

# SCRUTINY CO-ORDINATING COMMITTEE AGENDA



**25<sup>th</sup> November, 2005**

**at 12.00 Noon**

**in Committee Room "B"**

## **\*PLEASE NOTE CHANGE OF TIME\***

**MEMBERS: SCRUTINY CO-ORDINATING COMMITTEE:**

Councillors Cambridge, Clouth, Cook, Cranney, Flintoff, Hall, Hargreaves, James, Kaiser, Lilley, A Marshall, J Marshall, Preece, Richardson, Shaw and Wright.

**Resident Representatives:**

Evelyn Leck, Linda Shields and Joan Smith

- 1. APOLOGIES FOR ABSENCE**
- 2. TO RECEIVE ANY DECLARATIONS OF INTEREST BY MEMBERS**
- 3. MINUTES**
  - 3.1 To confirm the minutes of the meeting held on 14th November 2005 (*to follow*)
- 4. RESPONSES FROM THE COUNCIL, THE EXECUTIVE OR COMMITTEES OF THE COUNCIL TO REPORTS OF THE SCRUTINY COORDINATING COMMITTEE**

No Items
- 5. CONSIDERATION OF REQUEST FOR SCRUTINY REVIEWS FROM COUNCIL, EXECUTIVE MEMBERS AND NON EXECUTIVE MEMBERS**

No Items
- 6. FORWARD PLAN**

No Items

## **7. ITEMS FOR DISCUSSION**

- 7.1 Budget and Policy Framework Initial Consultation Proposals for 2006/07:
- (a) Covering Report (Scrutiny Manager); and
  - (b) Corporate/Departmental Budget Pressures and Priorities for 2006/07 – Verbal Evidence/Presentations by Individual Directors accompanied with relevant Cabinet Member (subject to availability).

## **8. CALL-IN REQUESTS**

No Items

## **9. ANY OTHER ITEMS WHICH THE CHAIRMAN CONSIDERS ARE URGENT**

### **ITEM FOR INFORMATION**

**i) Date of Next Meeting – 20<sup>th</sup> December 2005, commencing at 4.30 p.m. in Committee Room B.**

**ii) Scrutiny Training and Development Programme 2005/06: Chairing Skills Training Event - 15 December 2005, 9.15 am to 12.30 pm, Civic Centre -** Maximum of 15 places available, allocated on a 'first come first served basis'. To secure your place please contact Lisa Woodward on 01429 (28) 4092 as soon as possible.

# **SCRUTINY CO-ORDINATING COMMITTEE**

## **MINUTES**

14<sup>th</sup> November 2005

### **Present:**

Councillor Marjorie James (In the Chair)

Councillors: John Cambridge, Rob Cook, Bob Flintoff, Gerard Hall, Pamela Hargreaves, Ann Marshall, Arthur Preece and Carl Richardson.

Resident

Reps: Linda Shields and Joan Smith.

Officers: Chris Little, Assistant Chief Financial Officer  
Gill Gittings, District Audit Commission Audit Manager  
Charlotte Burnham, Scrutiny Manager  
Sajda Banaras, Scrutiny Support Officer  
Joan Wilkins, Principal Democratic Services Officer  
Jo Wilson, Democratic Services Officer  
Rebecca Redman, Temporary Research Assistant (Scrutiny)

### **68. Apologies for absence**

Apologies for absence were received from Councillors Harry Clouth, Kevin Cranney, John Marshall, Jane Shaw and Mrs Evelyn Leck.

### **69. Declarations of interest by members**

No declarations of interest were made at this point in the meeting.

### **70. Confirmation of the minutes of the meeting held on 21<sup>st</sup> October 2005**

Confirmed.

### **71. Responses from the Council, the Executive or Committees of the Council to reports of the Scrutiny Co-ordinating Committee**

None.

## 72. **Audit Commission Inspection Reports – Best Value Performance Plan and Interim Audit Report** (*Scrutiny Manager*)

The Scrutiny Manager welcomed Gill Gittings from the Audit Commission who went on to present inspection reports relating to the Authority's Best Value Performance Plan and Interim Audit reports. Copies of each of the reports were circulated for Members attention.

Gill Gittings gave a brief presentation on the content and findings of both reports and in relation to the Interim Audit Report drew attention to the main conclusions reached regarding:

- The Core Process Review
- The Statement of Internal Control
- Internal Audit
- Financial Standing
- The Legality of Transactions, and
- Standards of Financial Conduct.

Following consideration of the information provided Members highlighted the following issues:-

- i) **Legality of Transactions – R5 – The Councils needs to undertake significant work to ensure compliance with the Civil Contingencies Act** – Members highlighted that the entry in the table was incorrect and asked that it be amended to show that the recommendation was agreed.
- ii) **Standards of Financial Control – R8 – That there should be a procedure in place for the disclosure of gifts and hospitality to the Chief Executive** – Members were advised that whilst there had been a breakdown in the disclosure system for the Chief Executives department the situation had been rectified. Whilst it was noted that a procedure was now in place Members requested that the entry be amended to read “there needed to be a procedure in place for the disclosure of gifts and hospitality to the Chief Executive and department”.
- iii) **Balances – Members queried why the Audit Commission had decided to look at the Authority's balances and were advised of the requirement for it to be undertaken.** It was noted that the Audit Commission had last year commented on the level of the Council's balances and that as part of ongoing work to assess the Council financial standing more detailed work was now being carried out. Members requested that following completion of this work a copy of the Audit Commissions finalised report on the Authority's balances be brought back to the Scrutiny Co-ordinating Committee.

### **Decision**

- i) The Best Value Performance Plan and Internal Audit Report were received and noted.
- ii) That following completion of its work in relation to the Authority's balances the Audit Commission submit a copy of its finalised report on the Authority's balances to the Scrutiny Co-ordinating Committee for consideration.

**Councillors Rob Cook and John Cambridge declared a personal interest in the following item as members of the SRB Board.**

## **73. Scrutiny Topic Referral from Council – 'Overspend on Headland Town Square Development' (*Scrutiny Manager*)**

The Scrutiny Manager reported that Council on the 27 October 2005 resolved that issues surrounding the over spend on the Headland Town Square Development be referred to Scrutiny Co-ordinating Committee for further examination, with no prescribed timescale. Whilst initial discussions had suggested that the issue could fall within the current remit of the Regeneration and Planning Services Scrutiny Forum, Members were of the opinion that as the matter was mainly of a financial nature the referral should be considered by the Scrutiny Co-ordinating Committee and timetabled for early in the new year.

### **Decision**

- i) That the referral from Council, relating to the over spend on the Headland Town Square Development, be considered by the Scrutiny Co-ordinating Committee.
- ii) That a scoping report be submitted to the Scrutiny Co-ordinating Committee meeting on the 10<sup>th</sup> February 2006 as part of the first stage of the enquiry.

## **74. Forward Plan**

No items. Members, however, reiterated their concerns regarding the level of detail in the plan and requested that additional information be included in the future.

## **75. Scrutiny Co-ordinating Committee Progress Report** (*Chair of Scrutiny Co-ordinating Committee*)

The Chair of the Scrutiny Co-ordinating Committee presented a report updating Members on progress made since consideration of the previous progress report, on the 7<sup>th</sup> October 2005. As part of the report attention was drawn to the ambitious Work Programme for 2005/6 and the positive progress made by the Co-ordinating Committee and each of the standing Forums. It

was, however, noted that in addition to the work programme, agreed on the 5<sup>th</sup> August, the number of referrals was increasing and details of the following referrals was provided:

- SRB Headland Town Square Development
- Representation on the HMS Trincomalee Trust
- 20 mph Speed Limits Outside Schools
- Civic Centre Capital Maintenance Programme
- Use of Overview and Scrutiny Procedure Rule 18
- UPVC Windows in Conservation Areas

In view of the extra pressure created by referrals and the need to ensure the delivery of the yearly work programme Members were advised of a selection criteria currently being devised by the Scrutiny Manager to assist in the determination of the value of non-mandatory referrals.

As part of the report the following details were also provided:

- Advanced informal notification of referral 'Second Tier Officer Review' – To be considered on the 20<sup>th</sup> December 2005
- Final reports to be considered in relation to i) The Authority's Financial Reserves, ii) Additional Powers for Community Wardens
- The change to the start time of the meeting on the 25<sup>th</sup> November, now 12 noon
- The Scrutiny Training Programme

Following consideration of the report issues were raised regarding the 'Second Tier Officer Review' referral and the Scrutiny Training Programme. In relation to consideration of the 'Second Tier Officer Review' referral the Chair indicated that she had emphasised to the Finance and Performance Management Portfolio Holder that the Committee wished reports to be precise and that job descriptions be provided. In addition to this information Members considered requesting additional information from the Joint Trade Union Committee and inviting the Finance and Performance Management Portfolio Holder. Whilst it was agreed that it was not appropriate to seek information from the Joint Trade Union Committee if was felt that the Portfolio Holder should be invited to attend if he was available.

Regarding the Scrutiny Training Programme particular attention was drawn to the joint scrutiny and Cabinet training session and the positive feedback the Scrutiny Manager had received from the Mayor. In light of this it was suggested that the training session be held on the 24<sup>th</sup> Jan 2006 and Members advised that in addition to Melvin Nixon, Rita Petty from the ODPM would also be present at the session.

**Decision**

- i) The report was received and noted.
- ii) That the Finance and Performance Management Portfolio Holder be invited to attend the Scrutiny Co-ordinating Committee on the 20<sup>th</sup> December to participate in consideration of the 'Second Tier Officer Review' referral.

**76. Neighbourhood Services Scrutiny Forum - Progress Report** *(Chair of the Neighbourhood Services Scrutiny Forum)*

In the absence of the Chair of Neighbourhood Services Scrutiny Forum, the Chair of the Scrutiny Co-ordinating Committee reported that since consideration of the previous progress report, on the 7<sup>th</sup> October 2005, the Forums investigation into local bus service provision had continued. Details of the process undertaken so far were outlined in the report and Members advised of the Forums intention to commence its inquiry into 20 mph zones outside schools at their meeting on the 11<sup>th</sup> November 2005.

**Decision**

The report was received and noted.

**77. Adult and Community Services Scrutiny Forum- Progress Report** *(Chair of the Adult and Community Services Scrutiny Forum)*

In the absence of the Chair of Adult and Community Services Scrutiny Forum, the Chair of the Scrutiny Co-ordinating Committee reported that since consideration of the previous progress report, on the 7<sup>th</sup> October 2005, the Forum had:

- Responded to the Draft Declarations of Hartlepool PCT and North Tees and Hartlepool NHS Trust.
- Approved the scoping paper into the forums investigation into bird flu.
- Received an update in relation to matters being considered by the Joint Section 7 Consultation Committee (Acute Services Review).
- Reviewed the status of the Commissioning of PCT Services Inquiry.

**Decision**

The report was received and noted.

## **78. Children's Services Scrutiny Forum - Progress Report** (Chair of the Children's Services Scrutiny Forum)

In the absence of the Chair of the Children's Services Scrutiny Forum, the Chair of the Scrutiny Co-ordinating Committee reported that since consideration of the previous progress report, on the 7<sup>th</sup> October 2005, the Forum had:

- Considered the Draft Final Report on the Forum's enquiry into the Authority's Adult Learning Service.
- Progressed the Involving Young People enquiry.

Members were advised that the Involving Young People enquiry was now nearing conclusion and that when completed the Forum would be giving consideration to its next topic. This was to be the Authority's Children and Young People's Plan.

### **Decision**

The report was received and noted.

## **79. Regeneration and Planning Services Scrutiny Forum - Progress Report** (Chair of the Regeneration and Planning Services Scrutiny Forum)

The Chair of the Regeneration and Planning Services Scrutiny Forum reported that the Forum had made limited progress since consideration of the previous progress report, on the 7<sup>th</sup> October 2005 as a result of the cancellation of its October meeting. The Forum was, however, in the process of continuing its investigation into Partnerships.

### **Decision**

The report was received and noted.

## **80. Scoping Report - HMS Trincomalee Trust (Council Referral)** (Scrutiny Manager)

Further to minute number 52 of the meeting held on the 7<sup>th</sup> October 2005, the Scrutiny Manager presented a scoping report for the Committees investigation into the HMS Trincomalee Trust and sought consideration of proposals for:

- **The aim of the investigation**

To review the current membership of the HMS Trincomalee Trust in light of its constitutional arrangements together with its long-term financial standing, with reference particularly to the proposed Council funding.



In looking at this, the Scrutiny Manager brought to the Committees attention that the Trust had commissioned an outside consultant to look at its financial stability and queried whether Members might feel that it would be inappropriate to look at the Trusts financial stability separately. In view of this it was queried if it might be more beneficial for the Committee to receive a copy of the consultant's report when completed rather than undertake its own examination of the Trust finances.

Following consideration of this suggestion Members felt that an examination of the long-term finances of the Trust was a vital part of the Committees enquiry and a number of ways forward were suggested:

- i) The submission of an interim report covering the constitutional arrangements of the Trust and the delay of the element of the enquiry relating to the financial stability of the Trust to allow the completed consultants report to be taken into consideration by the Committee. A final report could then be submitted.
- ii) The need for the Committee to see the terms of reference given to the consultants by the Trust and perhaps meet with the consultants. It was suggested that a small number of members be selected to meet with the Trust and external Consultants to ensure that the remit given to them meets the committees' needs. Suggested members were Councillor's James, Hall and Hargreaves. Additionally the Scrutiny Manager was asked to report back to the Chair of the Co-ordinating Committee regarding the organisation of such a meeting.

It was felt that if the Trust refused to allow a meeting with the Consultants, and/or to take into account Councils concerns on the demographic makeup of the Trust within the consultants terms of reference, that this would represent a failure to co-operate with scrutiny. As co-operation with scrutiny was a condition attached to the continuing award of resources by Council this would be reflected in the Committees final report.

- **The terms of reference for the investigation**

- (a) To identify the current membership of the HMS Trincomalee's Trustees in conjunction with its Constitution;
- (b) To review arrangements for revisions to the Trust's Board, to include appropriate representation of the town and reflecting it's demographic make-up;
- (c) To review the financial performance of the HMS Trincomalee over the last three years; and
- (d) To consider the long-term financial stability of the HMS Trincomalee Trust.

### **- Timetable Of The Scrutiny Investigation**

14 November 2005 – Scrutiny Co-ordinating Committee – Consideration of Scoping Report – HMS Trincomalee Trust.

20 December 2005 - Scrutiny Co-ordinating Committee - Evidence to be determined.

13 January 2006 – Scrutiny Co-ordinating Committee - Consideration of Draft Final Report.

16 February 2006 – Council – Consideration of the Final Report of this Committee into the HMS Trincomalee Trust.

### **Decision**

- i) That the Scrutiny Manager provides further information regarding the remit given to the external Consultants.
- ii) That Councillors James, Hall and Hargreaves participate in the meeting with the Consultant and Trust representatives on behalf of the whole of the Committee and report back their findings to a future meeting of this Committee.
- iii) The Terms of Reference together with the suggested timetable for the undertaking of this review were approved, however, it was recognised that the time table might need to be revisited in light of (i) and (ii) above.

## **81. Final Report - Adult Learning Inspection** (Children's Services Scrutiny Manager)

The Chair of the Children's Service Scrutiny Forum presented a report outlining the findings of the Forums enquiry into Adult Learning. As part of the report details were provided of the background to the enquiry and the conclusions reached by the forum. Details of these conclusions were as follows:

- a) Members noted the 'Re-inspection of the Adult Education Service' and presentation and commented that their appeared to have been a dramatic improvement in a short space of time. Without wishing to take anything away from the work undertaken by staff, Members commented that the first inspection had possibly been too severe.
- b) That the Adult Services and Public Health Portfolio Holder be advised that it is the Forums view that Adult Education was vital to the Town especially in community areas and in local venues where people could feel comfortable in the learning environment; and
- c) That the Scrutiny Co-ordinating Committee be requested to arrange for Adult and Community Services Scrutiny Forum to receive future updates from the Senior Learning Advisor of the Learning and Skills Council.

**Decision**

The content of the report, and the findings outlined above, were endorsed and approved for submission to the Adult Services and Public Health Portfolio Holder.

**82. Call-In Requests**

None

MARJORIE JAMES

CHAIRMAN

## SCRUTINY CO-ORDINATING COMMITTEE

25th November 2005



**Report of:** Scrutiny Manager

**Subject:** COVERING REPORT – BUDGET AND POLICY  
FRAMEWORK INITIAL CONSULTATION  
PROPOSALS FOR 2006/07

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### 1. PURPOSE OF REPORT

- 1.1 To inform Members of the Scrutiny Co-ordinating Committee that arrangements have been made for the Authority's individual Directors and relevant Cabinet Members to be in attendance at this meeting, to present their corporate/departmental pressures and priorities for 2006/07, as part of the Council's budget setting consultation process.

### 2. BACKGROUND INFORMATION

- 2.1 As Members will be aware, consideration was given to the Chief Financial Officer's Budget and Policy Framework Initial Consultation Proposals for 2006/07 report, at the meeting of this Committee held on 21 October 2005.
- 2.2 At this meeting, Members agreed that arrangements should be made by the Chief Financial Officer for the Authority's individual Directors and relevant Cabinet Members (subject to availability), to be in attendance at this meeting to discuss their departmental pressures and priorities for 2006/07, as part of the Council's budget setting consultation process.
- 2.3 In consultation with the Chief Financial Officer together with the Assistant Chief Financial Officer, arrangements have been made in accordance with this Committee's request.
- 2.4 To assist such discussions, attached as **Appendix A and B** are a summary of the 2006/07 Budget Pressures and Priorities together with a more detailed breakdown/analysis, which were previously considered by this Committee at its meeting on 21 October 2005.

### **3. RECOMMENDATION**

3.1 It is recommended that Members of this Committee:-

- (a) Note the content of this report;
- (b) Consider the 2006/07 budgetary pressures and priorities information to be presented by the Authority's individual Directors in conjunction with the responsible Cabinet Member during this meeting; and
- (c) Agree a formal response to the Budget and Policy Framework Initial Consultation Proposals for 2006/07 to be considered by the Cabinet on 9 December 2005, if appropriate.

**Contact Officers:-** Charlotte Burnham – Scrutiny Manager  
Chief Executive's Department - Corporate Strategy  
Hartlepool Borough Council  
Tel: 01429 523 087  
Email: [charlotte.burnham@hartlepool.gov.uk](mailto:charlotte.burnham@hartlepool.gov.uk)

### **BACKGROUND PAPERS**

There were no background papers used in preparation of this report.

## APPENDIX A

## SUMMARY OF 2006/07 BUDGET PRESSURES AND PRIORITIES

	Budget Pressures		Budget Priorities	
	Minimum £'000	Maximum £'000	Minimum £'000	Maximum £'000
<b>Adult Services Portfolio</b>				
Assessment & Care Management	150	150		
Learning Disabilities Purchasing	420	520		
Learning Disabilities Support	70	70		
Older People Purchasing	900	900		
Physical Disabilities	120	120		
Consumer Services	5	5	28	28
Env Standards			10	15
<b>Sub Total</b>	1665	1765	38	43
<b>Culture, Housing &amp; Transportation Portfolio</b>				
Archaeology			2	2
Arts, Events & Museums	20	20		
Countryside	10	10		
Libraries			14	14
Housing Retained Services			60	60
Highways & Transportation			60	60
Highways Services	35	35		
Transport Services	0	500		
<b>Sub Total</b>	65	565	136	136
<b>Finance Portfolio</b>				
Municipal Elections	30	30		
<b>Sub Total</b>	30	30	0	0
<b>Performance Management</b>				
Estates Management - War Memorial			40	40
Accommodation - Energy Costs	200	200		
Contact Centre	50	50		
Corp Strategy & Public Consultation	8	8	28	28
Public Relations			17	17
Personnel Health & Safety			20	20
Training & Equality			20	20
<b>Sub Total</b>	258	258	125	125
<b>Regeneration &amp; Liveability Portfolio</b>				
Community Safety			15	15
Economic Development			380	480
Landscape & Conservation			50	50
Environment	130	130		
Environment - Bulky Waste	20	20	100	100
Environment - Navigation Point			30	30
Town Care Management			37	37
<b>Sub Total</b>	150	150	612	712
<b>Children's Services Portfolio</b>				
Admissions	12	12		
Home to School Transport	180	180		
Children with Disabilities	30	30		
Young People's Service	210	210		
Youth Justice Team	30	30		
Raising Educational Achievement	80	80		
Special Needs Services	162	162		
A2L	40	40		
Youth Service	45	45		
Use of Education Reserves	140	140		
NRF			450	450
Community Facilities on School Sites	30	30		
<b>Sub Total</b>	959	959	450	450
<b>Total</b>	3127	3727	1361	1466

**FORM 1 - BUDGET ANALYSIS 2006/2007 – ADULT SERVICES PORTFOLIO****APPENDIX B**

Budget Area	Net Budget 2005/06 £'000	Statutory Basis	Potential Efficiencies (including year efficiency can be achieved)	Description of Potential Changes in Service Quality/Standards, including Identification of Services that could be stopped/reduced (including year change can be achieved)	Risks Impact	Budget Pressures (including year pressure will arise)
		R = Ring-fenced S = Statutory D = Discretionary SD = Statutory service with some discretion				

Adult & Community Services Department		R		Determined by Central Government/LSC policies	Possible risks to Learning Disability care provision whilst carrying out educational activities	Some possible cost shunting of care to Adult Social Care Consumes own smoke on educational activities
Adult Education	0	(Specific Grant Funding)	None			
Assessment & Care Management (Inc Occupational Therapy & Duty Team)	3,183	S (Duty Team and OT cover Children's services, OT level of provision Discretionary) Assessment of equipment is not discretionary.	Hand – held tablets – likely to absorb demographic increases (2008)	Review Eligibility criteria for OT issues with view to increase from current moderate banding to substantial – possible to affect in the region of 1500 users who whilst receiving assessment and advice will not receive equipment £50,000-£70,000 06/07		Historic pressure of approx. £150,000 aids & adaptations.  Ongoing demographic demand, and more people supported at home
Home Care (In House, short term)	1,449	SD (Discretion can only be exercised through agreed changes to eligibility	Development around Care Pathways to reduce morbidity. Likely efficiencies on overall budget estimated £150,000 07/08	Review Eligibility criteria with view to increase from current moderate banding to substantial – unlikely to produce any significant savings as packages are High Dependency linked to Hospital discharges and other duties to cooperate.	Delayed Hospital Discharges Fines - £100 per day per person. Increased admission to residential/nursing care	
Learning Disabilities	2,084	SD		Review Eligibility criteria	Removal of moderate services	Fees increases likely %

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Purchasing (inc. Residential, Personal Care, Independent living)		(Elements ring fenced under resettlement from Health) (Discretion can only be exercised through agreed changes to eligibility)		with view to increase from current moderate banding to substantial. Unlikely to be many service users excluded from this group.	may result in escalation of need to substantial and critical. Causing distress to carers/service users.	under new contracts from April 06. Early estimates £120,000 06/07, plus additional £120,000 07/08  Demographic pressures 8-10 users per year for next 10 years. £300-400,000 06/07 onwards. Also College Transport?
Learning Disabilities Support (inc A&CM and Day Services)	1,521	SD (Discretion can only be exercised through agreed changes to eligibility)		Review Day Care charging policy increase non assessed charges by additional £1.00 per week £5,000. Review Eligibility criteria with view to increase from current moderate banding to substantial. Estimate that 15 service users would receive less or no service - estimated saving £15,000 (07/08). THESE FIGURES ARE AN ESTIMATE AND EACH CASE WOULD NEED TO BE INDIVIDUALLY ASSESSED WHICH MAY GENERATE	Removal of moderate services may result in escalation of need to substantial and critical. Causing distress to carers/service users.	Pressure over next 10-15 years as numbers increase. Pressure of £70,000 06/07 for increased assessment activity. Plus Transport – general?



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				CONSIDERABLE DIFFERENCES		
Mental Health (inc. A & CM, Community Support, Residential care and Personal care)	1,271	SD (Discretion can only be exercised through agreed changes to eligibility)		Review Eligibility criteria with view to increase from current moderate banding to substantial. Estimate that 15 service users would receive less or no service - estimated saving £15,000 (07/08). THESE FIGURES ARE AN ESTIMATE AND EACH CASE WOULD NEED TO BE INDIVIDUALLY ASSESSED WHICH MAY GENERATE CONSIDERABLE DIFFERENCES Removal of Preventative Services – 06/07 £20,000.	Removal of moderate services may result in escalation of need to substantial and critical. Causing distress to carers/service users and possible risk to themselves and the general public	
Older People Purchasing	6,357	SD (Discretion can only be exercised through agreed changes to eligibility)		Review Day Care charging policy increase non assessed charges by additional £1 per week will lead to £10,000 additional income.  Additional Fairer Charging income 50,000 (final year of phasing) – raising level of charges for homecare in line with Fairer Charging Policy.  Review Eligibility criteria -	Removal of moderate services may result in escalation of need to substantial and critical. Causing distress to carers/service users.          Withdrawal of preventative	Fees increases likely under new contracts from 06/0. Also general demography increases 2% annually. Early estimates £900,000 06/07, plus additional £900,000 07/08.  Loss of specific grant for Residential Allowance £501,000 06/07 (mainstreamed into FSS)

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				<p>increase from moderate banding to substantial. 100 Service Users – estimated saving £100,000 (07/08). THESE FIGURES ARE AN ESTIMATE AND EACH CASE WOULD NEED TO BE INDIVIDUALLY ASSESSED WHICH MAY GENERATE CONSIDERABLE DIFFERENCES.</p> <p>Subsidised Frozen Meals £25,000.</p> <p>Day Services £50,000.</p> <p>Community Support £60,000.</p>	<p>services may tip currently unknown users into needs framework. Service users may unnecessarily lose independence.</p>	
Intermediate Care (Swinburne – covers all hospital discharges)	328		<p>Service now non-residential, with increase in cases supported. (non cashable).</p> <p>Relocation of services (2008?) – site savings?.</p>			
Physical Disabilities (Incorporates A&CM, Day services, placements)	1,271	SD (Discretion can only be exercised through agreed	Reprovision of day services (2010?) – site savings?	Review Eligibility criteria with view to increase from current moderate banding to substantial.	Removal of moderate services may result in escalation of need to substantial and critical. Causing distress to carers/service	Fees increases likely under new contracts from April 06, and demographic pressures.

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		changes to eligibility			users.	Early estimates £120,000 06/07, plus additional £120,000 07/08
Support Services (Finance, IT, Commissioning etc)	1,557	SD (Discretionary relating to set up)	New FMS system from 06/07 (corporate saving).		Not able to meet statutory return deadlines. Risks around budgetary control	
Sensory Loss <del>£</del>	251	SD (Discretion can only be exercised through agreed changes to eligibility)		Review Eligibility criteria with view to increase from current moderate banding to substantial.	Removal of moderate services may result in escalation of need to substantial and critical. Causing distress to carers/service users.	
Service Strategy and Regulation (Director & PA)	140	S	None - Already in lower quartile for VFM on this area.			
<b>Sub Total</b>	19,412		07/08 £150,000	06/07 £280,000 07/08 £130,000		06/07 £2,211,000 07/08 £1,490,000

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Budget Area	Net Budget 2005/06 £'000	Statutory Basis	Potential Efficiencies (including year efficiency can be achieved)	Description of Potential Changes in Service Quality/Standards, including Identification of Services that could be stopped/reduced (including year change can be achieved)	Risks Impact	Budget Pressures (including year pressure will arise)
		R = Ring-fenced S = Statutory D = Discretionary SD = Statutory service with some discretion				

<b>Neighbourhood Services Department</b>					Risk of Public Health incident and legal case against Council	Climate Change Strategy £5k
Consumer Services	820	SD	None	None	Impact on BVPI 166 which is a key indicator in the CPA Env Block	
Env Standards	285	SD (65/35)	Increased responsibilities arising from the Gaming Act will be met from existing resources. (non cashable efficiency).	Increase income, markets and cems & crems.		Healthy food initiative, 2*FTE's £28k loss of grant funding (Priority)  Cems drainage £10k + £15k (Priority)
<b>Sub Total</b>	1,133					
<b>Total</b>	20,517					

## **BUDGET ANALYSIS 2006/2007 – CULTURE, HOUSING & TRANSPORTATION PORTFOLIO**

Budget Area	Net Budget 2005/06 £'000	Statutory Basis	Potential Efficiencies (including year efficiency can be achieved)	Description of Potential Changes in Service Quality/Standards, including Identification of Services that could be stopped/reduced (including year change can be achieved)	Risks Impact	Budget Pressures (including year pressure will arise)
		R = Ring-fenced S = Statutory D = Discretionary SD = Statutory service with some discretion				
<b>Adult &amp; Community Services Department</b>						
Allotments	53	S		Increase rents by 50% £14,000 (07/08). Rent increase requires one years notice.	Seeks to increase to regional average.	Reduces allotment take up. Recommend all rental income re-invested in maintenance.
Archaeology	27	S – 60% D – 40%	None	Partnership with former Cleveland unitaries - Hartlepool lead authority.	Recharges from partners based on population, if this is unilaterally amended, service standards will differ by area.	£2,000 (Priority) Public archaeology will be affected if not met.
Arts, Events & Museums (Inc Historic Quay, Town Hall Theatre, Art Gallery & Museums)	1,049	D	Additional income from Borough Hall bar £20,000	Increase charges by 25% for community usage of Theatre/Borough Hall £9,000 (Hire rates £114 increase equates to £28.50 per hire).  Town Hall - Hire rates are failing to recoup basic costs of premises. Realistic hire costs required for the Town's only performing arts venue. Usage close to capacity - 80% community based.  Increased usage is creating additional income. Private hire booking dependent.	Potential impact on hire groups however balanced by replacement groups.  Bookings can be variable however current facilities are much sought after.	

## **BUDGET ANALYSIS 2006/2007 – CULTURE, HOUSING & TRANSPORTATION PORTFOLIO**

Budget Area	Net Budget 2005/06 £'000	Statutory Basis	Potential Efficiencies (including year efficiency can be achieved)	Description of Potential Changes in Service Quality/Standards, including Identification of Services that could be stopped/reduced (including year change can be achieved)	Risks Impact	Budget Pressures (including year pressure will arise)
		R = Ring-fenced S = Statutory D = Discretionary SD = Statutory service with some discretion				
			Investigating closer working relationship with HMS Trimcomalee and potential for site savings.(2007?).	<p>Sports centre/Fitness training extension due to complete Dec 05 this will further increase capacity and use of the 'Headland Resource Centre'.</p> <p>Historic Quay – admissions income continues to fail to meet current targets. Investigate use 'front of house' workforce.</p>	Two organisations fail to agree – combined ticket fails to deliver increased income.	£20,000 income gap Historic Quay
Community Support (Community centres and Community grant pool)	744	D		Community Grants £ 380,000 Cease allocation of Community pool – major impact on the voluntary and community sector.	<p>26 groups directly affected may assist others e.g. HVDA, therefore knock on effect. CAB provides advice for benefits, which increase payment s to the most vulnerable.</p> <p>Many groups would close; many groups would reduce scale of operations. Independent studies demonstrate LA support has a multiplier effect of 700%.</p>	

# **BUDGET ANALYSIS 2006/2007 – CULTURE, HOUSING & TRANSPORTATION PORTFOLIO**

Budget Area	Net Budget 2005/06 £'000	Statutory Basis	Potential Efficiencies (including year efficiency can be achieved)	Description of Potential Changes in Service Quality/Standards, including Identification of Services that could be stopped/reduced (including year change can be achieved)	Risks Impact	Budget Pressures (including year pressure will arise)
		R = Ring-fenced S = Statutory D = Discretionary SD = Statutory service with some discretion				
				Close Community Centre £42,000	Regional ESF funds and existing lottery support grants cease in 2006 adding further pressure.  2005/06 bids of £565,000 received against pool of £380,000.	
Countryside	364	D (S – Public Rights of Way)		Close summer evening openings at Summerhill £5,000 Limited public use made of the visitor centre – no effect on organised courses.  Countryside Access Team Withdrawal of NACRO maintenance teams announced from October 2005.	Little public impact as site remains open for usual use – close centre at 5.30p.m.  Increase in repair delays of public footpaths and countryside furniture. Increase in cost provision identified as a potential maintenance pressure. BVPI at risk.	£10,000 for contractor payments to replace NACRO input.
Foreshore	155	D	None	Service in place for two years. Lifeguard service provided to	Provision of service requires current commitment (all or	

## **BUDGET ANALYSIS 2006/2007 – CULTURE, HOUSING & TRANSPORTATION PORTFOLIO**

Budget Area	Net Budget 2005/06 £'000	Statutory Basis	Potential Efficiencies (including year efficiency can be achieved)	Description of Potential Changes in Service Quality/Standards, including Identification of Services that could be stopped/reduced (including year change can be achieved)	Risks Impact	Budget Pressures (including year pressure will arise)
		R = Ring-fenced S = Statutory D = Discretionary SD = Statutory service with some discretion				
				three most popular beach areas for specific spring/summer timetable.	nothing). Public confidence in beach safety in life guarded areas.	
Libraries	1,768	SD	<p>Review Vehicle Delivery Service potential £23,000 (07/08)</p> <p>Regional Book Tender ability to save inflation approximately £5,500 (06/07)</p>	<p>£60K Library closure + capital receipt.</p> <p>Changing service standards with reduced need for the Bookbus provision – review underway to identify ability of the mobile library and Home delivery service to cover.</p> <p>The introduction of the Peoples Network – pc based web access at all public libraries. Was an immense improvement in the ability of the library and information service to serve the public.</p>	<p>Public satisfaction levels in libraries BVPI may be affected.</p> <p>Reduces capacity to service daycare and residential care homes – however usage levels warrant a review.</p> <p>Service cannot be withdrawn without being a retrograde step. Service contract now required from November 2006.</p>	<p>Current benefit of the grant aided Peoples Network computer system due to end Nov 06 Cost £28K (full year) Part year 06/07 £14K (Priority).</p>
Maintenance	224	D	None - Current budget insufficient		Any further reduction would simply endanger ability to provide services and add to risk managed backlogs.	



## **BUDGET ANALYSIS 2006/2007 – CULTURE, HOUSING & TRANSPORTATION PORTFOLIO**

Budget Area	Net Budget 2005/06 £'000	Statutory Basis	Potential Efficiencies (including year efficiency can be achieved)	Description of Potential Changes in Service Quality/Standards, including Identification of Services that could be stopped/reduced (including year change can be achieved)	Risks Impact	Budget Pressures (including year pressure will arise)
		R = Ring-fenced S = Statutory D = Discretionary SD = Statutory service with some discretion				
Parks	410	D	Current budget simply sufficient to maintain current standards of ground maintenance.		Any reduction would result in closure of one of the towns four parks.	
Playgrounds	48	D	None	Hartlepool has one of the lowest playgrounds per head of population nationally. Play Strategy seeks to improve existing playgrounds in priority order.	Current revenue budget only allows routine maintenance, not renewal.	
Renaissance in the Regions	0	R – grant self funding		Hartlepool Museums included in the NE Hub grant support to Hartlepool and Tees Valley Museums. Currently employ 17 people all 100% grant funded.	Approved until 2008.	
Reserve Movements	(60)	Adjustment for shortfall at Historic Quay from TDC Sea Defence reserves interest				Pressure on Historic Quay budgets if this contribution is lost.

## **BUDGET ANALYSIS 2006/2007 – CULTURE, HOUSING & TRANSPORTATION PORTFOLIO**

Budget Area	Net Budget 2005/06 £'000	Statutory Basis	Potential Efficiencies (including year efficiency can be achieved)	Description of Potential Changes in Service Quality/Standards, including Identification of Services that could be stopped/reduced (including year change can be achieved)	Risks Impact	Budget Pressures (including year pressure will arise)
		R = Ring-fenced S = Statutory D = Discretionary SD = Statutory service with some discretion				
Sports & Physical Recreation (Inc Mill House, Eldon Grove, Sports Grounds)	1,320	D	Mill House Leisure Centre £22,000 Health Suite  Reduce staffing of suite within Mill House. Staff savings achieved via monitoring staffing levels elsewhere	.  Centre Closure - Option 1 – Close centre and save £50,000 net budget, potential for capital receipt. Option 2 – Close centre and develop enhanced service provision with Brierton ??. Building costs saving potential but full business case needs to be worked up in conjunction with Children's Services/Brierton. Capital receipt potential retained.	Risk assessment required, comparable management regime to commercial sector operations.  All daytime sport and leisure courses may be affected by lack of access to Brierton during school term hours. Courses/facilities bespoke to Centre may be permanently affected.	
<b>Sub Total</b>	6,102		£47,500 06/07 £23,000 07/08	£560,000 06/07 (£50,000 on business case).		£46,000 06/07

## **BUDGET ANALYSIS 2006/2007 – CULTURE, HOUSING & TRANSPORTATION PORTFOLIO**

Budget Area	Net Budget 2005/06 £'000	Statutory Basis	Potential Efficiencies (including year efficiency can be achieved)	Description of Potential Changes in Service Quality/Standards, including Identification of Services that could be stopped/reduced (including year change can be achieved)	Risks Impact	Budget Pressures (including year pressure will arise)
		R = Ring-fenced S = Statutory D = Discretionary SD = Statutory service with some discretion				

<b>Neighbourhood Services Department</b>						
Engineers	414	SD (70/30)	Potential JVC or other partnership	2007/8	Risk of serious incidents in respect of coastal protection, anhydrite mine and flooding increases if resources reduced.	
Highways and Transportation	566	SD (33/67)	Potential JVC or other partnership	None	Failure to attract funding through LTP and bidding opportunities	Travel planning – possible loss of funding. £60k (Priority).
Highways Services	3,205	SD	None	The level to which the highway is maintained can be adjusted but increasingly we will be judged by the National code of practice and the Govt monitors highway condition as a KPI.	Increase in long term maintenance backlog.  Highway condition Pis are key indicators in the CPA Env Block.	Additional condition survey necessary for BVPI £35k.
Traffic & Road Safety	(263)	SD (20/80)	Potential JVC or other partnership		More member/public complaints.  Reducing KSI BVPIs are key indicators in the CPA Env Block.	?
Transport Services	980	SD (56/44)	Part of Transport Review – Impact 07/8-08/09	Council has some discretion over the level of subsidised buses.	Risk of legal challenge if Council does not adequately support non-commercial services.	Concessionary fares £0.5M.

## **BUDGET ANALYSIS 2006/2007 – CULTURE, HOUSING & TRANSPORTATION PORTFOLIO**

Budget Area	Net Budget 2005/06 £'000	Statutory Basis	Potential Efficiencies (including year efficiency can be achieved)	Description of Potential Changes in Service Quality/Standards, including Identification of Services that could be stopped/reduced (including year change can be achieved)	Risks Impact	Budget Pressures (including year pressure will arise)
		R = Ring-fenced S = Statutory D = Discretionary SD = Statutory service with some discretion				
Housing Ret Services	485	SD (90/10)	None	None	Risk of serious incident in homeless service. More member/public complaints.	New Management Arrangements £60k.
Supporting People	28	S	None	None	Risk of serious incident and loss of grant to fund key support services	Change to grant allocation is a changing position. Impact not yet known.
<b>Sub Total</b>	5,415					
<b>Total</b>	11,517					

## **BUDGET ANALYSIS 2006/2007 – FINANCE PORTFOLIO**

Budget Area	Net Budget 2005/06 £'000	Statutory Basis	Potential Efficiencies (including year efficiency can be achieved)	Description of Potential Changes in Service Quality/Standards, including Identification of Services that could be stopped/reduced (including year change can be achieved)	Risks Impact	Budget Pressures (including year pressure will arise)
		R = Ring-fenced S = Statutory D = Discretionary SD = Statutory service with some discretion				
<b>Chief Executive's Department</b>						
Car Loans	(83)	Discretionary	None	None	None	Current portfolio of loans is not achieving income level in base budget. Level of new loans has reduced owing to increased competitiveness of garage finance. Ongoing pressure 2006/07 (anticipate can offset this from interest earned on cashflow).
Central Admin Recharges	(1,971)	Budget represents charges of central support functions. The costs of these functions are considered elsewhere on this sheet and the sheets for the Performance Portfolio.				

## **BUDGET ANALYSIS 2006/2007 – FINANCE PORTFOLIO**

Budget Area	Net Budget 2005/06 £'000	Statutory Basis	Potential Efficiencies (including year efficiency can be achieved)	Description of Potential Changes in Service Quality/Standards, including Identification of Services that could be stopped/reduced (including year change can be achieved)	Risks Impact	Budget Pressures (including year pressure will arise)
		R = Ring-fenced S = Statutory D = Discretionary SD = Statutory service with some discretion				
Shopping Centre	(795)	Discretionary	None	Income comes from the Council's share of rental income from the Shopping Centre. This income stream could be sold to achieve a capital receipt, which would need to be used to offset the lost revenue stream.	Capital receipt will not to produce equivalent income stream. Would also loose potential for future growth in share rental income.	
Financial Mgt	87	Statutory requirement to have CFO (Local Gov't Act 1972, S151, Local Gov't Act 2003)	None	None	None	
Municipal Elections	64	Statutory				Possible change from household to individual registration, estimated cost £30K, but timing uncertain.
Registration of Electors	74	Statutory				

## **BUDGET ANALYSIS 2006/2007 – FINANCE PORTFOLIO**

Budget Area	Net Budget 2005/06 £'000	Statutory Basis	Potential Efficiencies (including year efficiency can be achieved)	Description of Potential Changes in Service Quality/Standards, including Identification of Services that could be stopped/reduced (including year change can be achieved)	Risks Impact	Budget Pressures (including year pressure will arise)
		R = Ring-fenced S = Statutory D = Discretionary SD = Statutory service with some discretion				
Accountancy	808	SD – section supports CFO to discharge statutory responsibilities.	None	Service is largely labour intensive and scope for savings from economies of scale is limited. Service could be contracted out to private sector, or provided in collaboration with another authority. Lead in time 18 to 24 months, therefore earliest change could be achieved is 2008/09.	Council would still need to retain “intelligent” client. Therefore, unlikely outsourcing will produce significant savings. Impact on CPA. Service may not be sustainable during interim period from decision to outsource to commencement of contract as Council is likely to lose qualified staff during this period.	
Internal Audit	293	As above	None	As above	As Above	As Above

## **BUDGET ANALYSIS 2006/2007 – FINANCE PORTFOLIO**

Budget Area	Net Budget 2005/06 £'000	Statutory Basis	Potential Efficiencies (including year efficiency can be achieved)	Description of Potential Changes in Service Quality/Standards, including Identification of Services that could be stopped/reduced (including year change can be achieved)	Risks Impact	Budget Pressures (including year pressure will arise)
		R = Ring-fenced S = Statutory D = Discretionary SD = Statutory service with some discretion				
Benefits	210	SD - service delivered in accordance with statutory regulations determined by the Dept for Work and Pensions and National Performance Standards.	£200,000 of efficiency savings from the introduction of mobile working included in 2005/6 budget.	Partnership/Regionalisation options. The Council is currently engaging with Northgate on the development of a Framework Agreement covering Benefits Processing which will probably take 18 months to 2 years to evolve. Benefit Service is currently achieving a score of 4 for CPA purposes and national benchmarking shows the Council's costs of delivering Benefits are 11% lower than average. Further reductions in the service will impact on the CPA score for this service.	Council is accountable to the DWP and would still need to maintain a client function if outsourcing was to be adopted. Level of current operating costs and planned service changes limit scope for further savings.	None, but could change if DWP changed responsibilities and standards.



## **BUDGET ANALYSIS 2006/2007 – FINANCE PORTFOLIO**

Budget Area	Net Budget 2005/06 £'000	Statutory Basis	Potential Efficiencies (including year efficiency can be achieved)	Description of Potential Changes in Service Quality/Standards, including Identification of Services that could be stopped/reduced (including year change can be achieved)	Risks Impact	Budget Pressures (including year pressure will arise)
		R = Ring-fenced S = Statutory D = Discretionary SD = Statutory service with some discretion				
Payments Unit	186	Discretionary with some specific statutory responsibilities on taxation	Transfer of all employees to monthly pay. Future developments through e - procurement, new FM System and EDRMS with workflow will yield some efficiency opportunities but realistically they will only emerge 2007/8 onwards. Some potential efficiencies from shared service centre concept involving Personnel but not yet evaluated.	Alternative arrangements for the delivery of payroll and creditor payment services exist. The Council however provides these services to Cleveland Fire Authority and a payroll service to Housing Hartlepool. These arrangements provide economies of scale. Historical benchmarking information indicates unit operating costs are competitive, minimising the scope to realise savings from contracting to an alternative provider.	Alternative delivery arrangements may impact adversely on relationships with CFA and Housing Hartlepool and consultation would be necessary. Being viewed as an effective provider of these services will assist in any steps to in-source work from PCT or others.	None

## **BUDGET ANALYSIS 2006/2007 – FINANCE PORTFOLIO**

Budget Area	Net Budget 2005/06 £'000	Statutory Basis	Potential Efficiencies (including year efficiency can be achieved)	Description of Potential Changes in Service Quality/Standards, including Identification of Services that could be stopped/reduced (including year change can be achieved)	Risks Impact	Budget Pressures (including year pressure will arise)
		R = Ring-fenced S = Statutory D = Discretionary SD = Statutory service with some discretion				
Revenues	1,033	SD - service delivered within a framework of statutory regulations.	None	The Council is currently working with Northgate under an Incremental Partnering Arrangement which could be extended into some Revenue activities. However, primary focus of Northgate Arrangement in short term is on Benefits activity. Council is in top quartile for NNDR collection and has been in the 20 improving Councils for its Council Tax collection for the last 2 years. Long term collection rates are significantly higher than average.	Council would still need to maintain a client function under any partnering / outsource arrangement. Revenues service effectiveness impacts on corporate financial health and the Council's financial strategies and collection levels are sensitive to the effectiveness of billing and recovery administration.	None immediately, although implementation of any future changes to Council Tax from April 2007 may have an impact.

## **BUDGET ANALYSIS 2006/2007 – FINANCE PORTFOLIO**

Budget Area	Net Budget 2005/06 £'000	Statutory Basis	Potential Efficiencies (including year efficiency can be achieved)	Description of Potential Changes in Service Quality/Standards, including Identification of Services that could be stopped/reduced (including year change can be achieved)	Risks Impact	Budget Pressures (including year pressure will arise)
		R = Ring-fenced S = Statutory D = Discretionary SD = Statutory service with some discretion				
Fraud	168	SD - service delivered in accordance with statutory regulations determined by the Dept for Work and Pensions and National Performance Standards.	None	None	Unlikely outsourcing would yield any significant savings.	2005/6 and previous year workload levels indicate need for additional Investigation resources. To be addressed from structural review of Revenues and Benefits.
Legal Services	489	Statutory requirement to have Monitoring Officer (MO) and for Authority to provide MO with necessary resources to discharge statutory responsibilities	Increased use of electronic registration, part of Phase 1 EDRMS. Impact not yet quantified. Investigate with other LA's legal departments opportunities for joint working		None	
<b>Total</b>	563					30

<b>Chief Executive's Department</b>						
Estates Management	(19)	SD	Rationalise Properties including consideration of Victoria Park. Sale of Briarfields Building.	New ways of working.	Loss of long term development asset in Victoria Park v HUFC needs Briarfields buildings are a security liability . War memorials are in need of urgent attention with no budgets available.	War Memorials £40k (Priority)
Accommodation	758	SD	<ul style="list-style-type: none"> <li>• Rationalise properties</li> <li>• Invest-to-save in building maintenance and particularly energy</li> </ul>	<ul style="list-style-type: none"> <li>• New ways of working</li> <li>• The level to which buildings are maintained can be adjusted but we have a backlog of £11m.</li> </ul>	<ul style="list-style-type: none"> <li>• Increase in long term maintenance backlog</li> <li>• Health and safety risks</li> <li>• Key line of enquiry in CPA 2005 value for money</li> <li>• Access to buildings BVPI is poor performer</li> </ul>	<ul style="list-style-type: none"> <li>• Energy cost increase of approx £200k (an existing usage)</li> <li>• Access funding ends in 2006/7 (Priority)</li> </ul>
Corp Mgt Running Exp	359	SD – budget covers cost of Chief Executive, CE PA and elements of Corporate Strategy supporting CE.	None	None	None	
Central Council Exp	79	Discretionary – budget covers annual subscriptions to organisations such as LGA.	None	None	None	
Contact Centre	251	Discretionary	Potential income generation 07/08	Roll-out. Invest to save.	Customer Service BPR - efficiency	Staffing - £50k
Trade Union Rep	40	Discretionary			Industrial relations delay in progressing implications for staffing.	

Long Service Awards	3	Discretionary		Rewards & recognition strategy in draft.		
Democratic	249	Statutory with Discretion	£5 K (07/08) In addition a non cashable efficiency has been achieved, licensing changes and servicing within current resources.	Reductions in printing runs for committee papers with greater use of email / internet.	No major risk	None
Corp Strat & Public Consultation	549	Discretionary with some statutory  Includes Perf Mgt, Risk Mgt, Consultation, ICT, Complaints, BVPP, Scrutiny, CPA, LPSA,	£3-£5K (07/08)  £5 K (08/09)	More effective performance management reporting using ict system ( non cashable saving).  Reduced supplies due to increased ICT usage for consultation.	CPA rating and Audit Commission – view of Council .	£28K (06/07) – scrutiny (Priority)  £8.5K (08/09) – consultation e software licensing (Pressure)
Support to Members	163	Statutory with discretion	Saving Paper through member ICT use.	Member Development requires further work & investment. Member ICT Improve access & Take up.	CPA negative assessment	Awaiting feedback and plan from member ICT event.
Other Office Services	(173)	Discretionary			No major risk.	
Printing	61	Discretionary	Income generation. Provide services to external partners. Reduction in external spend by departments.	Improved equipment will lead to faster turnaround. Quality & finish choice increased.	Failure to invest puts service at risk of higher printing costs from departments	
Public Relations	124	Discretionary	Potential for revisions to service level given pressure identified for (07/08 – SRB funding	Provision of service is key to managing the Council's reputation. Potential changes to provision (levels of service	Reputation	£17K (07/08) srb funding ceases (Priority)

			ceases). Consideration to increased use of Hartbeat supplements and revisions to cost base for Hartbeat.	may negatively affect this).		
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Purchasing	14		£14k to be covered from Procurement savings.			
Registration Services	91	Statutory	There may be an opportunity to review provision given national changes to Registrars service. Review may highlight negative position for Council (06/07).			None identified at this stage.
Personnel & Health & Safety	728		BPR e-recruitment Department advertising spend £60K			Invest to save £20K (Priority)
Training & Equality	309	Discretionary		Develop corporate WFD strategy and departmental strategies including childrens workforce Development Strategy, Together Project, Leadership & Management Development Programme.	Unable to deliver council priorities	£20K (Priority)
<b>Legionella Inspection Costs</b>	64	S	None	None	Health and Safety risk	
<b>Sub Total</b>	3,650					

<b>Neighbourhood Services Department</b>						
Property Services	404	SD	Potential JVC or other partnership	If the operation is reduced by reducing the staff then fewer central and dept overheads are covered and the service still has to be bought in.	Financial risk of not addressing changing workload Increased risk of a serious incident if resources are reduced.	Possible pressure if workload continues to decline.
Building Cleaning	227	SD (40/60)	None	The level of cleaning can be adjusted.	H&S implications. Staff moral due standards of cleanliness.	Potential Impact of JE 2007/8 – amount of pressure unknown.
DSO	181	D	This budget covers increased Pension and NI costs across various Trading Activities. This amount needs to be allocated to the relevant Client budget to meet increased contract charges arising from changes in Pension costs and NI. The detailed work to reallocate this budget has not yet been completed.			
Contribution to NS Deficit	51	D	This could be paid off from balances and the budget given as a saving			
<b>Sub Total</b>	863					
<b>Total</b>	4,513					



## **BUDGET ANALYSIS 2006/2007 – REGENERATION & LIVEABILITY PORTFOLIO**

Budget Area	Net Budget 2005/06 £'000	Statutory Basis  R = Ring-fenced S = Statutory D = Discretionary SD = Statutory service with some discretion	Potential Efficiencies (including year efficiency can be achieved)	Description of Potential Changes in Service Quality/Standards, including Identification of Services that could be stopped/reduced (including year change can be achieved)	Risks Impact	Budget Pressures (including year pressure will arise)
<b>Regeneration and Planning Services</b>  Building Control	170	SD  The Building Control service is predominantly statutory but the pre application advice element could be deemed as discretionary.  The Access advisory role within the service enables the council to pursue its statutory responsibilities under the Disability Discrimination Acts.	Private sector provides competition to this service. Developments in ICT over the last 2 years have contributed to improving efficiency. This is shown in the increasing numbers of applications that have been dealt with without extra staff resources (2002/03 – 622, 2003/4 – 704, 2004/05 746). The future introduction of EDRMS (expected 2006/7) should further improve efficiency.	The cost of providing pre-application advice (approx 10% of service cost) could potentially be stopped or reduced.  Fees are set in accord with LGA advice and market conditions as service is in competition with the private sector. A relatively small amount of additional income above target is expected to be generated in 2005/6 through efficiencies and increased charges. Some repeat of this may occur in 2006/07. Income must not exceed expenditure over a period.	There is a high risk in stopping the pre- application advice that many developers would make inappropriate submissions creating more statutory work in plan checking etc. It is likely also to result in unauthorised work being carried out without permission and therefore could, in some cases, potentially create a health and safety risk to users of buildings.  As a demand led service there is a risk that application numbers may dip at some point and that current fee income levels would not be sustained.	

## **BUDGET ANALYSIS 2006/2007 – REGENERATION & LIVEABILITY PORTFOLIO**

Budget Area	Net Budget 2005/06 £'000	Statutory Basis	Potential Efficiencies (including year efficiency can be achieved)	Description of Potential Changes in Service Quality/Standards, including Identification of Services that could be stopped/reduced (including year change can be achieved)	Risks Impact	Budget Pressures (including year pressure will arise)
		R = Ring-fenced S = Statutory D = Discretionary SD = Statutory service with some discretion				
Community Safety	685	<p>SD</p> <p>S – Safer Hartlepool Partnership support, CCTV, security contract and anti-social behaviour unit. D – administrative support to police</p> <p>Government Floor targets for crime reduction and prevention tackled through partnership working.</p> <p>Community safety issues are high priority for residents and community generally</p>	<p>Specification to retender security contract for buildings, parks, Stranton cemetery etc currently being developed. New working arrangements are being explored, which will improve effectiveness and efficiency. Implementation from 2006/07.</p> <p>Non cashable efficiency possible within existing budget. Possible cashable savings being identified through specification development currently underway.</p>	<p>Development of strategy for CCTV during 05/06 will lead to a more effective town-wide system when it is implemented during 2006/07.</p>	<p>Each camera site will be assessed during implementation of CCTV strategy.</p> <p>Vandalism and other damage to Council assets could result from a changed security contract specification.</p>	<p>Replace admin support to police provided in partnership to enable more operational activity – funding of £15,000 to maintain hours of 2 staff at 37hrs rather than a reduced level of 22.5 hrs per week . Currently funded from grant, which ceases in 05/06. Priority.</p>

## **BUDGET ANALYSIS 2006/2007 – REGENERATION & LIVEABILITY PORTFOLIO**

Budget Area	Net Budget 2005/06 £'000	Statutory Basis  R = Ring-fenced S = Statutory D = Discretionary SD = Statutory service with some discretion	Potential Efficiencies (including year efficiency can be achieved)	Description of Potential Changes in Service Quality/Standards, including Identification of Services that could be stopped/reduced (including year change can be achieved)	Risks Impact	Budget Pressures (including year pressure will arise)
		(SIMALTO)  Priority policy area where significant need to narrow gap to improve outcomes to meet Government floor targets.				
Development Control	353	SD  Predominantly statutory but the pre application advice element of the service could be deemed as discretionary.  It should be noted that planning service performance levels are seen as a high priority by ODPM, with	Developments in ICT in the last 2 years have contributed to improving efficiency. Increasing numbers of applications have been dealt with without additional staffing resources (2003/4 – 836, 2004/05 884). The introduction of a Public Access Portal along with the introduction of EDRMS (scheduled for 2005/6) is expected to further improve efficiency.	The cost of providing pre-application advice (approx 20% of service cost) is non statutory and could potentially be stopped or reduced. The recent Audit Commission VFM exercise confirmed this service to be relatively low cost and high quality in comparison to other planning authorities. The pre application service is seen as an essential element in achieving this good performance.	There is a high risk that stopping the pre application service would lead to low quality development being implemented with consequent adverse environmental impacts. Workload pressures within the statutory elements of the service would increase (e.g. dealing with poor applications, enforcement etc). It would also run counter to the Government's objective, that Local Planning Authorities provide informal advice & impact on KPIs and CPA. As a demand led service there is a risk that application numbers may dip at	

## BUDGET ANALYSIS 2006/2007 – REGENERATION & LIVEABILITY PORTFOLIO

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		service funding being performance related.		Fees set by Government. Some additional income above target is expected to be generated in 2005/6 through efficiencies and increased fee charges. Some repeat of this may occur in 2006/07.	some point and that current fee income levels would not be sustained.	
Economic Development (Business Support, Hartlepool Working Solutions (people into work and training ) European Programmes and tourism).	1,033	D  Approximate split of budget: 50% staffing and section running costs, 35% council contribution to regional/sub regional bodies 11% business grants 4% marketing	Double three star Best Value Review and excellent service (assessed in independent evaluation by ERS) Economic needs relatively extreme eg VAT registrations 9 <sup>th</sup> , over 50s employment rate 7 <sup>th</sup> , self employment rate 5 <sup>th</sup> worst of all 88 neighbourhood renewal local authorities. True employment rate highest in Tees Valley 16.9% of	The majority of the service funded through general fund could in theory be stopped or reduced. As well as the specific risks shown, the loss of service would compound the decrease in service levels likely as a result of reducing external match funding available to the council.  The following budgets are held by the department but passported directly to the organisations shown:	Risk to priority policy area where there is significant need to narrow gap to improve outcomes to meet Government floor targets. Economic situation in worst quartile of NRF areas. Up to 2/3 rds of excellent double 3 star service/ Council capacity to contribute to Community Strategy theme at risk. Withdrawal of financial contributions to regional/sub regional organisations would leave the council marginalised, isolated and lacking access to	The need to address withdrawal of 2/3 of long term external funding into this service is a major priority. The potential shortfall in 2006/7 depends on the outcome of external funding applications over the remainder of 2005/6. There is a potential shortfall of up to £1.1m in 2006-07 although anticipated new external funding should

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		and other	working age pop.	Joint Strategy Unit (JSU) £224k Tees Valley Regeneration (Inward Investment) £80k Cadcam Centre £48k Area tourism partnership delivery £12k	strategic expertise and support. Reduced support for businesses through the grants packages would be detrimental to employment prospects.	reduce this. To maintain a reduced but still viable service to residents and businesses would require a shortfall of £300-£400k to be addressed.  Increasing recognition of the need to market Hartlepool to tourism and business sectors and potential public sector funders/ partners £80k.
Hartlepool Partnership / Community Strategy (Community Strategy, Local Strategic Partnership, Neighbourhood Renewal, Sustainable Development)	228	SD  This is a largely statutory service under the Local Government Act 2000. Increasing agenda LSP, NRF £5m programme, Performance Management,	Despite a significant increase in workload, the area has the same small team and resource levels as when it was set up in 2001. In recent years, more has been achieved with the same resources, but opportunities for further efficiencies are extremely limited.	It is anticipated that the signing of a Local Area Agreement (LAA) in March 2006 will further join up service delivery and performance reporting from 2006-2007. However, this will be in addition to current arrangements for the Hartlepool Partnership performance reporting that are	Initial discussions with Government Office for the North East suggest that there will be an increase in performance reporting requirements during 2005/2006 and 2006/2007 before joint performance reporting is bedded in.	The service unit is responsible for corporate Sustainable Development Policy but to date has not had capacity to develop this service area. The recent publication of an updated UK Government Sustainable Development Strategy

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		Local Area Agreements, Sustainable Development, Review of Community Strategy and Neighbourhood Renewal Strategy.	The Service Unit is currently required to bring in £5k annually from partners to balance the budget. Requests to partners last year for core cost funding only brought in £3k.	annual – the LAA will require 6 month updates.		places new requirements on Local Authorities that are not currently being met and which are a priority.
Landscape & Conservation (Aboriculture, ecology, conservation etc)	278	SD  Specialist services feed into statutory planning etc. Elements of discretion are the graphic support service and environmental education. These are mainly staffing costs.	This is a group of individual specialists. Little opportunity exists for efficiencies. A review of charging for the graphics service could take place and potentially deliver a small additional income to the service. However income would largely be derived from other areas within the Council.	The discretionary service areas could be stopped or reduced. Virtually the entire budget is for staffing and there would therefore be the associated redundancy/ redeployment issues arising.	These services would still be required by the council. Previous reviews (including BVR 2002) have concluded that externalisation would lessen the effectiveness of the service and that no significant savings are likely to be achieved. Best practice assessment favours in house provision.	The servicing of new conservation area committee would cost the department approximately £2-3k per annum.  Priority to provide conservation grants scheme. Cost say £50k.
Planning Policy & Regeneration (Development Planning,	391	SD  Approx 50% of	Hartlepool 14 <sup>th</sup> most disadvantaged district -	The Regeneration service is in part, a direct response to the high levels of disadvantage	The risk of significantly reducing staffing numbers or financial contributions to major	Pressure for continued funding for the TVR Victoria Harbour project

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Housing Market Renewal, Regeneration Programmes & Neighbourhood Action Plans NAPs, Strengthening Communities).1		the service relates to planning policy and housing market renewal (HMR). Planning Policy covers the preparation, monitoring and review of the Hartlepool Local Plan and the new Local Development Framework introduced under the Planning and Compulsory Purchase Act 2000. The HMR agenda is also a major and expanding area of work.  The other 50% of the service relates to discretionary	Index of Multiple Deprivation. Significant workload with new statutory Local Development Framework system, major regeneration programmes, Neighbourhood Action Plans NAPs, Strengthening Communities and Housing Market Renewal.	within Hartlepool. It has been instrumental in attracting over £450m of public sector investment into the Borough in the past two decades as well as over £300m worth of private sector investment.  Significant reductions or cessation of this service will in the short term have an immediate serious impact upon the council's ability to secure current & future external resources.  Longer term, a reduction in costs could arguably be possible if regeneration activities and/or external funding opportunities decline, although the reality is more likely to be the need for more council investment if service performance is to be maintained in an era of far more competitive bidding.	regeneration schemes would potentially include the loss of investment into the Borough many times greater.  The risk of reducing the £100k budget currently earmarked for Victoria Harbour is that once planning permission is granted and the implementation of the TVR masterplan for the area gathers momentum, council resources will be required to ensure the project progresses as planned.	delivery team.  Priority for HMR activity.

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		regeneration work involving bidding for regeneration funding and managing and implementing approved projects. It includes strong links with the SRB and NDC programmes. The service also develops and maintains strong regional and sub regional relationships within planning and regeneration.				
Regeneration & Planning Services - Salary Abatement	(60)	SD		An increased target through delaying filling vacancies could in theory be proposed.	The impact on services would be random depending on who left the authority. Pressures on remaining staff to maintain services would inevitably increase. Higher sickness or loss of morale could follow in under resourced services.	



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Youth Offending Service	287	S Significant match funding secured. Grant funding from Youth Justice Board of £229k in 05/06 , plus income from statutory partners of approx. £57k increases gross budget to £573k		Adjusting level of service may lead to pro-rata reduction in match funding of grant received from Youth Justice Board and income/contribution from statutory partners (ie Police, PCT, Probation)	YOS provides statutory service to one group of vulnerable young people (offenders). YOS performance measures contribute to the Children's Services Annual Performance Assessment, so any reduction in service effectiveness could affect this rating and significant match funding.	
<b>Sub Total</b>	3,365					

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<b>Neighbourhood Services Department</b>						
Environment Waste Disposal Household waste recycle Recycling scheme Refuse Collection	5,753	R SD SD SD  SD	Increase in Trade Waste Income £30k	Bulky Waste collection Mayor priority  2006/7	- Cleansing standards and customer satisfaction  - Recycling targets  are key indicators in the CPA Env Block  EPA – requires statutory targets are met	Bulky Waste collection £20K Pressure and £100K (Priority)  Recycling pressure arising from introduction of Town wide AWCs £100k  Shuttle service £30k  Navigation point £30k (Marina maintenance) (Priority)
Street Cleansing		D				
Public Cons. Grounds Maintenance		SD				
Environment Action	293	SD	Integrated approach to Neighbourhood Policing (06/07 – 08/09)	The level of service can be adjusted by the number of people carrying out enforcement. The pressure is to have more people on the streets	Community Safety –Public confidence would fall	
Town Care Management	119	D	None	Neighbourhood teams and the	Failure to meet Govt's NM	

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				level of neighbourhood engagement is discretionary but clearly it is a developing govt theme	aspirations More Member and ward issues causing tensions	Increase in Neighbourhood Activity £37K (Priority)
<b>Sub Total</b>	6,165					