised support means that everyone is involved in planning suitable support for their own circumstances, regardless of whether or not they expect to pay for their care.

- People who are not eligible for support are directed to a wide range of other services.
- There is a corporate approach towards ensuring fair access to services. A consultation group comments on the council's services, and ensures that the needs of people from the small black and ethnic minority community are met.
- Staff in the duty team, which is the first point of contact for most people, are trained in sign language, and translation services are available for people who need them.
- All staff have diversity training. All independent sector providers are expected to comply with legislation and good practice and this is checked through annual review visits.
- The council monitors safeguarding referrals and takes action to tackle the issues highlighted.
- Work has been undertaken with people with learning disabilities through a range of tailor-made approaches to help them keep safe.
- Some short films created by and for people in Hartlepool with disabilities have featured issues about harassment and people's rights.
- Community Development Workers work with people from black and minority ethnic groups in relation to mental health issues, and try to reduce stigmatisation and harassment and encourage people to use services.
- A survey of people using Telecare identified that it helped them feel more confident. Examples of other equipment which helps people to feel safe include remote control door entry systems and locking systems. Equipment is also supplied to support people with sensory loss to feel safe and secure within their homes.

What the council needs to improve.

- Make sure people have fair access to services by continuing to implement the recommendations of the external evaluation of the council's Equality Standard self assessment.

Outcome 6: Economic well-being

The council is performing: **Excellently**

What the council does well.

- People living at home pay for their care through a new contributions policy, rather than being charged separately for each service they receive.
- Everyone knows how much they can spend on their care before deciding how they would like to be supported.
- Everyone who receives services has a welfare benefits check and is helped to claim their entitlements. The welfare benefits team holds weekly surgeries and can visit people in their own homes.
- An employers' forum has been established to increase the amount of work available for people with disabilities.
- A high number of people with learning disabilities are in paid work, voluntary work, and education.
- A number of people with mental health problems have gained vocational or non-vocational qualifications. Some are at university, and some have moved into paid employment.
- More people now use their personal budgets to help them stay in work.

- Carers' assessments identify any needs they have in relation to maintaining or moving into employment. A large number of carers have been helped to stay in, or return to, work as a result of assessment and support. They are also helped to receive training and education.
- Some carers have used Direct Payments to fund relaxation activities, and report that this small scale support helps them continue both their working and caring roles.
- The council's employment policies aim to be carer friendly, and its staff survey suggest that the carers it employs feel the policies are supportive.

Outcome 7: Maintaining personal dignity and respect

The council is performing: **Well**

What the council does well.

- Public awareness of safeguarding issues has been raised by publishing information on websites, in articles in the local newspaper, and in the council's publication 'Hartbeat,' which is delivered to every household.
- The level of referrals increased this year and they were responded to promptly.
- The council has worked with people with learning disabilities to help them recognise abuse and how to report it.
- The Hartlepool Adult Safeguarding Board includes managers of health organisations. There is a group that looks at practice issues, and a multi-agency group undertakes training and workforce planning and audits its use across organisations.
- The council commissioned an independent review of safeguarding arrangements, and reports it identified a number of strengths and no major concerns. It has made some changes as a result.
- The council expects service providers to operate a "zero tolerance" approach to safeguarding. During the year it has made sure that every care home has the safeguarding policy and procedure, and has checked for evidence that they have been discussed with staff and that they understand it. A high proportion of the council's staff and staff in the independent sector have had relevant training.
- Although people identify how they would like their support needs to be met through supported self assessment and person centred planning, the council has a formal 'risk enablement panel' process to help keep people safe. It looks at any potential risks in their support plan and ways in which these can be managed.
- Lay assessors check with people living in residential care and their families that they are being treated with dignity and respect. Social care staff have visited every registered service in Hartlepool and completed reviews and reassessments to seek people's views and those of their carers.
- The quality of the environment in care homes and home care is good when compared with similar areas.
- Support is provided to help people with simple maintenance tasks in their own homes, and the council's partnership with the Fire Service has resulted in safety checks and the installation of smoke alarms. Other specialist support includes smoke alarms for people who are deaf, and mobile phones for people who are blind.
- People's health and care needs are seen in the round, as care and health staff work in joint teams.
- The council works in partnership with family members and carers. Carers who are members of the carers' strategy group play a key part in awarding contracts for support.

What the council needs to improve.

- Make sure that everyone is safeguarded by working with health partners to develop the training and involvement of health staff in safeguarding matters.