

AUDIT AND GOVERNANCE COMMITTEE

AGENDA



23rd September 2025

at 4pm

**in Council Chamber
Civic Centre, Hartlepool**

AUDIT AND GOVERNANCE COMMITTEE:

Councillors Boddy, Cook, Darby, Hall, Holbrook, Jorgeson, Male, Moore (C), Reeve and Roy.

Standards Co-opted Independent Members: - Mr Martin Slimings and David Whitmore

Standards Co-opted Parish Council Representatives: Parish Councillor Kane Forrester (Wynyard) and Parish Councillor Patricia Andrews (Headland)

Local Police Representative

- 1. APOLOGIES FOR ABSENCE**
- 2. TO RECEIVE ANY DECLARATIONS OF INTEREST BY MEMBERS**
- 3. MINUTES**
 - 3.1 To receive the minutes from 24th June 2025.
 - 3.2 To receive the minutes from 15th July 2025.
- 4. AUDIT ITEMS**
 - 4.1 Treasury Management Strategy Q1 Update 2025/26 - *Director of Finance IT and Digital.*
 - 4.2 Audit Strategy Memorandum – *Representatives from Forvis/Mazars.*
 - 4.3 Internal Audit Plan 2025/26 Update – *Head of Audit and Governance.*
- 5. STANDARDS ITEMS**
 - 5.1 None

CIVIC CENTRE EVACUATION AND ASSEMBLY PROCEDURE

In the event of a fire alarm or a bomb alarm, please leave by the nearest emergency exit as directed by Council Officers. A Fire Alarm is a continuous ringing. A Bomb Alarm is a continuous tone.

The Assembly Point for everyone is Victory Square by the Cenotaph. If the meeting has to be evacuated, please proceed to the Assembly Point so that you can be safely accounted for.

6. STATUTORY SCRUTINY ITEMS

- 6.1 Work Programme 2025/26 - *Statutory Scrutiny Manager*

Health Scrutiny Issues

- 6.2 Hartlepool Pharmaceutical Needs Assessment (PNA) 2025 – *Director of Public Health*

Crime and Disorder Issues

- 6.3 Retail Crime – Final Report – *Scrutiny and Legal Support Officer*

7. OTHER ITEMS FOR DECISION

- 7.1 None

8. MINUTES FROM RECENT MEETINGS FOR RECIEPT BY THE COMMITTEE

- 8.1 Health and Wellbeing Board – None
- 8.2 Finance and Policy Committee relating to Public Health issues – None
- 8.3 Tees Valley Health Scrutiny Joint Committee – 8th May 2025
- 8.4 Safer Hartlepool Partnership – 14th March 2025
- 8.5 Tees Valley Area Integrated Care Partnership – None
- 8.6 Regional Health Scrutiny – None
- 8.7 Durham, Darlington and Teesside, Hambleton, Richmondshire and Whitby STP Joint Health Scrutiny Committee - None

9. ANY OTHER BUSINESS WHICH THE CHAIR CONSIDERS URGENT

For information: - forthcoming meeting dates: -

Tuesday 14th October 2025, 5pm
Tuesday 4th November 2025, 4pm
Tuesday 2nd December 2025, 5pm
Tuesday 27th January 2026, 4pm
Tuesday 17th March 2026, 5pm



AUDIT AND GOVERNANCE COMMITTEE

MINUTES AND DECISION RECORD

24 JUNE 2025

The meeting commenced at 4.00 pm in the Council Chamber, Civic Centre
Hartlepool

Present:

Councillor: Rob Darby (In the Chair)

Councillors: Moss Boddy, Gerard Hall, Philip Holbrook, Michael Jorgeson and
Aaron Roy
Shane Moore (see minute 3)

Standards Co-opted Independent Members:
David Whitmore

Also present: Lynn Calder, Jill Foreman, Matt Wynne, Emma Nunez and Neil
Atkinson, University Hospital of Tees

Officers: Hayley Martin, Director of Legal, Governance and Human
Resources
Joan Stevens, Democratic Services and Statutory Scrutiny
Manager
Angela Armstrong, Principal Democratic Services and Legal
Support Officer

1. Apologies for Absence

Apologies for absence were received from Councillor Fiona Cook.

2. Declarations of Interest

None.

3. Minutes of the meeting held on 1 April 2025

Confirmed.

Councillor Shane Moore joined the meeting and Councillor Rob Darby
stood down as Chair.

4. Regulation of Investigatory Powers Act 2000 (RIPA) – Quarter 1 Update *(Director of Legal, Governance and Human Resources)*

The Director of Legal, Governance and Human Resources presented a report that provided a quarterly update on activities relating to surveillance by the Council and policies under the Regulation of Investigatory Powers Act 2011.

Members were informed that there had been one application to carry out a direct surveillance during the first quarter of the year.

Recommended

The quarterly report was noted.

5. Crustacean Deaths Working Group – Final Report *(Democratic Services and Statutory Scrutiny Manager)*

At its meeting on 2 November 2022, Council agreed to participate in the Joint Crustacean Deaths Working Group established by Redcar and Cleveland Council. The Working Group met on a regular basis since its establishment, culminating in the production of the report that was attached at Appendix A. The views and comments of Audit and Governance Committee were sought to feed into Full Council for consideration at the meeting on 17 July 2025.

The former Chair of Children's Services Committee presented an overview of the comprehensive report compiled by the Working Group. There were a number of Government bodies/agencies with differing responsibilities involved and this had proven difficult from an engagement perspective. The Working Group were lobbying local MPs and Government Ministers with a view to securing a ministerial visit to chat to local fisherman and businesses affected by this issue. The Democratic Services and Statutory Scrutiny Manager indicated that this report would be considered at the next meeting of Full Council for endorsement with any additional comments being combined with the response of the Working Group.

Recommended

That the report provided by the Crustacean's Working Group be forwarded to the next meeting of Council for comments and endorsement.

6. Introduction to Scrutiny *(Democratic Services and Statutory Scrutiny Manager)*

The Statutory Scrutiny Manager submitted a report setting out the role and functions of the Audit and Governance Committee in fulfilling its statutory scrutiny responsibilities as required by the Health and Social Care Act 2012 and the statutory scrutiny functions related to the areas of crime and disorder and health.

Recommended

The report was noted.

7. Annual Appointments to Committees/Forums *(Democratic Services and Statutory Scrutiny Manager)*

The Democratic Services and Statutory Scrutiny Officer presented a report that noted a number of appointments made at Annual Council from within the membership of the Audit and Governance Committee. In addition, nominations for the following groups were sought:

- a) North East Regional Joint Member/Officer Scrutiny Network – Councillor Michael Jorgeson
- b) Durham Darlington and Teesside, Hambleton, Richmondshire and Whitby STP Joint Health Scrutiny Committee (2 Labour members) – to be submitted to the next meeting of the Committee
- c) Health and Wellbeing Board as a non-voting official observer – Councillor Michael Jorgeson
- d) Safer Hartlepool Partnership as a non-voting observer – Councillor Michael Jorgeson

Recommended

- (i) The nominations approved by Council were noted.
- (ii) That the nominations received be approved.
- (iii) That a report be submitted to the next meeting of the Committee seeking nominations for the Durham Darlington and Teesside, Hambleton, Richmondshire and Whitby STP Joint Health Scrutiny Committee.

8. Dedicated Scrutiny Budget *(Democratic Services and Statutory Scrutiny Manager)*

The Democratic Services and Statutory Scrutiny Manager provided an update in relation to expenditure from the Dedicated Overview and Scrutiny Budget 2024/25. Members were advised that there was a nil return for 2024/25.

Recommended

Members noted that there was a nil return for expenditure from the Dedicated Overview and Scrutiny Budget for 2024/25.

9. **Hospital Avoidance Scheme – Verbal Update** *(Care Group Director, North Tees and Hartlepool NHS Foundation Trust)*

Members were informed that representatives from University Hospital of Tees and North East Ambulance Service had been invited to provide a presentation on the Hospital Avoidance Scheme and Urgent Community Response. Apologies were submitted from the representatives of NEAS as they were unable to attend the meeting. One of the key focusses for the University Hospital of Tees was to grow neighbourhood healthcare and inspire the shift to care at home. An introduction to the Integrated Single Point of Access (iSPA) was provided which was a multi professional group of staff that had representation from many different community organisations. An overview of the Integrated Care Co-ordination was provided that highlighted that the aim was to ensure early identification of patients who do not require admission to an acute hospital, provide access to non-ED pathways and an ability to refer via a single point of access where required. The aim of this approach was to prevent clinicians from being passed around the system trying to find the correct end point. It was noted that the University Hospital of Tees in conjunction with the North East Ambulance Service (NEAS) were developing pathways to enable NEAS to access Urgent Community Response Teams and make referrals to Community Health Teams as opposed to Acute Care. In addition to the above, there was a Call Before Convey Approach where patients were involved through shared decision making including ensuring they were seen by the right clinician, in the right place and at the right time. An overview of the national directives and objectives for the Hospital Avoidance Scheme concluded the presentation to Committee.

In response to a question about GPs responding to patients needing treatment within care homes, a representative from the University Hospital of Tees confirmed district and community nurses were aligned to care homes and worked closely with community matrons and GPs. Members were informed that a hospital at home ward had recently been introduced which was led by a GP would work on the ward depending on the level of need. Once the patient was recovered, they would return to the care of the local GP. Members were reassured that engagement with local GPs had really improved with matrons in regular contact with GPs to discuss any concerns. The hospital at home ward would support the care of frail and older patients across Tees and respiratory pathways with a view to looking at what care can be delivered at home.

The Chair sought clarification on the single point of access and how this supported the discharge arrangements. A representative from University Hospital of Tees confirmed that there were still staff on site at North Tees but the majority of the discharge team worked out of iSPA.

A discharge plan would be developed as soon as the patient was getting back to fitness and the Ward would notify the discharge team who would liaise with the iSPA to put arrangements in place, including any support arrangements and/or the installation of any equipment that was required. Engagement with the patient's family would be undertaken as part of the discharge process wherever this was appropriate. There were a number of different discharge pathways which were dependent on the patient's needs. It was highlighted that the Local Authority had invested in an overnight service that enabled support to be provided in people's homes overnight where this was required. Where necessary, care would continue to be provided at the patient's home with support from the hospital at home team.

It was noted that all matrons were up to date with all training requirements and liaised with the care homes to ensure all staff remained up to date with training through weekly meetings that looked at any areas of learning that could be shared with the teams of carers. The work to support people in their own homes would support the commitment to only using hospital beds when needed therefore freeing up capacity for those patients where care at home was not a viable option.

Recommended

The update provided was noted.

10. Maternity Services – Verbal Update – University Hospital of Hartlepool *(Chief Nurse, Director of Midwifery, Managing Director, University Hospital Tees)*

Representatives from North Tees and Hartlepool NHS Foundation Trust were in attendance to provide Members with an update on the provision of maternity services at the University Hospital of Hartlepool. Members were provided with an outline of all of the services currently being provided from both the University Hospital of Hartlepool and the Community and One Life including diagnostic services, outpatients (routine and cancer services), out of hospital (community and one life), inpatient/day case services (routine and cancer services) and the urgent care centre (since April 2017). In relation to maternity provision, it was highlighted that since opening in 2020, there had been 113 births facilitated in the Rowan Suite in the University Hospital of Hartlepool with 73% of those women from Hartlepool. Within an 18 month time frame, there had been around 4k births with 32% of all deliveries for the trust who lived within a Hartlepool postcode, 97.4% of which opted to deliver at the University Hospital of North Tees and 0.7% delivered at the Rowan Suite. The attrition rate from Rowan caseload to birth at the University Hospital of North Tees was 84% of which, 7% had documented a change in care pathways.

Members were informed that the Rowan Suite would be closing for 3 months due to a number of vacancies reducing the number of staff

available which provided an inconsistency in the level of care provided. All women who had chosen to give birth in the Rowan Suite would be facilitated a home birth service should they wish to do that. In addition, to minimise the impact of the temporary closure and provide stability, women would be seen by the same midwife for anti and post-natal care. Members were informed that the Secretary of State had not been notified of this temporary closure as the maternity provision facilitated within Rowan Suite was not a specifically commissioned service as it was for a smaller population. It was acknowledged that there had been lots of national media scrutiny on the provision of maternity services and the aim was to ensure this provision was provided by the right staff in the right place.

A discussion ensued on the provision of maternity services in Hartlepool and it was highlighted that each individual birthing plan would be reviewed to ensure that the most appropriate and safe birthing place for that individual was in place. Members were informed that recruitment of midwives remained an ongoing problem and a stabilised workforce was required to continue the provision of services in the Rowan Suite. A representative from the Trust indicated that work was ongoing with service users, the local MP and public health to generate support and work was ongoing to ensure collaborative continuity of care for post-natal care and support.

Recommended

The update was noted with representatives of the University Hospital of North Tees and Hartlepool invited to return with a further update when there was any change to the current situation.

11. Minutes from recent meetings for receipt by the Committee

Tees Valley Health Scrutiny Joint Committee – 13 March 2025.
Safer Hartlepool Partnership – 6 December 2024 and 31 January 2025.

Recommended

Noted.

The meeting concluded at 5.20 pm

CHAIR

AUDIT AND GOVERNANCE COMMITTEE

MINUTES AND DECISION RECORD

15 JULY 2025

The meeting commenced at 5pm in the Civic Centre, Hartlepool.

Present:

Councillor: Shane Moore (In the Chair)

Councillors: Boddy, Cook, Darby, Hall, Jorgeson and Roy.

Standards Co-opted Members: Martin Slimings - Independent Member
David Whitmore – Independent Member

Officers: James Magog, Director of Finance, IT and Digital
Noel Adamson, Head of Audit and Governance
Laura Gough, Executive, Director of Children's & Joint
Commissioning Services
Phil Gleaves, Operational Lead (Pre Court)
Joan Stevens, Statutory Scrutiny Manager
Gemma Jones, Scrutiny and Legal Support Officer

12. Apologies for Absence

Cllr Holbrook

13. Declarations of Interest

None.

14. Minutes

None.

15. Anti-Fraud and Corruption Policy – *Head of Audit and Governance*

The Head of Audit and Governance was in attendance to present the Anti-Fraud and Corruption Strategy to enable Members to consider and endorse the strategy. The purpose of the strategy is to ensure that the Council has robust and relevant procedures and processes in place in respect of the detection and deterrence of

fraud and corruption. The strategy is in line with the Local Government Fraud Strategy and covers six themes as laid out in section 5.1 of the report.

Recommended

- i) That the Committee considers and endorses the updated Anti-Fraud and Corruption Strategy appended to the report.

16. Letter to those charged with Governance - *Head of Audit and Governance*

Members of the Committee were informed of the proposed reply to the letter received from the Director and Engagement Lead to the External Auditor, Mazars. This was to gain an understanding of how those charged with Governance gain assurance from management. The proposed reply was appended to the report. This was agreed by the Committee subject to the word 'Chair' being replaced by 'Chairman'.

Recommended

- i) That Members agree the contents of the letter to Mazars outlining how the activities of the Committee comply with the requirements of international Standards of Auditing.

17. Internal Audit Plan 2025/26 Update – *Head of Audit and Governance*

Members of the Committee were provided with an update in relation to the progress made to date in completing the internal audit plan for 2024/25. This included the limited assurance audits for Business Continuity and the Town Hall Theatre/Borough Hall. This report included the reasons why these items were 'limited assurance' and the actions agreed to mitigate the risks. During the presentation of the report the Chairman requested that future information be presented using clear and concise language.

In the discussion that followed the Director of Finance, and IT further explained the issues regarding the till systems at both venues. Members were informed that 2 working groups were to be established to address the issues with the till system and to improve work processes. Although this had been highlighted for a number of years, the Head of Audit and Governance was confident that significant achievements had recently been made to address the situation. It was also explained that the issues were partly due to the IT systems and that this had suffered from a lack of investment.

A query was raised in relation to the Highlight and if this could potentially experience similar problems. However, it was discussed that the kit put into the Highlight was new and would work well whilst still relying on back-end systems. It was proposed that Members bring further questions to the next meeting where the relevant Assistant Directors would be in attendance to explain the progress made to date.

The continuing use of cash in leisure centres and council buildings was also discussed. The Director of Finance, IT and Digital explained that any reduction in the use of cash in council services would need to be carefully considered as this was still the preferred method of payment for some.

A Member highlighted that these 'limited assurance' audit items had been an issue for quite some time and there was a need for this to be resolved. The Head of Audit and Governance explained to Members of the Committee that he was hopeful the Assistant Directors would be able to provide the assurance needed that risks had been mitigated.

Recommended

- i) That Members note the contents of the report
- ii) That the relevant Assistant Directors provide an update to the Committee at the September meeting in relation to progress made in implementing the actions agreed.

18. Internal Audit Annual Report and Opinion 2024/25 – Head of Audit and Governance

The report presented to Committee outlined the Head of Audit and Governance assurance opinion on the adequacy and effectiveness of the Council's internal control environment. The opinion was based on a wide range of audits outlined in Appendix A of the report for 2024/25.

The opinion of the Head of Audit and Governance was that, based on the audit work undertaken for the 2024/25 internal audit plan, the internal control environment (including the key financial systems, risk and governance) is well established and operating effectively in practice. The quality assurance and improvement programme was outlined in section 10 of the report. It was noted that there was full support from Senior Managers and Members of the Audit and Governance Committee.

The Chairman praised the work of the team and highlighted that the External Assessment of the Council's Internal Audit had received the highest level of conformance that can be achieved.

A Member questioned if the audit team was fully staffed, the Head of Audit and Governance was able to assure the Committee there was the correct number of staff in a stable team.

The Director of Finance, IT and Digital also praised the work of the audit team.

Recommended

- (i) That Members note the report.

19. Annual Governance Statement 2024/25 – Director of Finance, IT and Digital.

The purpose of the report was to inform Members of the requirement that the Council publish an Annual Governance Statement (AGS). This included the Financial Statements and the actions undertaken by the Council to meet its obligations within the scope of the Regulations. The AGS was appended to the report. This report demonstrates that the Council has adequate arrangements in place to ensure that it effectively manages and controls its financial and operational responsibilities in accordance with acknowledged best practice.

It was highlighted by the Head of Audit and Governance that section 3 of the statement referred to the progress made over the course of 2024/25 to address the Governance issues identified in 2023/24. The Governance Framework was set out at section 4 with section 5 referring to a review of the effectiveness of the framework.

In response to the report the Chairman raised a general question in relation to risk. Referring to the financial position of the Council and the Fair Funding offer, the Chairman asked what steps had been taken to mitigate risks should Fair Funding not be as favourable as hoped. The Director of Finance, IT and Digital explained that a Medium Term Financial Strategy had been set for the next 4 years and that the Fair Funding settlement would be confirmed later in the year. The Director explained that the Leader of the Council had instructed that a proposal be developed to freeze council tax. It was also highlighted that the main budget pressures were spending from Children's Services and Social Care.

Recommended

- (i) That Members review and approve the attached 2024/25 Annual Governance Statement.

20. Youth Justice Strategic Plan - Executive Director of Children's & Joint Commissioning Services and Operational Lead (Pre Court)

The Youth Justice strategic Plan was presented to the Committee as part of the consultation process for approval of the plan. Consultation will be undertaken with children, young people and their families, partners and key stakeholders. The Executive Director of Children's & Joint Commissioning Services explained once the consultation had finished, the plan would be taken to Full Council.

The Chairman commented that it was reassuring to see that the targets had been met and this was reflected in the performance. An Independent Member commented that the use of out of court disposals seemed to be working well with numbers in the Youth Court significantly reducing.

In terms of restorative justice, a Member queried how this had improved outcomes. The Operational Lead (Pre Court) explained that in terms of restorative justice an assessment is completed identifying areas of risk and concern and encompasses work undertaken to raise awareness of behaviour. Feedback was available in terms of the success of this approach and could be circulated to the Committee.

The Chairman commented that this would also be discussed at the next Safer Hartlepool Partnership.

Recommended

- i) That the progress made against the local Youth Justice Plan 2024/25 be noted.
- ii) To approve the draft local Youth Justice Plan for 2025/26 for consultation as outlined in the report prior to the final report being presented to Children's Services Committee in September 2025.

21. Scrutiny Work Programme Preparation - Statutory Scrutiny Manager

The Statutory Scrutiny Manager outlined to the Committee the process of selecting the Overview and Scrutiny work programme. This included the exploration of potential proactive topics for investigation and to seek the Committee's approval of the work programme.

It was explained the Committee has responsibility for two areas of statutory scrutiny. Those being matters related to health and crime and disorder. In order to fulfil these responsibilities an annual work programme is established that includes potential proactive topics, policy framework items and reactive issues of local concern that arise during the year.

It was noted that some items for the work programme were already scheduled and these were appended to the report. Members were also asked to consider items they wish to put forward for the 2025/26 municipal year. More detail could then be brought to the Committee at its meeting in September. It was also explained that the PICK matrix is a useful tool in identifying items for investigation.

The Chairman advised that meetings had taken place with the Chair of the Health and Wellbeing Board and Chair of the Safer Hartlepool Partnership to discuss further performance monitoring of both Boards and that this would take place alongside other topics. It was proposed by the Chairman that a working group be organised in August to allow Committee Members to informally meet to discuss potential work programme items further.

Further suggestions by Members included the issue of housing and empty homes and selective licensing. The Statutory Scrutiny Manager advised that this was addressed as part of the Derelict Land and Buildings investigation and an update with regards to the action plan for this investigation would be brought to the Committee at a later date.

A Member also raised the issue of suicide after receiving some data regarding rates of suicide across the Tees Valley. It was agreed that this would be raised at the Tees Valley Joint Health Scrutiny Committee for potential scrutiny by Members of the joint Committee.

Recommended

- i) That the Committee agree its work programme for 2025/26.

- ii) That potential topics of investigation be explored for proactive investigation, with a further report to be brought to the next Committee meeting.
- iii) To share the report and action plan from the Derelict Land and Buildings investigation with new Members of the Committee.
- iv) That the issue of suicide rates across the Tees Valley be taken to the next meeting of the Tees Valley Joint Health Scrutiny Committee.

22. Minutes from recent meetings for receipt by the Committee

None.

The meeting concluded at 6.05pm.

CHAIRMAN

AUDIT AND GOVERNANCE COMMITTEE

23 September 2025



Report of: Director of Finance, IT and Digital

Subject: TREASURY MANAGEMENT STRATEGY QUARTER
1 UPDATE 2025/26

1. COUNCIL PLAN PRIORITY

Hartlepool will be a place:
- where people live healthier, safe and independent lives. (People)
- that is connected, sustainable, clean and green. (Place)
- that is welcoming with an inclusive and growing economy providing opportunities for all. (Potential)
- A place with a Council that is ambitious, fit for purpose and reflects the diversity of its community. (Organisation).

2. PURPOSE OF REPORT

2.1 The purpose of the report is to provide the first quarter update of the 2025/26 Treasury Management activity.

3. BACKGROUND

3.1 The Treasury Management Strategy covers:

- the borrowing strategy relating to the Council's core borrowing requirement in relation to its historic capital expenditure (including Prudential Borrowing);
- the borrowing strategy for the use of Prudential Borrowing for capital investment approved as part of the Medium Term Financial Strategy; and
- the annual investment strategy relating to the Council's cash flow.

3.2 The Treasury Management Strategy needs to ensure that the loan repayment costs of historic capital expenditure do not exceed the available General Fund revenue budget. Similarly, for specific business cases the Treasury Management Strategy needs to ensure loan repayment costs do not exceed the costs built into the business cases.

- 3.3 The Local Government Act 2003 requires the Council to ‘have regard to’ the CIPFA (Chartered Institute of Public Finance and Accountancy) Prudential Code and to set prudential indicators for the next three years to ensure capital investment plans are affordable, prudent and sustainable.
- 3.4 The Act also requires the Council to set out a Treasury Management Strategy for borrowing and to prepare an Annual Investment Strategy, which sets out the policies for managing investments and for giving priority to the security and liquidity of those investments. The Secretary of State has issued Guidance on Local Government Investments which came into force on 1st April 2004, with subsequent updates.
- 3.5 The Council is required to nominate a body to be responsible for ensuring effective scrutiny of the Treasury Management Strategy and policies, before making recommendations to full Council. This responsibility has been allocated to the Audit and Governance Committee.
- 3.6 This report covers the following areas:
- Economic background and outlook for interest rates; and
 - Treasury Management Strategy 2025/26 first quarter review.

4. ECONOMIC ENVIRONMENT AND OUTLOOK FOR INTEREST RATES

- 4.1 **UK** –The Bank of England’s Monetary Policy Committee (MPC) cut interest rates in its August meeting by 25bps, lowering interest rates from 4.25% to 4.0%. The 5-4 voting split amongst committee members shows how finely balanced the decision was, but the direction of travel is still clear. The Committee will proceed with its cautious easing cycle and future rate cuts will be undertaken ‘gradually and carefully’.
- 4.2 The latest Consumer Price Index (CPI) data shows that the UK CPI measure of inflation was 3.8% in July, up from 3.6% in June. The rise was largely caused by rising air fares – driven by higher school holiday prices and food inflation rising driven by higher prices for goods. The Bank of England anticipates that inflation will rise further this year and should peak at 4% in September, before beginning to fall back towards the Bank’s 2% target.
- 4.3 The Office for Budget Responsibility’s revised growth forecast up to 2029 are set out in the following table:

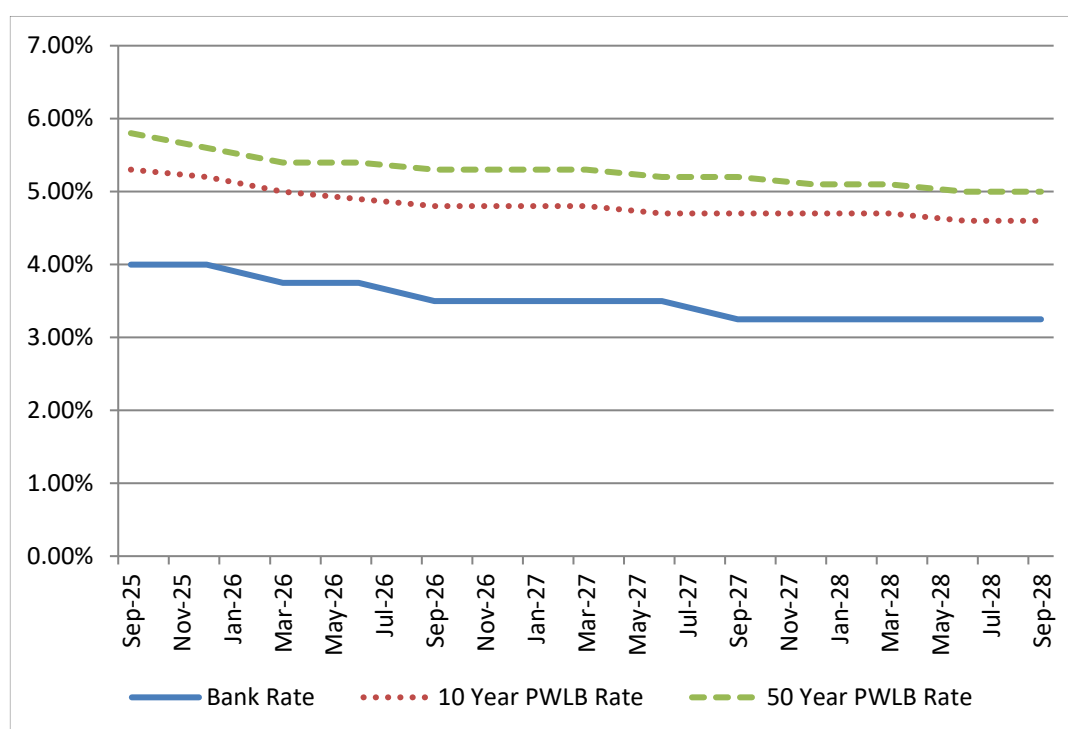
Year	March 2024 Growth Forecast	March 2025 Growth Forecast	
2025	1.9%	1.0%	
2026	2.0%	1.9%	
2027	1.8%	1.8%	
2028	1.7%	1.7%	
2029		1.8%	

- 4.4 **European Union (EU)** – Annual inflation rates in the Eurozone held steady at 2.0% in July 2025, unchanged from June but slightly above market expectations of 1.9%. The annual core inflation rate in the Eurozone, excluding volatile items such as energy, food, alcohol and tobacco, remained unchanged at 2.3%, its lowest level since January 2022. The unemployment rate in the Eurozone was unchanged from the prior month at 6.2% in June, just below forecasts, and broadly in line with market expectations.
- 4.5 **Other Economies** – The US Federal Reserve held rates at 4.25%-4.50% in July 25, for a fifth consecutive meeting, after continuing to employ a wait-and-see approach. The accompanying policy statement flagged concerns that growth ‘moderated in the first half of the year’ as economic uncertainty ‘remains elevated’ contrasting with earlier assessments that growth was proceeding ‘at a solid pace. The People’s Bank of China has kept its one-year medium term lending facility unchanged since September 2024 at 2.0%.

Interest Rate Forecasts

- 4.6 MUFG Corporate Markets (the Council’s Treasury Management advisors) continue to update their interest rate forecasts to reflect statements made by the Governor of the Bank of England and changes in the economy.
- 4.7 In August MPC cut the Base Rate to 4.00%, voting 5-4 in favour of a cut.
- 4.8 MUFG Corporate Markets suggest that February 2026 looks a reasonable estimate for when the next Bank Rate cut will occur, with rates forecast to fall to 3.75% by the end of 2026 and further cuts likely throughout 2027.
- 4.9 Economic and interest rate forecasting remains difficult with so many influences impacting on the economy. UK gilt yields (i.e. Government borrowing) and PWLB rates forecasts made by MUFG Corporate Markets may be liable to further amendment depending on how the political and economic developments transpire over the next year.

4.10 Link's Interest Rate Forecasts up to June 2028 are shown below:



4.11 Since the late 1990s Base Rate (bank rate) averaged 5% until 2009 when the Bank of England reduced it to historically low levels. Over the same period PWLB rates were significantly higher than they are at present.

5. TREASURY MANAGEMENT STRATEGY 2025/26 1st QUARTER REVIEW

5.1 The Treasury Management Strategy for 2025/26 was approved by Council on 20th February 2025. The Council's borrowing and investment position as at 30th June 2025 is summarised as follows:

	£m	Average Rate
PWLB Loans	25.9	3.46%
Market Loan (Annuity)	16.1	2.31%
Market Loans (Maturities)	25.0	3.92%
Non-Market Loans (Maturities)	0.5	0.00%
Market Loans (LOBOs)	15.0	3.71%
Gross Debt	82.5	3.40%
Investments	42.6	4.62%
Net Debt as at 30 June 2025	39.9	

5.2 Net Debt has increased since 31st March 2025 (£38.9m) owing to day to day revenue activity and capital programme delivery. The Council continues to actively manage cash flows on a daily basis to maximise investment/interest returns.

5.3 No new borrowing has been entered into during 2025/26.

- 5.4 As at the 30th June, 2025 the funds managed by the Council's in house team amounted to £42.6m. All investments complied with the Annual Investment Strategy and are shown on the table below.

Borrower	Duration	Value of Loan (£m)	Rate (%)	Start Date	Maturity Date
Fixed term Deposits					
Lloyds	1 year	15.000	4.550	04/10/24	03/10/24
NatWest Markets Plc	1 year	10.000	5.120	05/07/24	04/07/25
SMBC Bank International plc	1 year	5.000	4.470	18/09/24	18/09/25
Natwest Markets Plc	1 year	5.000	4.560	20/09/24	19/09/25
Debt Management Office	<1 month	0.250	4.210	23/06/25	08/07/25
Debt Management Office	<1 month	0.250	4.210	25/06/25	10/07/25
Cleveland Fire Authority	<1 month	0.165	4.210	23/06/25	04/07/25
Cleveland Fire Authority	<1 month	0.352	4.210	30/06/25	04/07/25
		36.017	4.689		
Money Market Funds					
Blackrock	On Call	6.568	4.210		Call
		6.568	4.210		
Total Deposits		42.585	4.615		

*On Call interest rate can vary on a day to day basis. The figure quoted here is as at 30/6/25

- 5.5 There are no changes to the counter party investment limits as agreed as part of the Investment Strategy and set out in the table below.

Category	Fitch	Moody's	Standard & Poor's	Proposed Counterparty Limit	Proposed Time Limit
A	F1+/AA-	P-1/Aa3	A-1+/AA-	£20m	1 Year
B	F1/A-	P-1/A3	A-1/A-	£15m	1 Year
C	Debt Management Office/Treasury Bills/Gilts			£40m	1 Year
D	Part Nationalised Banks			£15m	1 Year
E	Other Local Authorities Individual Limits per Authority: - £8m County, Metropolitan or Unitary Councils - £3m District Councils, Police or Fire Authorities			£40m	1 Year
F	Three Money Market Funds (AAA) with maximum investment of £10m per fund			£20m	Liquid (instant access)

- 5.6 As part of the Treasury Strategy for 2025/26 the Council set a number of prudential indicators. Compliance against these indicators is monitored on a regular basis and there are no breaches to report.

6. CIPFA Treasury Management Code of Practice

- 6.1 The Council has adopted the current CIPFA Treasury Management Code of Practice, effective from December 2021.

Treasury Management Advisors

- 6.2 The Council uses MUFG Corporate Markets as its external treasury management advisors.
- 6.3 The Council recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon our external service providers.
- 6.4 It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented, and subjected to regular review.

7. RISK CONSIDERATIONS

- 7.1 There is a risk in relation to the level of interest rates the Council is able to secure for long-term borrowing and the proposals detailed in this report are designed to manage these risks.
- 7.2 There are also risk implications in relation to the investment of surplus cash and these are addressed in the strategy recommended in the Counterparty limits.

8. OTHER CONSIDERATIONS

Financial Considerations	As set out in report.
Legal Considerations	The report details how the Council will comply with the relevant legal and regulatory requirements in relation to Treasury Management activities.
Child and Family Poverty	None
Equality and Diversity Considerations	None
Staff Considerations	None
Asset Management Considerations	None
Environment, Sustainability and Climate Change Considerations	None
Consultation	Not applicable

9. RECOMMENDATIONS

9.1 It is recommended that Members note the following:

- i) the 2025/26 Treasury Management 1st Quarter Position detailed in section 5.

10. REASON FOR RECOMMENDATIONS

10.1 To allow Members to fulfil their responsibility for scrutinising the Treasury Management Strategy

11. BACKGROUND PAPERS

Treasury Management Strategy, report to Audit and Governance Committee 28th January 2025.

12. CONTACT OFFICER

James Magog
 Director of Finance, IT & Digital
 james.magog@hartlepool.gov.uk
 01429 523003



Audit Strategy Memorandum

Hartlepool Borough Council – Year ending 31 March 2025

Audit and Governance Committee

Hartlepool Borough Council

Civic Centre
Victoria Road
Hartlepool
TS24 8AY

20 August 2025

Dear Sirs / Madams,

Audit Strategy Memorandum – Year ending 31 March 2025

We are pleased to present our Audit Strategy Memorandum for Hartlepool Borough Council for the year ending 31 March 2025.

This report summarises our audit approach, including the significant audit risks and areas of key judgement we have identified, and provides details of our audit team. In addition, as it is a fundamental requirement that an auditor is, and is seen to be, independent of an audited entity, the section of the report titled '*Confirmation of our independence*' summarises our considerations and conclusions on our independence as auditors.

Two-way communication with you is key to a successful audit and is important in:

- Reaching a mutual understanding of the scope of the audit and our respective responsibilities;
- Sharing information to assist each of us to fulfil our respective responsibilities;
- Providing you with constructive observations arising during the audit process; and
- Ensuring that we, as external auditors, gain an understanding of your attitude and views in respect of the internal and external operational, financial, compliance, and other risks facing Hartlepool Borough Council which may affect the audit, including the likelihood of those risks materialising and how they are monitored and managed.

With that in mind, this report, which has been prepared following our initial planning discussions with management, facilitates a discussion with you on our audit approach. We welcome any questions, concerns, or input you may have on our approach or role as auditor.

Forvis Mazars

The Corner
Bank Chambers
26 Mosley Street
Newcastle Upon Tyne
NE1 1DF

This report also contains appendices that outline our key communications with you during the audit, and forthcoming accounting issues and other issues that may be of interest to you.

Providing a high-quality service is extremely important to us and we strive to provide technical excellence with the highest level of service quality, together with continuous improvement to exceed your expectations. If you have any concerns or comments about this report or our audit approach, please contact me on 07881 283 527.

This report was prepared solely for the use and benefit of Members of the Audit and Governance Committee and to the fullest extent permitted by law Forvis Mazars LLP accepts no responsibility and disclaims all liability to any third party who purports to use or rely for any reason whatsoever on the report, its contents, conclusions, any extract, reinterpretation, amendment and/or modification. Accordingly, any reliance placed on the report, its contents, conclusions, any extract, reinterpretation, amendment and/or modification by any third party is entirely at their own risk.

Yours faithfully



James Collins

Forvis Mazars

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Appendix A – Key communication points

Appendix B – Current year updates, forthcoming accounting and other issues

This document is to be regarded as confidential to Hartlepool Borough Council. It has been prepared for the sole use of Members of the Audit and Governance Committee as the appropriate sub-committee charged with governance. No responsibility is accepted to any other person in respect of the whole or part of its contents.

Engagement and responsibilities summary

Engagement and responsibilities summary

We are appointed to perform the external audit of Hartlepool Borough Council for the year to 31 March 2025. The scope of our engagement is set out in the Statement of Responsibilities of Auditors and Audited Bodies, issued by Public Sector Audit Appointments Ltd (PSAA) available from the PSAA website: [Statement of responsibilities of auditors and audited bodies from 2023/24](#). Our responsibilities are principally derived from the Local Audit and Accountability Act 2014 (the 2014 Act) and the Code of Audit Practice issued by the National Audit Office (NAO), as outlined below.

Audit opinion

We are responsible for forming and expressing an opinion on whether the financial statements are prepared, in all material respects, in accordance with the Code of Practice on Local Authority Accounting.

Our audit does not relieve management or the Council as Those Charged With Governance, as those charged with governance, of their responsibilities.

The Director of Finance is responsible for the assessment of Hartlepool Borough Council's ability to continue as a going concern. As auditors, we are required to obtain sufficient, appropriate audit evidence regarding, and conclude on:

- a) whether a material uncertainty related to going concern exists, and
- b) the appropriateness of the Director of Finance's use of the going concern basis of accounting in the preparation of the financial statements.

Internal control

Management is responsible for such internal control as they determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

We are responsible for obtaining an understanding of internal control relevant to our audit and the preparation of the financial statements to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Hartlepool Borough Council's internal control.

Whole of Government Accounts

We report to the NAO on the consistency of Hartlepool Borough Council's financial statements with its Whole of Government Accounts (WGA) submission.



Fraud

The responsibility for safeguarding assets and for the prevention and detection of fraud, error, and non-compliance with law or regulations rests with both you and management. This includes establishing and maintaining internal controls over asset protection, compliance with relevant laws and regulations, and the reliability of financial reporting.

As part of our audit procedures in relation to fraud, we are required to inquire of you and key management personnel, internal audit and other key individuals, on their knowledge of instances of fraud, and their views on the risks of fraud and on internal controls that mitigate those risks. In accordance with International Standards on Auditing (UK), we plan and perform our audit to obtain reasonable assurance that the financial statements taken as a whole are free from material misstatement, whether due to fraud or error. However, our audit should not be relied upon to identify all such misstatements.

Value for money

We are also responsible for forming a view on the arrangements that the Council has in place to secure economy, efficiency and effectiveness in its use of resources. We discuss our approach to Value for Money work further in the 'Value for Money' section of this report.

Wider reporting and electors' rights

The 2014 Act requires us to give an elector, or any representative of the elector, the opportunity to question us about the accounts of the Council and consider objections made to the accounts. We also have a broad range of reporting responsibilities and powers that are unique to the audit of local authorities in the United Kingdom.

Your audit team

Your audit team

Your External Audit Service will continue to be led by James Collins

Who	Role	Contact
James Collins	Engagement Lead	James.Collins@mazars.co.uk 07881 283 527
Naser Alkobir	Engagement Manager	Naser.Alkobir@mazars.co.uk 07977 261 903
Jake Bunger	Engagement Team Leader	Jake.Bunger@mazars.co.uk 07811 036 640



03

Audit scope, approach, and timeline

Audit scope, approach, and timeline

Risk-based Approach



Audit scope, approach, and timeline

Audit scope

Our audit approach is designed to provide an audit that complies with all professional requirements.

Our audit of the financial statements will be conducted in accordance with International Standards on Auditing (UK), relevant ethical and professional standards, our own audit methodology, and in accordance with Code of Audit Practice. Our work is focused on those aspects of your business which we consider to have a higher risk of material misstatement, such as those impacted by management judgement and estimation, application of new accounting standards, changes of accounting policy, changes to operations, or areas found to contain material errors in the past.

Audit approach

Our audit approach is risk-based, and the nature, extent, and timing of our audit procedures are primarily driven by the areas of the financial statements we consider to be more susceptible to material misstatement. Following our risk assessment where we assess inherent risk factors (subjectivity, complexity, uncertainty, change and susceptibility to misstatement due to management bias or fraud), we develop our audit strategy and design audit procedures to respond to the risks we have identified.

If we conclude that appropriately-designed controls are in place, we may plan to test and rely on those controls. If we decide controls are not appropriately designed, or we decide that it would be more efficient to do so, we may take a wholly substantive approach to our audit testing where, in our professional judgement, substantive procedures alone will provide sufficient appropriate audit evidence. Substantive procedures are audit procedures designed to detect material misstatements at the assertion level and comprise tests of detail (of classes of transaction, account balances, and disclosures), and substantive analytical procedures. Irrespective of our assessed risks of material misstatement, which takes account of our evaluation of the operating effectiveness of controls, we are required to design and perform substantive procedures for each material class of transaction, account balance, and disclosure.

Our audit has been planned and will be performed to provide reasonable assurance that the financial statements are free from material misstatement and give a true and fair view. The concept of materiality and how we define a misstatement is explained in the *'Materiality and misstatements'* section of this report.

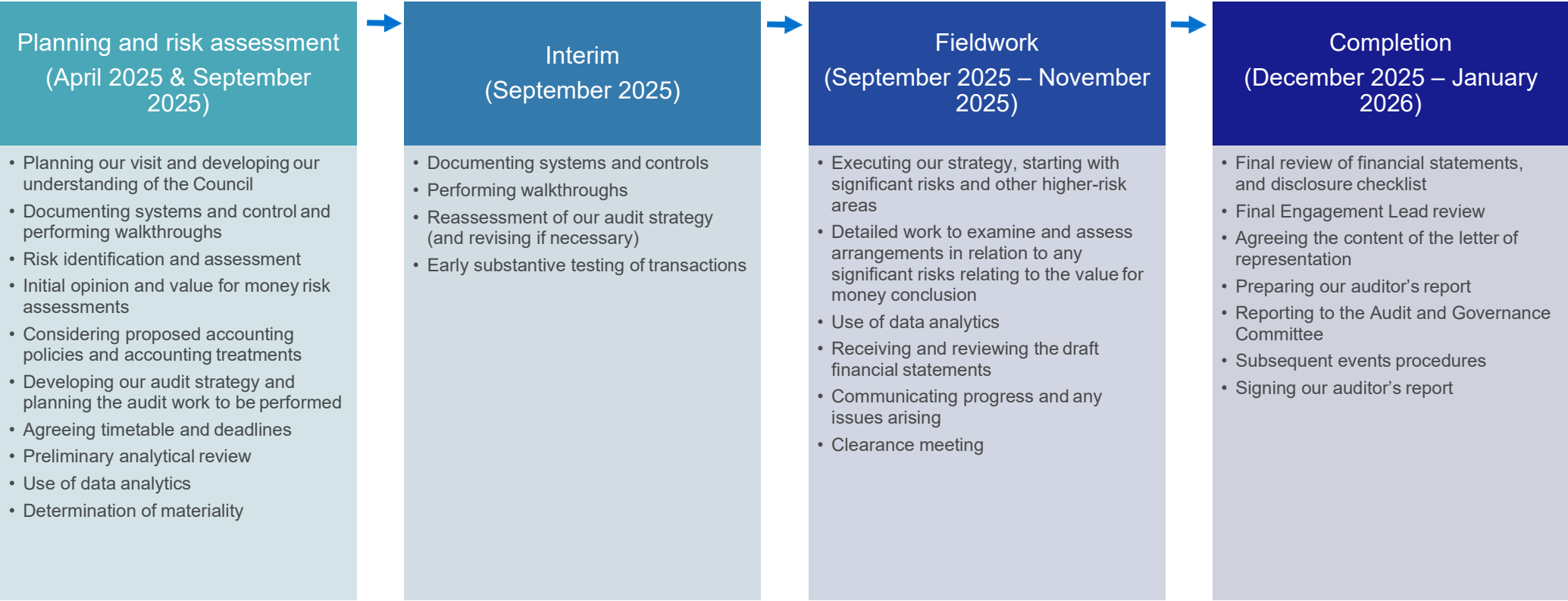
The diagram on the next page outlines the procedures we perform at the different stages of our audit.

Management's and our experts

Management makes use of experts in specific areas when preparing the Council's financial statements. We also use experts to assist us to obtain sufficient appropriate audit evidence on specific items of account.

Item of account	Management's expert	Our expert
Defined Benefit Asset / Liability	Hymans Robertson	Consulting Actuary (PWC) engaged by the NAO
Property, plant and equipment valuation	Internal Council valuer	We will consider the valuation exercise and, if required, consider the need to engage our own internal valuation expert.
Financial Instruments	MUFG Pension & Market Services (previously known as Link Asset Services)	We will consider the valuation of financial instruments and if deemed necessary engage our own internal experts.

Audit scope, approach, and timeline



Audit scope, approach, and timeline

Follow up on deficiencies in internal control

Set out below are the deficiencies in internal control that we identified during our prior period audit. During the course of the audit, we will request that you and management provide us with evidence of the progress made to address these deficiencies. We will report an update on the progress made for each significant deficiencies in internal control detailed below in our Audit Completion Report.

Description of deficiency

Our detailed testing highlighted that some elements of the year end residential homes costs are not recorded in the correct period. Based on follow up discussions Management have confirmed that the Council accounts for 13 lots of 4 weekly payments each year, this means that in each period 1 or 2 days are not accounted for.

Potential effects

The omission of 1 or 2 days' costs in each period could lead to inaccuracies in financial statements. This misalignment might distort the actual financial position of the Council. Continuance of this practice may potentially lead to material misstatements.

Recommendation

The Council should account for a full years cost each year, rather than using 13 four-weekly payment runs, which only cover 364 days. Additionally, the Council should ensure that year-end costs are allocated to the correct period.

Management response in 2023/24

The recommendation is accepted and will be rectified in the 2024/25 accounts.

Audit scope, approach, and timeline

Follow up on deficiencies in internal control *continued*

Description of deficiency

Our work on property valuations highlighted that the Valuation Report reported a valuation date of 1 April 2023. Our review of valuations noted that the accounting treatment aligned with a 31 March 2024 valuation. The valuation indices used in detailed valuations were closer to the 31 March 2024 than 1 April 2023. But the accounting treatment adopted does not align to a 1 April 2023 valuation. For example, the Code requires accumulated depreciation to be written out at the date of valuation, i.e. the 1 April 2023. However, the Council have written out depreciation as at 31 March 2024 valuation. The difference in asset values if the valuation was accounted for at 1 April 2023 would be a reduction in asset value of £1.502 million. As noted we do not believe this treatment to result in a material misstatement given the carrying amount of the asset at the 31 March 2024 is based on valuation data nearer the 31 March 2024 than 1 April 2023.

Potential effects

The misalignment between the valuation date and the accounting treatment could lead to inaccuracies in financial reporting. Incorrectly writing out depreciation for the period ending 31 March 2024, may result in overstated asset values and misstated depreciation expenses, impacting the carrying value of assets.

Recommendation

We recommend management revisit valuation dates and ensure that any corresponding accounting treatments are consistently aligned.

Management response in 2023/24

Our Valuer has confirmed that it is good valuation practice to use the most up to date indices at the time of carrying out the valuation. As most valuations are carried out in February the valuation date will be amended to 31 March in line with the accounting treatment.

Audit scope, approach, and timeline

Follow up on deficiencies in internal control *continued*

Description of deficiency

Valuations - Issues Identified with the valuer's report

As part of the valuations work we noted a number of issues in relation to the initial valuations report provided.

- The initial valuation report did not reference Housing Revenue Asset (HRA) properties. An updated report was subsequently provided.
- Our audit procedures required a reconciliation between the Valuers report and the relevant asset register values, however the report only included the movement in value since the previous valuation therefore meaning a reconciliation was not initially possible. We further note that any assets that had not moved in value were not listed in the valuers report. The valuer subsequently provided an updated report which included this information and a reconciliation was possible.
- The valuation report did not disaggregate valuations by asset type or valuation method.

Potential effects

- The initial omission of HRA properties from the valuation report can lead to incomplete financial reporting and misrepresentation of the Council's asset valuations.
- Without displaying the specific values calculated a reconciliation between the valuer report and asset register is not possible. Without this valuation there is a risk that discrepancies are not identified leading to errors in the valuations uploaded to the asset register.
- The failure to differentiate valuations by asset type or valuation method, such as Depreciated Replacement Cost (DRC) or Existing Use Value (EUV) makes consideration of the appropriateness of valuations more difficult.

Recommendation

- Valuation report should include HRA properties.
- The valuation report should consistently include the value of all assets valued, where asset values have not moved the valuation report should also include these assets.
- Future valuation reports should differentiate valuations by asset type (e.g. investments, surplus) and valuation method, such as Depreciated Replacement Cost (DRC) or Existing Use Value (EUV).

Management response in 2023/24

As noted above an updated report was produced during the audit to include HRA properties and the revaluation amount instead of the change in valuation. However, it is not felt that differentiating by asset type will be beneficial as individual valuation reports are analysed by component type, checked for valuation method before entering onto the Councils Asset Register. This is carried out before the Valuers Report is ready.

Audit scope, approach, and timeline

Follow up on deficiencies in internal control *continued*

Description of deficiency

Beacon properties are an important method of valuing HRA assets. The documentation available did not explain how each beacon value was determined and did not include three specific comparable properties (as required by guidance) with any adjustments or explanations for those adjustments.

Potential effects

The absence of detailed explanations and specific comparable properties can lead to a lack of transparency in the valuation process, making it difficult for management to assess the valuation provided.

Recommendation

Future valuation reports should include detailed explanations of how each beacon value is derived. This should include detail of three direct comparable properties for each beacon. The report should also clearly document any adjustments made to these comparable properties.

Management response in 2023/24

Our Valuer accepts the recommendation and will incorporate into the 2024/25 HRA valuations, albeit with the caveat it is not always possible to evidence 3 direct comparables and that sometimes a reduced number or the net has to be wider than so called 'direct' comparables.

Audit scope, approach, and timeline

Follow up on deficiencies in internal control *continued*

Description of deficiency

During the Council Tax and NNDR walkthroughs, we observed that when parameters are updated in the system at the start of the financial year there was no formal review to ensure the new parameter had been correctly input.

Potential effects

Without verification, there is a risk that incorrect parameters are used, leading to inaccurate Council Tax and NNDR calculations.

Recommendation

Parameter updates are subject to review to verify their accuracy. This review should be documented.

Management response in 2023/24

It was explained at audit that the parameters are reviewed when they are updated but are not formally signed off. At least 2 colleagues update and review with a further final check before the data is confirmed. Agree to introduce a formal sign off for 2025/26.

Audit scope, approach, and timeline

Follow up on deficiencies in internal control *continued*

Description of deficiency

The Council revalued their heritage assets as at 31 March 2024. This was the first time since 2018. During our review of the revalued assets we identified several assets which were present on the 2024 insurance valuation schedule which had been historically owned by the Council but had not been recognised within the heritage assets balance. These omissions were not material and have now been recognised.

Potential effects

The omission of heritage assets from the accounts disclosure could lead to a material misstatement. Failure to recognise and account for all heritage assets can impact the Council's asset management practices, including maintenance, preservation, and insurance coverage.

Recommendation

We recommend the Council complete a review at year end of all Heritage assets recognised against additions in year to ensure the balance at year end is materially complete.

Management response in 2023/24

A reconciliation of all assets per the 2004, 2011, 2018 and 2024 valuation schedules has been carried out. The Council has commissioned the external valuer to revalue all assets not revalued as part of the 2024 asset revaluation.

Materiality and misstatements

Materiality and misstatements

Definitions

Materiality is an expression of the relative significance or importance of a particular matter in the context of the financial statements as a whole.

Misstatements in the financial statements are considered to be material if they could, individually or in aggregate, reasonably be expected to influence the economic decisions of users based on the financial statements.

Materiality

We determine materiality for the financial statements as a whole (overall materiality) using a benchmark that, in our professional judgement, is most appropriate to entity. We also determine an amount less than materiality (performance materiality), which is applied when we carry out our audit procedures and is designed to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Further, we set a threshold above which all misstatements we identify during our audit (adjusted and unadjusted) will be reported to the Audit and Governance Committee.

Judgements on materiality are made in light of surrounding circumstances and are affected by the size and nature of a misstatement, or a combination of both. Judgements about materiality are based on a consideration of the common financial information needs of users as a group and not on specific individual users.

An assessment of what is material is a matter of professional judgement and is affected by our perception of the financial information needs of the users of the financial statements. In making our assessment we assume that users:

- Have a reasonable knowledge of business, economic activities, and accounts;
- Have a willingness to study the information in the financial statements with reasonable diligence;
- Understand that financial statements are prepared, presented, and audited to levels of materiality;
- Recognise the uncertainties inherent in the measurement of amounts based on the use of estimates, judgement, and consideration of future events; and
- Will make reasonable economic decisions based on the information in the financial statements.

We consider overall materiality and performance materiality while planning and performing our audit based on quantitative and qualitative factors.

When planning our audit, we make judgements about the size of misstatements we consider to be material. This provides a basis for our risk assessment procedures, including identifying and assessing the risks of material misstatement, and determining the nature, timing and extent of our responses to those risks.

The overall materiality and performance materiality that we determine does not necessarily mean that uncorrected misstatements that are below materiality, individually or in aggregate, will be considered immaterial.

We revise materiality as our audit progresses should we become aware of information that would have caused us to determine a different amount had we been aware of that information at the planning stage.

Materiality and misstatements

Materiality (continued)

We consider that gross expenditure is the key focus of users of the financial statements and, as such, we base our materiality levels around this benchmark.

We expect to set a materiality threshold of 2% of gross expenditure.

Due to the timing of this Audit Strategy Memorandum the materiality figures as set out in the table below, have been based on currently available information. The materiality figures have been based on the figures per the 2023/24 final accounts. These figures are subject to change as the information for 2024/25 draft accounts become available.

We will continue to monitor materiality throughout our audit to ensure it is set at an appropriate level.

	2024-25 £'000s	2023-24 £'000s
Overall materiality	£6,981	£6,981
Performance materiality	£5,235	£5,585
Clearly trivial	£209	£209
Specific materiality: Senior Officer Remuneration	10% of total senior management remuneration	10% of total senior management remuneration
Specific materiality: Exit packages of senior officers over £50k	£50	£50

Misstatements

We will accumulate misstatements identified during our audit that are above our determined clearly trivial threshold.

We have set a clearly trivial threshold for individual misstatements we identify (a reporting threshold) for reporting to you and management that is consistent with a threshold where misstatements below that amount would not need to be accumulated because we expect that the accumulation of such amounts would not have a material effect on the financial statements.

Based on our preliminary assessment of overall materiality, our proposed clearly trivial threshold is £0.209m, based on 3% of overall materiality. If you have any queries about this, please raise these with me.

Each misstatement above the reporting threshold that we identify will be classified as:

- **Adjusted:** Those misstatements that we identify and are corrected by management.
- **Unadjusted:** Those misstatements that we identify that are not corrected by management.

We will report all misstatements above the reporting threshold to management and request that they are corrected. If they are not corrected, we will report each misstatement to you as unadjusted misstatements and, if they remain uncorrected, we will communicate the effect that they may have individually, or in aggregate, on our audit opinion.

Misstatements also cover qualitative misstatements and include quantitative and qualitative misstatements and omissions relating to the notes of the financial statements.

Reporting

In summary, we will categorise and report misstatements above the reporting threshold to you as follows:

- Adjusted misstatements;
- Unadjusted misstatements; and
- Disclosure misstatements (adjusted and unadjusted).

Significant risks and other key judgement areas

Significant risks and other key judgement areas

Following the risk assessment approach set out in the '*Audit scope, approach, and timeline*' section, we have identified the risks of material misstatement in the financial statements. These risks are categorised as significant, enhanced, or standard. The definitions of these risk ratings are set out below.

Significant risk

A risk that is assessed as being at or close to the upper end of the spectrum of inherent risk, based on a combination of the likelihood of a misstatement occurring and the magnitude of any potential misstatement. As required by auditing standards, a fraud risk is always assessed as a significant risk.

Enhanced risk

An area with an elevated risk of material misstatement at the assertion level, other than a significant risk, based on factors/ information inherent to that area. Enhanced risks require additional consideration but do not rise to the level of a significant risk. These include but are not limited to:

- Key areas of management judgement and estimation uncertainty, including accounting estimates related to material classes of transaction, account balances, and disclosures but which are not considered to give rise to a significant risk of material misstatement; and
- Risks relating to other assertions and arising from significant events or transactions that occurred during the period.

Standard risk

A risk related to assertions over classes of transaction, account balances, and disclosures that are relatively routine, non-complex, tend to be subject to systematic processing, and require little or no management judgement/ estimation. Although it is considered that there is a risk of material misstatement, there are no elevated or special factors related to the nature of the financial statement area, the likely magnitude of potential misstatements, or the likelihood of a risk occurring.

Significant risks and other key judgement areas

Audit risks and planned responses

In this section, we have set out the risks that we deem to be significant and enhanced, and our planned response. An audit is a dynamic process, and should we change our view of risk and/ or our approach to address those risks during our audit, we will report this to the Audit and Governance Committee.

Significant risks

	Risk name	Fraud	Error	Judgement	Risk description	Planned response
1	Management override of controls This is a mandatory significant risk on all audits due to the unpredictable way in which such override could occur.	●	○	●	Management at various levels within an organisation are in a unique position to perpetrate fraud because of their ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Due to the unpredictable way in which such override could occur there is a risk of material misstatement due to fraud on all audits.	We plan to address the management override of controls risk through performing audit work over accounting estimates, journal entries and significant transactions outside the normal course of business or otherwise unusual.

Significant risks and other key judgement areas

Audit risks and planned responses

In this section, we have set out the risks that we deem to be significant and enhanced, and our planned response. An audit is a dynamic process, and should we change our view of risk and/ or our approach to address those risks during our audit, we will report this to the Audit and Governance Committee.

Significant risks

	Risk name	Fraud	Error	Judgement	Risk description	Planned response
2	Net defined benefit asset / liability valuation	○	○	●	The financial statements contain material pension entries in respect of retirement benefits. The calculation of these pension figures, both assets and liabilities, can be subject to significant volatility and includes estimates based upon a complex interaction of actuarial assumptions. This results in an increased risk of material misstatement. We also note that in the prior period the backstop date introduced by the Amendment Regulations impeded our ability to obtain sufficient appropriate evidence over the following material elements of the Pension balances disclosed within the financial statements: - The value of scheme assets as at 31 March 2024 (£628.250m) as disclosed in notes 45; - And the return on plan assets for the year ended 31 March 2024 (£32.275m) as disclosed in note 45.	We will discuss with key contacts any significant changes to the pension estimates. In addition to our standard programme of work in this area, we will evaluate the management controls you have in place to assess the reasonableness of the figures provided by the Actuary and consider the reasonableness of the Actuary's output, referring to an expert's report on all actuaries nationally. We will review the appropriateness of the key assumptions included within the valuations, compare them to expected ranges and review the methodology applied in the valuation. We will consider the adequacy of disclosures in the financial statements. We will also seek assurance from the auditor of Teesside Pension Fund.

Significant risks and other key judgement areas

Audit risks and planned responses

In this section, we have set out the risks that we deem to be significant and enhanced, and our planned response. An audit is a dynamic process, and should we change our view of risk and/ or our approach to address those risks during our audit, we will report this to the Audit and Governance Committee.

Significant risks

	Risk name	Fraud	Error	Judgement	Risk description	Planned response
3	Valuation of land, buildings, housing and investment property	○	○	●	The financial statements contain material entries on the Balance Sheet as well as material disclosure notes in relation to the Council's holding of land, buildings, council housing and investment properties. Although the Council uses a valuation expert to provide information on valuations, there remains a high degree of estimation uncertainty associated with the revaluation of land, buildings and investment properties due to the significant judgements and number of variables involved in providing revaluations. We have therefore identified the valuation of land, buildings, housing and investment properties to be an area of significant risk.	We plan to address this risk by considering the Council's arrangements for ensuring that land, buildings, housing and investment property values are reasonable and we will use data on valuation trends and relevant indices to assess the reasonableness of the valuations provided by the external valuer. We will also assess the competence, skills and experience of the valuer. We plan to discuss methods used by the valuer and substantively test valuations. Where assets have not been revalued in the year we will consider available market data to challenge managements judgement they are not materially misstated. Where material, we will test individual revaluations in year to valuation reports and supporting calculation sheets to ensure the calculations are correct and source data agrees.

Significant risks and other key judgement areas

Audit risks and planned responses

In this section, we have set out the risks that we deem to be significant and enhanced, and our planned response. An audit is a dynamic process, and should we change our view of risk and/ or our approach to address those risks during our audit, we will report this to the Audit and Governance Committee.

Significant risks

	Risk name	Fraud	Error	Judgement	Risk description	Planned response
4	Accounting for leases under IFRS 16	○	●	●	IFRS 16 is applicable from 1 April 2024 and is designed to report information that shows lease transactions and provides a better basis for users of financial statements to assess the amount, timing and uncertainty of cash flows arising from leases. The Council is required to make accounting entries in respect of IFRS16 in its 2024/25 accounts. Application of a new accounting standard to these significant balances will require judgement and presents a significant risk to the material accuracy of the financial statements. In year 1, there is also a significant risk that these will be materially complete.	We will undertake a range of substantive procedures including: - critically reviewing the accuracy and completeness of the Council’s assessment; - reviewing the accounting treatment; - seeking other evidence as appropriate.

Significant risks and other key judgement areas

Other considerations

In consideration of ISA (UK) 260 *Communication with Those Charged with Governance*, we would like to seek your views/ knowledge of the following matters:

- Did you identify any other risks (business, laws & regulation, fraud, going concern etc.) that may result in material misstatements?
- Are you aware of any significant communications between Hartlepool Borough Council and regulators?
- Are there any matters that you consider warrant particular attention during the course of our audit, and any areas where you would like additional procedures to be undertaken?

We plan to do this by formal letter to the Audit Governance Committee which we will obtain prior to completing our audit.

Significant difficulties encountered during the course of audit

In accordance with ISA (UK) 260 *Communication with Those Charged with Governance*, we are required to communicate certain matters to you which include, but are not limited to, significant difficulties, if any, that are encountered during our audit. Such difficulties may include matters such as:

- Significant delays in management providing information that we require to perform our audit.
- An unnecessarily brief time within which to complete our audit.
- Extensive and unexpected effort to obtain sufficient appropriate audit evidence.
- Unavailability of expected information.
- Restrictions imposed on us by management.
- Unwillingness by management to make or extend their assessment of an entity's ability to continue as a going concern when requested.

We will highlight to you on a timely basis should we encounter any such difficulties (if our audit process is unduly impeded, this could require us to issue a modified auditor's report).

Internal audit function

Based on our assessment of the extent to which the internal audit function's organisational status and relevant policies and procedures support the objectivity of the internal auditors, the level of competence of the internal audit function, and whether the internal audit function applies a systematic and disciplined approach, including quality control, we do not expect to use the work of the internal audit function for the purpose of our audit.

Nonetheless, we will obtain a copy of the reports issued by internal audit relating to the financial period under audit determine whether any findings will have an impact on our risk assessment and planned audit procedures.

Value for Money

Value for money

The framework for value for money work

We are required to form a view as to whether the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The NAO issues guidance to auditors that underpins the work we are required to carry out in order to form our view and sets out the overall criterion and sub-criteria that we are required to consider.

This will be the first audit year where we are undertaking our value for money (VFM) work under the full 2024 Code of Audit Practice (the Code). Our responsibility remains to be satisfied that the Council has proper arrangements in place, and to report in the auditor's report where we are not satisfied that arrangements are in place. Where we have issued a recommendation in relation to a significant weaknesses this indicates we are not satisfied that arrangements are in place. Separately we provide a commentary on the Council's arrangements in the Auditor's Annual Report.

A key change in the 2024 Code of Audit Practice is the requirement for us to issue our Auditor's Annual Report for the year ending 31st March 2025 to you in draft by the 30th November 2025. This is required whether our audit is complete or not. Should our work not be complete, we will report the status of our work and any findings to up to that point (and since the issue of our previous Auditor's Annual Report). Further information will be provided in Appendix A.

Specified reporting criteria

The Code requires us to structure our commentary to report under three specified criteria:

1. **Financial sustainability** – how the Council plans and manages its resources to ensure it can continue to deliver its services;
2. **Governance** – how the Council ensures that it makes informed decisions and properly manages its risks; and
3. **Improving economy, efficiency and effectiveness** – how the Council uses information about its costs and performance to improve the way it manages and delivers its services.

Our approach

Our work falls into three primary phases as outlined opposite. We gather sufficient evidence to support our commentary on the Council's arrangements and to identify and report on any significant weaknesses in arrangements. Where significant weaknesses are identified, we are required to report these to the Council and make recommendations for improvement. Such recommendations can be made at any point during the audit cycle, and we are not expected to wait until issuing our overall commentary to do so.

Planning	Obtaining an understanding of the Council's arrangements for each specified reporting criteria. Relevant information sources will include: • NAO guidance and supporting information • Information from internal and external sources including regulators • Knowledge from previous audits and other audit work undertaken in the year • Interviews and discussions with staff and members
Additional risk based procedures and evaluation	Where our planning work identifies risks of significant weaknesses, we will undertake additional procedures to determine whether there is a significant weakness.
Reporting	We will provide a summary of the work we have undertaken and our judgements against each of the specified reporting criteria as part of our commentary on arrangements which forms part of the Auditor's Annual Report. Our commentary will also highlight: • Significant weaknesses identified and our recommendations for improvement; and • Emerging issues or other matters that do not represent significant weaknesses but still require attention from the Council.

Identified risks of significant weaknesses in arrangements

The NAO’s guidance requires us to carry out work at the planning stage to understand the Council’s arrangements and to identify risks that significant weaknesses in arrangements may exist.

Although we have not fully completed our planning and risk assessment work, the table below outlines the risks of significant weaknesses in arrangements that we have identified to date. We will report any further identified risks to the Audit and Governance Committee on completion of our planning and risk identification work.

	Risk of significant weakness in arrangements	Financial sustainability	Governance	Improving the 3Es	Planned procedures
1	Financial sustainability The Council has reported significant budget deficits in recent years and as at February 2025 was forecasting a £2.2m deficit in 2024/25. This has been largely due to a £7m overspend in children’s social care Our work in 2023/24 did not identify any evidence to indicate a significant weakness in arrangements. However, we raised an ‘other recommendation’ to recognise that the Council needed to take action in future years to address the cost pressures (particularly in children’s social care) and deliver savings set out in the Transformation and Efficiency Strategy necessary to prevent any further draw on reserves.	●	○	○	We will consider the final outturn position for 2024/25 including the achievement of savings targets and the Council’s reserves. We will review the 2025/26 medium term financial plan and monitor in-year financial performance. We will consider how the Council is addressing the significant overspends in children’s social care and the achievement of its savings targets and delivery of the Transformation and Efficiency Strategy.

Audit fees and other services

Audit fees and other services

Fees for work as the Council’s appointed auditor

Our fees (exclusive of VAT) as the Council’s appointed for the year ended 31 March 2025 are outlined below.

The increase between 2023/24 and 2024/25 reflects the results of the national procurement exercise undertaken by Public Sector Audit Appointments (PSAA) and to which Hartlepool Borough Council was a party.

Our fees are designed to reflect the time, professional experience, and expertise required to perform our audit. At this stage of the audit, we are not planning any divergence from the scale fees set by PSAA. Any divergence from the scale fees set by PSAA Limited will require formal approval.

Area of work	2024-25 Proposed Fee	2023-24 Actual Fee
Planned fee in respect of our work under the Code of audit Practice (Scale fee set by PSAA)	£321,597	£295,332
ISA 315 - fee Variation for 2023/24 relating to ISA 315 revised (fee set by PSAA)	-	£15,690*
Additional fees in respect of procedures to confirm disclosure requirements had been met for prior period adjustment (fee to be agreed with PSAA)	-	£4,041*
Additional fees in respect of procedures performed due to updated valuations report (fee to be agreed with PSAA)	-	£4,481*
Additional fees in respect of procedures performed associated with the qualification of the audit opinion owing to the lack of Pension Fund assurance. (fee to be agreed with PSAA)	-	£4,000*
Total	£321,597	£323,544

**Subject to PSAA approval*

Fees for non-PSAA work

There is no 2024/25 non-audit fee work planned at this stage.

Before agreeing to undertake any additional work we consider whether there are any actual, potential or perceived threats to our independence. Further information about our responsibilities in relation to independence is provided in section 7 ‘Confirmation of our independence’.

Confirmation of our independence

Confirmation of our independence

Requirements

We comply with the International Code of Ethics for Professional Accountants, including International Independence Standards issued by the International Ethics Standards Board for Accountants together with the ethical requirements that are relevant to our audit of the financial statements in the UK reflected in the ICAEW Code of Ethics and the FRC Revised Ethical Standard.

Compliance

We are not aware of any relationship between Forvis Mazars and Hartlepool Borough Council that, in our professional judgement, may reasonably be thought to impair our independence.

We are independent of Hartlepool Borough Council and have fulfilled our independence and ethical responsibilities in accordance with the requirements applicable to our audit.

Non-audit and Audit fees

We have set out a summary of the non-audit services provided by Forvis Mazars (with related fees) to Hartlepool Borough Council, together with our audit fees and independence assessment.

We are committed to independence and confirm that we comply with the FRC's Revised Ethical Standard. In addition, we have set out in this section any matters or relationships we believe may have a bearing on our independence or the objectivity of our audit team.

Based on the information provided by you and our own internal procedures to safeguard our independence as auditors, we confirm that in our professional judgement there are no relationships between us and any of our related or subsidiary entities, and you and your related entities, that create any unacceptable threats to our independence within the regulatory or professional requirements governing us as your auditors.

We have policies and procedures in place that are designed to ensure that we carry out our work with integrity, objectivity, and independence. These policies include:

- All partners and staff are required to complete an annual independence declaration.
- All new partners and staff are required to complete an independence confirmation and complete annual ethical training.
- Rotation policies covering audit engagement partners and other key members of the audit team.
- Use by managers and partners of our client and engagement acceptance system, which requires all non-audit services to be approved in advance by the audit engagement partner.

We confirm, as at the date of this report, that the engagement team and others in the firm as appropriate, Forvis Mazars LLP are independent and comply with relevant ethical requirements. However, if at any time you have concerns or questions about our integrity, objectivity or independence, please discuss these with me in the first instance.

Prior to the provision of any non-audit services, I will undertake appropriate procedures to consider and fully assess the impact that providing the service may have on our independence as auditor.

Principal threats to our independence and the associated safeguards we have identified and/ or put in place are set out in Terms of Appointment issued by PSAA available from the PSAA website: [Terms of Appointment from 1 July 2021 - PSAA](#). Any emerging independence threats and associated identified safeguards will be communicated in our Audit Completion Report.

Appendices

A: Key communication points

B: Current year updates, forthcoming accounting and other issues

C: Consultations on measures to tackle the local government financial reporting and audit backlog

Appendix A: Key communication points

We value communication with Those Charged With Governance, as a two-way feedback process is at the heart of our client service commitment. The Code of Audit Practice as well as ISA (UK) 260 *Communication with Those Charged with Governance* and ISA (UK) 265 *Communicating Deficiencies In Internal Control To Those Charged With Governance And Management* specifically require us to communicate a number of matters with you. We meet these requirements, principally, through presenting the following documents to you:

- Our Audit Strategy Memorandum;
- Our Audit Completion Report; and
- Our Auditor's Annual Report.

These documents will be discussed with management prior to being presented to you and their comments will be incorporated as appropriate.

Relevant points that need to be communicated with you at each stage of the audit are outlined below.

Key communication points at the planning stage as included in this Audit Strategy Memorandum

- Our responsibilities in relation to the audit of the financial statements;
- The planned scope and timing of the audit;
- Significant audit risks and areas of management judgement;
- Our commitment to independence;
- Responsibilities for preventing and detecting errors;
- Materiality and misstatements; and
- Fees for audit and other services.

Key communication points at the completion stage to be included in our Audit Completion Report

- Significant deficiencies in internal control;
- Significant findings from the audit;
- Significant matters discussed with management;
- Significant difficulties, if any, encountered during the audit;
- Qualitative aspects of the entity's accounting practices, including accounting policies, accounting estimates and financial statement disclosures;
- Our conclusions on the significant audit risks and areas of management judgement;
- Summary of misstatements;
- Management representation letter;
- Our proposed draft audit report; and
- Independence.

Changes introduced by the 2024 Code of Audit Practice

The 2024 Code now requires the auditor to issue the draft Auditor's Annual Report by 30th November following each year end. For the 2024/25 audit, this means that we must issue our draft Auditor's Annual Report by 30 November 2025, whether our audit is complete or not.

In instances where our audit work is not complete by 30 November for any given year, the 2024 Code requires us to provide a summary of the status of the audit at the time of issuance and should reflect the work completed to date since we issued our previous Auditor's Annual Report. In such instances, we will issue an Interim Auditor's Annual Report to meet the 30 November deadline. On completion of any outstanding financial statement audit work or Value for Money arrangements work, we will re-issue the Auditor's Annual Report which will include an updated commentary on Value for Money arrangements.

Appendix A: Key communication points

ISA (UK) 260 *Communication with Those Charged with Governance*, ISA (UK) 265 *Communicating Deficiencies In Internal Control To Those Charged With Governance And Management* and other ISAs (UK) specifically require us to communicate the following:

Required communication	Where addressed
Our responsibilities in relation to the financial statement audit and those of management and Those Charged with Governance.	Audit Strategy Memorandum
The planned scope and timing of the audit including any limitations, specifically including with respect to significant risks.	Audit Strategy Memorandum
With respect to misstatements: • Uncorrected misstatements and their effect on our audit opinion; • The effect of uncorrected misstatements related to prior periods; • A request that any uncorrected misstatement is corrected; and • In writing, corrected misstatements that are significant.	Audit Completion Report
With respect to fraud communications: • Inquiries with the Audit and Governance Committee to determine whether you have knowledge of any actual, suspected, or alleged fraud affecting the entity; • Any fraud that we have identified or information we have obtained that indicates that fraud may exist; and • A discussion of any other matters related to fraud.	Audit Completion Report and discussion at the Audit and Governance Committee meetings, audit planning meeting, and audit clearance meeting

Appendix A: Key communication points

Required communication	Where addressed
Significant matters arising during the audit in connection with the entity's related parties including, when applicable: • Non-disclosure by management; • Inappropriate authorisation and approval of transactions; • Disagreement over disclosures; • Non-compliance with laws and regulations; and • Difficulty in identifying the party that ultimately controls the entity.	Audit Completion Report
Significant findings from the audit including: • Our view about the significant qualitative aspects of accounting practices including accounting policies, accounting estimates and financial statement disclosures; • Significant difficulties, if any, encountered during the audit; • Significant matters, if any, arising from the audit that were discussed with management or were the subject of correspondence with management; • Written representations that we are seeking; • Expected modifications to the audit report; and • Other matters, if any, significant to the oversight of the financial reporting process or otherwise identified in the course of the audit that we believe will be relevant to the Audit and Governance Committee in the context of fulfilling their responsibilities.	Audit Completion Report

Appendix A: Key communication points

Required communication	Where addressed
Significant deficiencies in internal controls identified during the audit.	Audit Completion Report and Audit and Governance Committee meetings
Where relevant, any issues identified with respect to authority to obtain external confirmations or inability to obtain relevant and reliable audit evidence from other procedures.	Audit Completion Report
Audit findings regarding non-compliance with laws and regulations where the non-compliance is material and believed to be intentional (subject to compliance with legislation on tipping off) and inquiry of the Audit and Governance Committee into possible instances of non-compliance with laws and regulations that may have a material effect on the financial statements that the Audit and Governance Committee may be aware of.	Audit Completion Report and Audit and Governance Committee meetings
With respect to going concern, events or conditions identified that may cast significant doubt on the entity's ability to continue as a going concern, including: • Whether the events or conditions constitute a material uncertainty; • Whether the use of the going concern assumption is appropriate in the preparation and presentation of the financial statements; and • The adequacy of related disclosures in the financial statements.	Audit Completion Report
Communication regarding our system of quality management, compliant with ISQM (UK) 1, developed to support the consistent performance of quality audit engagements. To address the requirements of ISQM (UK) 1, our firm's System of Quality Management team completes, as part of an ongoing and iterative process, a number of key steps to assess and conclude on our firm's System of Quality Management: • Ensure there is an appropriate assignment of responsibilities under ISQM (UK) 1 and across Leadership • Establish and review quality objectives each year, ensuring ISQM (UK) 1 objectives align with the firm's strategies and priorities • Identify, review, and update quality risks each quarter, taking into consideration the number of input sources (such as FRC / ICAEW review findings, internal monitoring findings, findings from our firm's root cause analysis and remediation functions, etc.) • Identify, design, and implement responses as part of the process to strengthen our firm's internal control environment and overall quality • Evaluate responses and remediate control gaps or deficiencies We perform an evaluation of our system of quality management on an annual basis. Our first evaluation was performed as of 31 August 2023. Details of that assessment and our conclusion are set out in our 2022/2023 Transparency Report, which is available on our website here. The details of our evaluation of our system of quality management as of 31 August 2024, and our conclusion, set out in our 2023/24 Transparency Report, which is available on our website here.	Audit Strategy Memorandum

Appendix B: Current year updates, forthcoming accounting & other issues

Current and forthcoming accounting issues

New standards and amendments

Effective for accounting periods beginning on or after 1 January 2019

IFRS 16 Leases (Issued January 2016)

- IFRS 16 Leases (IFRS 16) will replace the existing leasing standard, IAS 17, and will introduce significant changes, particularly for lessees. The requirements for lessors will be largely unchanged from the position in IAS 17. Lessees will need to recognise right of use assets and associated lease liabilities for all leases (except short-life or low-value leases) as the distinction between operating leases and finance leases is removed. Subsequent to initial recognition, a service concession arrangement liability will subsequently be measured following the principles set out in IFRS 16. The introduction of this standard is likely to lead to significant work being required in order to identify all leases and service concession arrangements to which the Council are party to. There will also be consequential impacts upon capital financing arrangements at many authorities which will need to be identified and addressed. IFRS 16 was adopted by the Code of Practice on Local Authority Accounting in 2024/25.

Effective for accounting periods beginning on or after 1 January 2023

IFRS 18 Presentation and Disclosure in Financial Statements (Issued April 2024)

- IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18) is a new standard that replaces IAS 1 Presentation of Financial Statements. The new standard aims to increase the comparability, transparency and usefulness of information about companies' financial performance. It introduces three key new requirements focusing on the presentation of information in the statement of profit or loss and enhancing certain guidance on disclosures within the financial statements. As IFRS 18 was only issued in April 2024 it has yet to be adopted by the Code of Practice on Local Authority Accounting in 2024/25 therefore the applicability to local government is to be determined.

Appendix B: Current year updates, forthcoming accounting & other issues

International Standard on Auditing (UK) 600 Revised - Special considerations - Audits of group financial statements (Including the work of component auditors)

ISA (UK) 600 deals with the special considerations that apply to audits of group financial statements, including those circumstances when component auditors are involved. The auditing standard has been revised. The revised standard is effective for audits of group financial statements for periods beginning on or after 15 December 2023. The revisions made to ISA (UK) 600 impact how we perform audits of group financial statements, and how we communicate our audit strategy and audit findings arising from audits of group financial statements, going forward. This page sets out the key changes made to ISA (UK) 600 and how Forvis Mazars will apply the requirements of the revised standard in practice.

Key changes

The previous ISA (UK) 600 included prescriptive requirements in respect of the audit procedures required over ‘significant components’ of a group, i.e., a ‘full scope’ audit of a significant component’s financial information relevant to the group financial statements was required. Forvis Mazars defined a ‘significant component’ as one that contributed to the group financial statements more than 15% of the materiality benchmark selected to determine group materiality, e.g., if we had determined materiality using a profit before tax benchmark, any component that contributed more than 15% of the group’s reported profit before tax would be classified as a significant component and a ‘full scope’ audit would be performed over that component’s financial information.

ISA (UK) 600 Revised eliminates the ‘significant component’ concept, opting instead for consideration of risks of material misstatement at the assertion level of the group financial statements that are associated with components. This results in a group audit that is better focused on the risks of material misstatement of the group financial statements and affords greater flexibility in how we classify components and how we may design the nature and extent of audit procedures to be performed over a component’s financial information, i.e., we can determine the nature and extent of the audit procedures to be performed over a component’s financial information based on the specific risks relevant to the group financial statements.

ISA (UK) 600 also, however, removed the option to limit the procedures performed over a ‘non-significant’ component’s financial information to desktop analytical procedures. We are now required to perform substantive audit procedures (or a combination of substantive audit procedures and tests of controls) over the group financial statements, including the financial information relating to components in the group, until the residual, untested balances, classes of transaction and disclosures in the group financial statements are below our group materiality. This is to ensure that aggregation risk (the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole) is addressed appropriately.

In combination, these changes may result in a change to the nature and extent of the audit procedures we perform over the financial information of components on a group audit compared to previous years and may result in components that were not previously in scope of our group audit being brought into scope going forward to ensure that we address aggregation risk appropriately.

To ensure consistency of approach, Forvis Mazars will apply the definitions set out below when performing audits of group financial statements going forward:

Key component	Material component	Non-material component
Any component: i. Which is greater or equal to 15% of the benchmark chosen for calculating group materiality (key by size); or ii. Where the specific nature or circumstance of its financial information make it likely to include significant risks of misstatement of the group financial statements (key by risk).	Any component, other than a key component, that contributes to one or more group financial statement areas an amount that is above group financial statement materiality.	A component, that is not a key component or a material component, that is scoped into a group audit to reduce the risk of material misstatement of the group financial statements to an acceptably low level (based on size or risk) in situations when, after assessing which components are key components and material components, the aggregate amount of a financial statement area related to un-scoped components is still above group financial statement materiality.

Appendix B: Current year updates, forthcoming accounting & other issues

International Standard on Auditing (UK) 600 Revised - Special considerations - Audits of group financial statements (including the work of component auditors)

Key changes (continued)

Definition of ‘component’ - The definition of ‘component’ has been revised to “an entity, business unit, function or business activity, or some combination thereof, determined by the group auditor for the purposes of planning and performing audit procedures in a group audit”.

This provides clarity on how components may be identified in a group audit and may result in a change to how we identify components on a group audit compared to previous years. For example, we may group separate legal entities (e.g., subsidiaries) in a group based on common characteristics (such as common management, common information systems, and common geographical locations) and treat those components as a single component, when appropriate to do so.

Common controls - The definition of ‘group-wide’ controls has been removed and we are instead required to consider ‘common controls’, being controls that operate in a common manner for multiple entities or business units.

This may assist us in grouping separate legal entities, business units, functions, or business activities in a group into a single component for the purposes of a group audit; or it may result in us grouping specific account balances or classes of transaction recorded by individual legal entities, business units, functions, or business activities into a single population for the purposes of our audit procedures.

For audits where we are adopting a controls-based audit strategy, this may result in efficiencies, as we can rely on a single control for the purposes of the audits of more than one component where that control is common to those components.

Definition of ‘engagement team’ - The definition of ‘engagement team’ has been revised to include component auditors. While this change may seem inconsequential, it forms part of the overall changes intended by ISA (UK) 600 Revised to enhance two-way communication between the group auditor and component auditors during a group audit. This will result in enhanced direction and supervision of component auditors by the group auditor during a group audit.

Calculation of component materiality - The requirement to set overall materiality for a component has been removed. We are now only required to determine component performance materiality.

Other changes - ISA (UK) 600 Revised includes new and revised requirements and application material that better aligns the standard with recently revised standards such as ISQM (UK) 1, ISA (UK) 220, and ISA (UK) 315. The new and revised requirements also strengthen our responsibilities related to professional scepticism, planning and performing a group audit, two-way communications between the group auditor and component auditors, and audit documentation. These changes are to encourage proactive management of quality at the group engagement level and the component level; reinforce the need for robust communication and interactions during a group audit; and foster an appropriately independent and challenging sceptical mindset.

Scope of audit work to be performed over a component’s financial information - Forvis Mazars will, going forward, determine the scope of work to be performed over a component’s financial information on a group audit using the definitions set out below:

Full scope	Specific scope	Group Engagement Team Instructed Procedures
Designing and performing audit procedures on the entire financial information of a component.	Designing and performing audit procedures on one or more specified account balances, classes of transaction, and/ or disclosures of a component.	Performing specified audit procedures, as designed and instructed by the group engagement team.

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AUDIT AND GOVERNANCE COMMITTEE

23rd September 2025



Report of: Head of Audit and Governance

Subject: INTERNAL AUDIT PLAN 2025/26 UPDATE

1. COUNCIL PLAN PRIORITY

Hartlepool will be a place:

- where people live healthier, safe and independent lives. (People)
- that is connected, sustainable, clean and green. (Place)
- that is welcoming with an inclusive and growing economy providing opportunities for all. (Potential)
- with a Council that is ambitious, fit for purpose and reflects the diversity of its community. (Organisation)

2. PURPOSE OF REPORT

- 2.1 To inform Members of the progress made to date completing the internal audit plan for 2025/26

3. BACKGROUND

- 3.1 In order to ensure that the Audit and Governance Committee meets its remit, it is important that it is kept up to date with the ongoing progress of the Internal Audit section in completing its plan. Regular updates allow the Committee to form an opinion on the controls in operation within the Council. This in turn allows the Committee to fully review the Annual Governance Statement, which will be presented at this meeting of the Committee, and after review, will form part of the statement of accounts of the Council.

4. PROPOSALS

- 4.1 That members consider the issues within the report in relation to their role in respect of the Councils governance arrangements. In terms of reporting internally at HBC, Internal Audit produces a draft report which includes a list of risks currently faced by the client in the area audited. It is the responsibility of the client to complete an action plan that details the actions proposed to mitigate those risks identified. Once the action plan has been provided to

Internal Audit, it is the responsibility of the client to provide Internal Audit with evidence that any action has been implemented by an agreed date. The level of outstanding risk in each area audited is then reported to the Audit and Governance Committee.

- 4.2 The benefits of this reporting arrangement are that ownership of both the internal audit report and any resulting actions lie with the client. This reflects the fact that it is the responsibility of management to ensure adequate procedures are in place to manage risk within their areas of operation, making managers more risk aware in the performance of their duties. Greater assurance is gained that actions necessary to mitigate risk are implemented and less time is spent by both Internal Audit and management in ensuring audit reports are agreed. A greater breadth of assurance is given to management with the same Internal Audit resource and the approach to risk assessment mirrors the corporate approach to risk classification as recorded corporately. Internal Audit can also demonstrate the benefit of the work it carries out in terms of the reduction of the risk faced by the Council.
- 4.3 Table 1 of the report summarises the assurance placed on those audits completed with more detail regarding each audit and the risks identified and action plans agreed provided in **Appendix A**.

Table 1

Audit	Assurance Level
Kingsley Primary School	Satisfactory
Housing Management Services	Satisfactory
UK Shared Prosperity Fund	Satisfactory
Gladstone Leisure Management System	Satisfactory
Art Gallery	Satisfactory
Hospital Discharges	Satisfactory
I World Revenues and Benefits IT application	Satisfactory
Levelling Up Fund/Town Deal Grant	Satisfactory
Licencing	Satisfactory
Cash/Bank	Satisfactory
Members Allowances	Satisfactory
Equality, Diversity and Inclusion Compliance	Satisfactory
Resource Link and My View IT application	Satisfactory
Children's Homes	Satisfactory
Highways Traffic Signal Grant	Satisfactory
Highways Pothole Grant	Satisfactory
Highways Capital Grant	Satisfactory

- 4.4 For Members information, Table 2 below defines what the levels of assurance Internal Audit places on the audits they complete and what they mean in practice:

Table 2

Assurance Level	Meaning
Satisfactory Assurance	Controls are operating satisfactorily, and risk is adequately mitigated.
Limited Assurance	Several key controls are not operating as intended and need immediate action.
No Assurance	A complete breakdown in control has occurred needing immediate action.

- 4.5 Following a request from the Chairman of the Audit and Governance Committee, the Assistant Directors responsible for Business Continuity and Town Hall and Borough Hall are in attendance. This is to give members an update on progress made implementing actions agreed in their areas of responsibility, in relation to limited assurance audits previously reported to the Committee.

Table 3 below summarises those audits that were assessed as limited assurance and issues identified.

Table 3

Audit/ Assistant Director	Assurance Level	Issues Identified
Borough/ Town Hall. Gemma Ptak	Limited Assurance	-Errors / omissions in till entry and inability of till systems to produce reconciliation totals and account for all stock issued. -Delays in processing income -Unavailability of booking form for 1 event. -Implementation of an effective performance management system.
Business Continuity. Sylvia Pinkney	Limited Assurance	-Since the last audit the Business Continuity Policy has not been formally circulated. -Formal testing of BC arrangements has taken place; however, it is unclear if the results of this testing have been fed back to improve or amend Business Continuity Policies as per BCI Good Practice Guidelines. -Not all documentation requested was provided to enable testing that arrangements comply with BCI guidance to be fully completed.

- 4.6 The ongoing progress of completing the agreed audit plan is detailed in Table 4 below:

Table 4

Number of Audits Started	35
Audits at planning stage	12
Audits at fieldwork stage	5
Audits at draft report	1
Audits finalised	17
Actions agreed	16
Actions past agreed date and not implemented	0

5. OTHER CONSIDERATIONS/IMPLICATIONS

RISK IMPLICATIONS	There is a risk that Members of the Audit and Governance Committee do not receive the information needed to enable a full and comprehensive review of governance arrangements at the Council, leading to the Committee being unable to fulfil its remit.
FINANCIAL CONSIDERATIONS	No relevant issues.
SUBSIDY CONTROL	No relevant issues.
LEGAL CONSIDERATIONS	No relevant issues.
CHILD AND FAMILY POVERTY CONSIDERATIONS	No relevant issues.
EQUALITY AND DIVERSITY CONSIDERATIONS	No relevant issues.
STAFF CONSIDERATIONS	No relevant issues.
ASSET MANAGEMENT CONSIDERATIONS	No relevant issues.
ENVIRONMENT, SUSTAINABILITY AND CLIMATE CHANGE CONSIDERATIONS	No relevant issues.
CONSULTATION	No consultation required.

6. RECOMMENDATIONS

- 6.1 It is recommended that Members note the contents of the report.

7. REASON FOR RECOMMENDATIONS

- 7.1 To ensure that the Audit and Governance Committee meets its remit, it is important that it is kept up to date with the ongoing progress of the Internal Audit section in completing its plan.

8. BACKGROUND PAPERS

- 8.1 Internal Audit Reports.

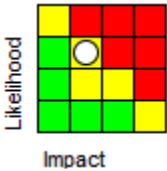
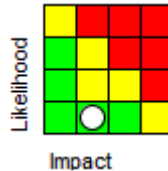
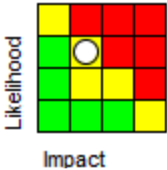
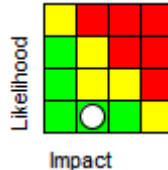
9. CONTACT OFFICER

- 9.1 Noel Adamson
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Victoria Road
Hartlepool
TS24 8AY

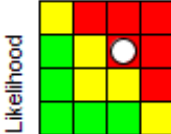
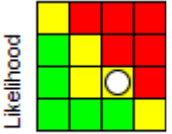
Tel: 01429 523173

Email: noel.adamson@hartlepool.gov.uk

Appendix A

Audit	Objective			Assurance Level
Kingsley Primary	Ensure school finance and governance arrangements are in line with best practice.			Satisfactory
Risk Identified		Risk Level prior to action implemented	Action Agreed	Risk Level after action implemented
If effective arrangements are not in place to identify and manage events that may adversely affect a school's performance and its ability to successfully deliver its strategic priorities, the school may not achieve desired objectives leading to a failure in Educational and financial performance.			Adopt risk register to support strategic priorities to be approved by Governors and reviewed annually.	
If the school does not purchase goods and services in line with the Authority's Financial regulations, it may not achieve Value for money or comply with legal requirements resulting in exposure to financial and reputational loss.			Will endeavour to follow procedure rules whenever possible and remind suppliers of this process. The Facilities and Administration Manager will sample termly to ensure compliance and include in Governors report.	

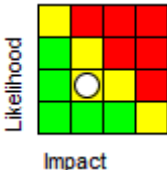
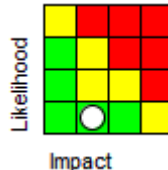
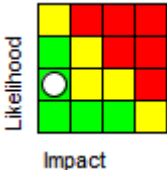
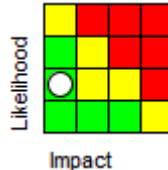
Audit	Objective			Assurance Level
Housing Management Services	Review the control weakness identified in the previous audit undertaken and reported on 25 January 2024 for the following areas: Collection and banking of income, Procurement, Stock Control, Budgetary Control, Performance Management.			Satisfactory
Risk Identified		Risk Level prior to action implemented	Action Agreed	Risk Level after action implemented

A service level agreement setting out the agreed contracted service and associated costs is not established leading to the provision not being effectively managed resulting in non-compliance with regulations, potential loss of income and reputational damage.		This is an area the service is aware of a gap in monitoring information provided by the Housing Maintenance Team under the SLA. This data was previously provided until the introduction of the Firmstep system, which is used to manage responsive repairs and cyclical maintenance, and this functionality wasn't immediately available. The Council is introducing the reporting tool Power BI, which will provide the Housing Maintenance Team with the facility to run the necessary reports. Digital Services advise that licences are due to be granted for Power BI before Christmas 2025. Once this facility is in place, the monitoring information against the KPIs can be provided by the Housing Maintenance Team on a quarterly basis.	
Inaccurate or insufficient data published resulting in non-compliance with the Local Government Transparency Code of Practice 2015 and possible reputational impact.		The published Social Housing Asset Value Data online on the Council's website is out of date. Whilst the current data is held by the Council, this cannot be published until the 24/25 accounts are finalised. The data will be published in line with the Transparency Code on the Council's website once the accounts are finalised.	

Audit	Objective			Assurance Level
UK Shared Prosperity Fund	Ensure grant terms and conditions are adhered to.			Satisfactory
Risk Identified	Risk Level prior to action implemented	Action Agreed		Risk Level after action implemented
No unmitigated risk identified.				

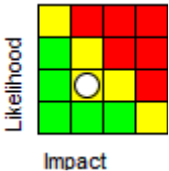
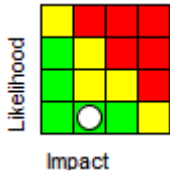
Audit	Objective			Assurance Level
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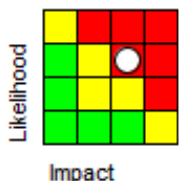
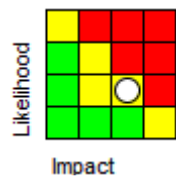
Gladstone Leisure Management System	Ensure IT application/administration controls in place.			Satisfactory
Risk Identified		Risk Level prior to action implemented	Action Agreed	Risk Level after action implemented
No unmitigated risk identified.				

Audit	Objective			Assurance Level
Art Gallery	provide assurance on the controls in place to mitigate risks in the following areas: Art Gallery income, Till Transactions and Banking, Sales, Stock.			Satisfactory
Risk Identified		Risk Level prior to action implemented	Action Agreed	Risk Level after action implemented
Cash and/or takings are: • not processed in line with procedures • not held securely • not banked intact and promptly • not allocated to the correct accounting code leading to the potential for theft or misappropriation of cash/takings and/or incorrect financial records, resulting in loss of income and poor decisions made from incorrect data.			Explore option of having a separate login for the duty manager staff with more managerial allowances on the till. To put a separate login for each casual user could cause problematic in terms of extra time when working with a customer. The till has every transaction recorded with a date and time and so we can see if it was a casual login, compare this to the rota for which casual was in at the date and time of the transaction in question. We also have CCTV behind reception which records all till transactions. I feel a periodic review of any over and undertakings would be the best option. I will set this up to be recorded every two months.	
Cash and/or takings are: • not processed in line with procedures • not held securely • not banked intact and promptly • not allocated to the correct accounting code leading to the potential for theft or misappropriation of cash/takings and/or incorrect financial records, resulting in loss of income and poor decisions made from incorrect data.			A space will be added on the current Daybook page for a second signature on the float and cash takings check. This may not always be possible at closing due to staff numbers and closing time. However, where there is two members of staff and available time staff will be asked to add a second check and signature. If we move to using report printouts from the networked till system, I will ask two members of staff to check and sign this where possible.	

Cash and/or takings are: • not processed in line with procedures • not held securely • not banked intact and promptly • not allocated to the correct accounting code leading to the potential for theft or misappropriation of cash/takings and/or incorrect financial records, resulting in loss of income and poor decisions made from incorrect data.	 Likelihood Impact	The till is now networked to the supplier desktop, and we have access to the software. I will arrange for staff training on retrieving data and reports through this system. The daily reports can then be printed from this and any monthly reports that are needed for Income Analysis, sales and stock reports. The daily report can be checked against the takings and signed to confirm, preferably by two members of staff. The daybook can then be discontinued and the reports filed.	 Likelihood Impact
Sales are: • not processed in line with procedures • not held securely • not banked intact and promptly • not allocated to the correct accounting code leading to the potential for theft or misappropriation of cash/takings and/or incorrect financial records, resulting in loss of income and poor decisions made from incorrect data.	 Likelihood Impact	Check that our New Supplier Pack includes a terms and agreement form to be signed, that is up to date with our conditions for Sale and Return and HBC's terms and conditions. A review of all current and active suppliers will be undertaken and where the agreement is over 3 years old a new form will be sent with them for completion. We are also going to make a regular review of supplier's liability insurance documents.	 Likelihood Impact
Sales are: • not processed in line with procedures • not held securely • not banked intact and promptly • not allocated to the correct accounting code leading to the potential for theft or misappropriation of cash/takings and/or incorrect financial records, resulting in loss of income and poor decisions made from incorrect data.	 Likelihood Impact	When the donations are rung through the till, this will be checked first by a second member of staff. Both will sign the receipt for this transaction and attach to the daily report.	 Likelihood Impact
Effective arrangements for authorising orders and checking goods received are not in place, leading to goods being ordered that are incorrect, do not meet requirements or for personal use resulting in insufficient stock availability and potential financial loss to the organisation. Stock assets are not stored in a secure manner and at appropriate levels, leading to loss and / damage to stock resulting	 Likelihood Impact	The till is now networked, and stock can be checked, recorded and reported on the computer system. At next stock count (end of financial year) this will be entered accurately into the system for future stock checks.	 Likelihood Impact

in potential financial loss to the Authority. Regular independent checks of physical stock are not undertaken and agreed to stock records, leading to failure to identify and investigate discrepancies, resulting in the over or under stated value and quantity of stock and potential financial loss.			
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Audit	Objective			Assurance Level
Hospital Discharges	Provide assurance on the controls in place to mitigate risks in the following are/as: Compliance with Legislation & Guidance, Hospital Discharge Assessments & Reviews, Financial Management & Monitoring arrangements, Grant Funding Reporting, GDPR/Data Protection.			Satisfactory
Risk Identified		Risk Level prior to action implemented	Action Agreed	Risk Level after action implemented
Hospital discharge assessments and/or reviews have not been prepared/completed with due regard to regulations and guidance leading to the Authority being unable to meet statutory responsibilities resulting in non-compliance with legislation/regulations and/or reputational damage.			Discharge – It is not necessary for User Property and Finance Team forms and Care Plans to be completed for the day of discharge. Information recorded in the SBARD (Situation, Background, Assessment, Recommendation, Decision) provided by Health is accepted by providers in lieu of a Care Plan. Fire Brigade referrals are not required at point of discharge as Amber Pathway refers to people moving into 24-hour care, not returning home. Review - Adult Social Care will add a prompt to CareFirst 7 for completion of Continuing Health Care checklist and recording of outcome (positive or negative checklist). Please note that this will only be relevant to people allocated to an Adult Social Care member of staff, not a Health member of staff. Adult Social Care will produce the above in a report that can be incorporated into the weekly Discharge 2 Access audits.	

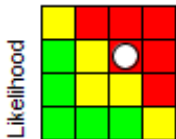
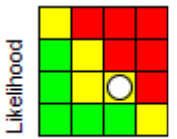
Audit	Objective			Assurance Level
I World Revenues and Benefits IT application	Ensure IT application controls in place			Satisfactory
Risk Identified		Risk Level prior to action implemented	Action Agreed	Risk Level after action implemented
The Corporate Retention Policy is not complied with leading to data being retained which no longer should be, data could be available to users which is incorrect or which breaches compliance with GDPR/Data Protection legislation, all of which could result in reputational damage and fines/sanctions if there is a data breach.			Testing of the anonymisation processes is due to start over the next few months with a view to being implemented by December 2025.	

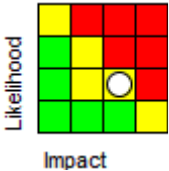
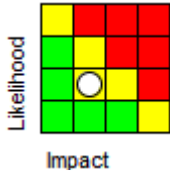
Audit	Objective			Assurance Level
Levelling Up Fund/Town Deal Grant	Ensure grant terms and conditions are adhered to.			Satisfactory
Risk Identified		Risk Level prior to action implemented	Action Agreed	Risk Level after action implemented
No unmitigated risk identified				

Audit	Objective	Assurance Level	
Licencing	Provide assurance on the controls in place to mitigate risks in the following areas: Legislation, Regulation and Guidance, Licensing Committees, Policies and Communication of Licensing requirements, Alcohol, Entertainment & Late Night Refreshment Licenses (Premises licenses, Club premises certificates, Personal License, Street Trading and Temporary Event Notices), Animal Health and Welfare Licenses (Boarding for cats, Boarding for dogs (kennels, home boarding and day care), Dog Breeding, Exhibiting animals, Hiring out horses, Selling animals and pets (pet shops), Taxi Licenses (Hackney Carriage, Private Hire and Driver).	Satisfactory	
Risk Identified	Risk Level prior to action implemented	Action Agreed	Risk Level after action implemented
No unmitigated risk identified			

Audit	Objective	Assurance Level	
Cash/Bank	Provide assurance on processes in place for the following areas: Cash Office / Customer Services, Cash Book Service.	Satisfactory	
Risk Identified	Risk Level prior to action implemented	Action Agreed	Risk Level after action implemented
No unmitigated risk identified			

Audit	Objective	Assurance Level	
Members Allowances	Provide assurance controls in place to mitigate risks in the following areas: Independent Remuneration Panel (IRP), Legislation, Payment of Allowances, Records and Publication.	Satisfactory	
Risk Identified	Risk Level prior to action implemented	Action Agreed	Risk Level after action implemented
No unmitigated risk identified			

Audit	Objective			Assurance Level
Equality, Diversity and Inclusion Compliance	Provide assurance on the controls in place to mitigate risks in the following areas: Compliance with Legislation & Guidance.			Satisfactory
Risk Identified		Risk Level prior to action implemented	Action Agreed	Risk Level after action implemented
Inaccurate or insufficient data published resulting in non-compliance with the Public Sector Equality Duty and possible reputational damage.		 Likelihood Impact	A second person in HR will double check the figures prior to publication to reduce the likelihood of errors.	 Likelihood Impact
Inaccurate or insufficient data published resulting in non-compliance with the Public Sector Equality Duty and possible reputational damage.		 Likelihood Impact	Adjustments have been made for the amendments highlighted in the audit. Procedure notes have also been updated to reflect the changes required for the allocation of data within the quartiles as recommended by the guidance.	 Likelihood Impact
Employees are not aware of their roles and responsibilities leading to a lack of awareness amongst employees resulting in the Authority not meeting its Public Sector Equality Duty statutory requirements.		 Likelihood Impact	The Council has provided funding, and HR has purchased 14 Chromebooks to enable access to the Skillgate learning library to staff without a HBC email address. Arrangements are being made to implement a new process to manage and monitor mandatory training completion for these employees	 Likelihood Impact

Audit	Objective			Assurance Level
Resource Link and My View IT application	Ensure IT application controls in place.			Satisfactory
Risk Identified		Risk Level prior to action implemented	Action Agreed	Risk Level after action implemented
The Corporate Retention Policy is not complied with leading to data being retained which no longer should be, data could be available to users which is incorrect or which breaches compliance with GDPR/Data Protection legislation, all of which could result in reputational damage and fines/sanctions if there is a data breach.			Information retention arrangements to be reviewed and implemented to ensure only required information is retained.	

Audit	Objective			Assurance Level
Children's Homes	Provide assurance that Hartlepool Borough Council complies with the Children's Homes Regulations.			Satisfactory
Risk Identified		Risk Level prior to action implemented	Action Agreed	Risk Level after action implemented
No unmitigated risk identified				

Audit	Objective			Assurance Level
Highways Traffic Signal Grant	Ensure grant terms and conditions are adhered to.			Satisfactory
Risk Identified		Risk Level prior to action implemented	Action Agreed	Risk Level after action implemented
No unmitigated risk identified				

Audit	Objective			Assurance Level
Highways Pothole Grant	Ensure grant terms and conditions are adhered to.			Satisfactory
Risk Identified		Risk Level prior to action implemented	Action Agreed	Risk Level after action implemented
No unmitigated risk identified				

Audit	Objective			Assurance Level
Highways Capital Grant	Ensure grant terms and conditions are adhered to.			Satisfactory
Risk Identified		Risk Level prior to action implemented	Action Agreed	Risk Level after action implemented
No unmitigated risk identified				

AUDIT AND GOVERNANCE COMMITTEE

23 September 2025



Report of: Statutory Scrutiny Manager/Scrutiny and Legal Support Officer

Subject: SETTING OF THE SCRUTINY WORK PROGRAMME 2025/26 AND SCOPING OF INVESTIGATION

1. COUNCIL PLAN PRIORITY

Hartlepool will be a place*:

- where people live healthier, safe and independent lives.
(People)

2. PURPOSE OF REPORT

2.1 To:-

- i) Reaffirm the process for the determination of the Overview and Scrutiny Work Programme; and
- ii) To consider the suggested topics for inclusion in the Statutory Scrutiny Work Programme for the 2025/26 Municipal Year.

3. BACKGROUND INFORMATION

3.1 The Council's Audit and Governance Committee has responsibility for two areas of statutory scrutiny:

- Health. Matters relating to the planning, provision and operation of health services at a local and regional level; and
- Crime and Disorder. Activities of the Safer Hartlepool Partnership, as the local authority's Crime and Disorder Committee.

3.2 To fulfil these responsibilities, the Audit and Governance Committee establishes an annual work programme that includes:

- i) Proactive investigations;
- ii) Policy Framework Items
- iii) Reactive issues of local concern that arise during the year with the potential for bespoke 'one off' meetings; and

- iv) Mandatory topics (e.g. substantial variations / changes in service provision or those agreed by the Committee in previous years).

4. PROCESS FOR IDENTIFICATION AND SELECTION OF POTENTIAL TOPICS

- 4.1 In considering the development of the Committee's work programme, topic suggestions were sought from a range of sources.
- 4.2 As part of the process for identification of each year's work programme, it is important for the Committee to balance the conduct of proactive investigations and consideration of Policy Framework items against the need to retain capacity. This will allow Members to be able to respond to reactive and mandatory topics that could arise during the year. It is also important to make the most effective use of resources, and available committee time and, to assist the Committee in achieving this:
- **Appendix A** illustrates the items already scheduled for consideration in 2025/26.
 - As a guide to the Committee in identifying a suitable topic(s) for investigation, the provision of a PICK scoring system has also provided beneficial in previous years. An explanation of the scoring system is attached as **Appendix B**.
- 4.3 As a means of balancing the Committees work programme in the previous year's, consideration has also been given to focusing on single 'detailed' investigations or in some instances two 'lighter touch' investigations. Members are asked to bear this in mind in the selection of a topic(s) for this year. It is suggested that the application of a standard template for time allocations should be treated with caution as when scoping a subject a number of complexities may arise, therefore the anticipated duration should be allocated on an individual basis. Consideration should also be given to the range of options available, including:
- Full year (in depth) investigations;
 - Time limited (focused / lighter touch) investigations;
 - Amalgamation of topics where appropriate;
 - One off briefing sessions / reports; and
 - Timing of investigations (potentially to later in the year) or rolling forward for consideration as part of the Work Programming process for the following year. This may help investigations fit better with other work being undertaken in terms of topics.

5. IDENTIFICATION OF POTENTIAL INVESTIGATION TOPICS FOR 2025/26

- 5.1 The Audit and Governance Committee at its meeting on the 15th July 2025 considered the development of its work programme for 2025/26. It was agreed that an informal workshop be arranged to allow members of the committee to explore potential scrutiny topics for investigation.
- 5.2 In recognition of the need to prevent any further delay in the commencement of the Committee's investigation(s), a Working Group consisting of members of the Audit and Governance Committee was held on the 21st August 2025 to help inform discussions at today's meeting.

5.3 During the meeting two topics were identified as a significant concern for Members. It was agreed that the following be brought for consideration at today's meeting:-

- Suicide prevention – to ensure that services in Hartlepool are robust and deliver effective outcomes.
- Veteran access to primary care services (GP'S) – to consider how GP's surgeries support veterans to access primary care services and the implementation of the veteran friendly GP accreditation scheme.

5.4 The Committee is asked to consider the Working Group recommendations, as outlined above, to allow a topic of investigation to be chosen for 2025/26. To support consideration of these proposals, further information on both topics will be presented at today's meeting.

6. RECOMMENDATION

6.1 That the Committee considers the recommendations of the Working Group and agrees the focus of its Work Programme for 2025/26.

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BACKGROUND PAPERS

The following background paper(s) was/were used in the preparation of this report:-

- Audit and Governance Committee meeting papers – 15th July 2025

TIMETABLE 2025/26		24 June 2025	15 July 2025	23 Sept 2025	14 Oct 2025	4 Nov 2025	2 Dec 2025	27 Jan 2026	3 March 2026
General Items									
Statutory Scrutiny Work Programming									
Conduct of investigation(s)									
Appointment to other Committees and Outside Bodies									
Dedicated O&S Budget / Introduction to O&S									
Scrutiny Investigation update Report (annual)									
Crustacean Deaths Working Group – Final report for comment									
Retail Crime – final report									
Youth Justice Strategic Plan									
Crime and Disorder Items									
Community Safety Partnership – Performance (TBC)									
Community Safety Plan 2024 – 2027 (not to be reviewed until 2027)									
Health Items									
Healthwatch:									
• Healthwatch Hartlepool Annual Report (to be presented at HWBB in September)									
• Healthwatch Work Programme (to be presented at HWBB in September)									
• Home Care Report 2025 (to be presented at HWBB in September)									
Quality Accounts:									
• Tees, Essex & Wear Valleys NHS FT – Quality Account (via TVJHSC)									
• North East Ambulance Service									
• North Tees and Hartlepool Foundation Trust – Quality Account and Regular General Update									
North Tees and Hartlepool Foundation Trust/NEAS – Hospital Admissions Avoidance Scheme									
Complaints Advocacy - Annual Update									
Pharmaceutical Needs Assessment Refresh									
Care Quality Commission Update (CQC) (TBC)									
Rowan Unit Update (Further update to the timetable)									
Health and Wellbeing Strategy (performance monitoring)									
Audit / Standards Items									
2024/25 Financial Report (including the audited statement of accounts)	Final Accounts								
Joint Declarations from Management and those Charged with Governance	Final Accounts								
Audit Completion Report 2024/25	Final Accounts								
Treasury Management Strategy 2026/27 and Update 2025/26	Treasury Management Strategy								
Treasury Management Strategy Update 2025/26	Treasury Management Strategy								
Internal Audit Annual Report and Opinion 2024/25	Internal Audit								
Audit Strategy Memorandum	Final Accounts								
Internal Audit Plan 2025/26 Update	Internal Audit								
Internal Audit Charter, Strategy and Plan 2026/27	Internal Audit								
Annual Governance Statement 2024/25	Final Accounts								
Anti Fraud and Corruption Policy									
Letter to those Charged with Governance	Final Accounts								
Regulation of Investigation Powers Act 2000 (RIPA)		Q1			Annual & Q2		Q3		Q4
Standards Complaint Investigations (as required)									
Independent Remuneration Panel (as required)									
Standards/Conduct Annual Report (TBC)									

Appendix B

P for Public Interest

Members' representative roles are an essential feature of Scrutiny. They are the eyes and ears of the public, ensuring that the policies, practice and services delivered to the people of the District, by both the Council and external organisations, are meeting local needs and to an acceptable standard. The concerns of local people should therefore influence the issues chosen for scrutiny. This could include current issues. For example, dignity is consistently cited as a high priority for service users (e.g. Mid Staffordshire Enquiry, care in Winterbourne hospital) and scrutiny committees are well placed to influence the agenda locally and drive forward better quality services). Members themselves will have a good knowledge of local issues and concerns. Surgeries, Parish Councils, Residents Associations and Community Groups are all sources of resident's views. Consultation and Surveys undertaken by the Council and others can also provide a wealth of information.

I for Impact

Scrutiny is about making a difference to the social, economic and environmental well-being of the area. Not all issues of concern will have equal impact on the well-being of the community. This should be considered when deciding the programme of work, giving priority to the big issues that have most impact. To maximise impact, particularly when scrutinising external activity, attention should also be given to how the committee could influence policy and practice. Sharing the proposed programme of reviews with Members, officer and key partners will assist this process.

C for Council Performance

Scrutiny is about improving performance and ensuring the Council's customers are served well. With the abolition of external inspection regimes, scrutiny has an even more important role to play in self regulation. Members will need good quality information to identify areas where the Council, and other external organisations, are performing poorly. Areas where performance has dropped should be our priority. As well as driving up Council performance, scrutiny also has an important role in scrutinising the efficiency and value for money of Council services and organizational development.

K for Keep in Context

To avoid duplication or wasted effort priorities should take account of what else is happening in the areas being considered. Is there another review happening or planned? Is the service about to be inspected by an external body? Are there major legislative or policy initiatives already resulting in change? If these circumstances exist Members may decide to link up with other approaches or defer a decision until the outcomes are known or conclude that the other approaches will address the issues. Reference should also be made to proposed programmes of work in the Council's plans and strategies

PICK Scoring System

- **P**ublic Interest: the concerns of local people should influence the issues chosen

Score	Measure
0	no public interest
1	low public interest
2	medium public interest
3	high public interest

- **I**mpact: priority should be given to the issues which make the biggest difference to the social, economic and environmental well-being of the area

Score	Measure
0	no impact
1	low impact
2	medium impact
3	high impact

- **C**ouncil Performance and efficiency: priority should be given to the areas in which the Council, and other agencies, are not performing well or proposals which will support the current Efficiency, Improvement and Transformation Programme.

Score	Measure
0	'Green' on or above target performance
1	'Amber',
2	low performance 'Red'

- **K**eep in Context: work programmes must take account of what else is happening in the areas being considered to avoid duplication or wasted effort.

Score	Measure
0	Already dealt with/ no priority
1	Longer term aspiration or plan
2	Need for review acknowledged and worked planned elsewhere
3	Need for review acknowledged

Each topic will be scored under each category as indicated above. Where a category is not applicable, no score will be given.

AUDIT AND GOVERNANCE COMMITTEE

23 September 2025



Report of: Director of Public Health

Subject: PHARMACEUTICAL NEEDS ASSESSMENT
REVIEW – CONSULTATION – DIRECTOR OF
PUBLIC HEALTH

1. COUNCIL PLAN PRIORITY

Hartlepool will be a place:

- where people live healthier, safe and independent lives. (People)

2. PURPOSE OF REPORT

- 2.1 To report progress towards statutory publication of a new PNA (2025) by 29th September 2025.
- 2.2 Seek the Committee's views on the updated draft PNA* for Hartlepool, as part of the formal consultation period.

**The draft PNA can be accessed via the flowing link
(<https://www.hartlepool.gov.uk/downloads/download/447/pharmaceutical-needs-assessment>) with paper copies available on request from the Democratic Services Team.*

3. BACKGROUND

- 3.1 Every Health and Wellbeing Board (HWB) is required to assess the need for pharmaceutical services in its area and to publish a statement of its assessment. This is an analysis and mapping of pharmaceutical services against local health needs for the people of Hartlepool. This Pharmaceutical Needs Assessment (PNA) provides the basis on which NHS England makes decisions on the location and shape of pharmaceutical services. It outlines the varying needs of our population across Hartlepool both in terms of pharmaceutical services currently available and considering needs for the near future.
- 3.2 The Hartlepool Health and Wellbeing Board (HWB) published its current Pharmaceutical Needs Assessment on 30th September 2022. A link to the PNA 2022 is provided in Section 8.

- 3.3 The HWB have statutory duties and responsibilities¹ for maintenance following publication of the PNA 2022, and these will continue following publication of PNA 2025. In summary, the board must:
- a) Publish a revised statement of need (i.e. subsequent pharmaceutical needs assessments) on a three-yearly basis, which complies with the regulatory requirements.
 - b) Publish a subsequent pharmaceutical needs assessment sooner, when it (HWB) identifies changes to the need for pharmaceutical services which are of a significant extent, unless to do so would be a disproportionate response to those changes; and
 - c) Produce supplementary statements as required, which on publication become part of the current PNA. Supplementary Statements explain changes to the availability of pharmaceutical services since publication of the PNA, in certain conditions.
- 3.4 The HWB also has duties related to other regulatory processes managed previously by NHS England, now by the NENC ICB, e.g., applications (from service providers) to provide new or amended pharmaceutical services or to consolidate two pharmacies, which continue separate to the responsibilities with respect to the PNA.
- 3.5 A PNA Maintenance Report is submitted to every Health and Wellbeing Board meeting to:
- a) report any action taken under delegated authority and seek ratification where necessary.
 - b) seek approval for Supplementary Statements prior to publication, including any required update to PNA maps.
 - c) report on notification or decision-making for changes to pharmaceutical services which fall outside of the requirement to publish a Supplementary statement.
 - d) report for information, or for decision where necessary, on actions towards meeting the duty to publish a revised statement by 30th September 2025 and at least 3-yearly after that and identifying changes to the need for pharmaceutical services that might require earlier publication of a revised PNA.

4. PROCESS LEADING TO PUBLICATION OF A NEW PHARMACEUTICAL NEEDS ASSESSMENT FOR 2025

- 4.1 In July 2024, the HWB confirmed that the process of preparing a new PNA had commenced, with publication required by 29th September 2025. The process was led by a Steering Group with internal and external membership on behalf of the HWB, Membership included local stakeholders including NENC ICB, local pharmacy contractors, Healthwatch Hartlepool and the local pharmaceutical committee known as Community Pharmacy Tees Valley (CPTV).

¹ To comply with NHS (Pharmaceutical and Local Pharmaceutical Services) Regulations 2013, as amended

- 4.2 The PNA 2025 is built on the foundation of previous years needs assessments published in 2015, 2018 and 2022. As for the HWB PNAs that precede it, this PNA has been developed through a wide consultation and engagement process with a range of professionals, service users and the public to understand the views of stakeholders on the current availability and provision of pharmaceutical services locally and makes recommendations to inform future decision-making.
- 4.3 Engagement during the development of this draft PNA generated valuable insight into the current and future provision of pharmaceutical services. Following the conclusion of engagement processes undertaken in December 2024/ January 2025, a draft PNA for 2025 was prepared and completed statutory consultation (minimum of 60 days) commencing 4th July and concluding 4th September 2025. A link to the draft PNA which was consulted upon is located in Section 2.
- 4.4 Consideration of the draft PNA by the Audit and Governance Committee forms part of the agreed consultation process and, whilst outside the main consultation period (4th July to the 4th September 2025), the Committee is today asked to consider the draft revised PNA and formulate any views / comments it may have. The Committees comments to be fed into consideration of the draft PNA by the Health and Wellbeing Board, at its meeting on the 29th September 2025.
- 4.5 The primary purpose of the PNA is for the North East and North Cumbria Integrated Commissioning Board (NENC ICB), to use when responding to applications to either join the statutory 'Pharmaceutical List' or to amend conditions or characteristics of being included in it (such as location, opening hours or to merge premises under consolidation). The legislative framework that covers what must be included in the PNA as well as how NHSE will use it, directs the content and some of the language used, reflecting that used in the legislation and decision-making processes².
- 4.6 The assessment has considered the full range of pharmaceutical services available to the resident and visiting population of Hartlepool. For the PNA, the definition of pharmaceutical services included in the 2013 Regulations does not include any services commissioned from pharmacy contractors by local authorities, or sub-contracted by other lead organisations e.g., for substance misuse, stop smoking or sexual health services. Nevertheless, the HWB must have regard to 'other NHS services and other local services when making its assessment of any gaps in provision of pharmaceutical services. A full description is in the PNA.
- 4.7 Consideration of access to pharmaceutical services might include the:
- range of pharmaceutical services providers (type), influencing choice
 - number, location and distribution of their premises and facilities across the HWB area or accessible nearby, or at a distance (e.g., online)
 - specific pharmaceutical services they provide

² The NHS (Pharmaceutical Services and Local Pharmaceutical Services) Regulations 2013 (Department of Health, 2013) sets out the legislative basis for developing and updating PNAs and can be found at: <http://www.legislation.gov.uk/uksi/2013/349/contents/made>. Throughout the PNA, this legislation is referred to as 'the 2013 Regulations' and implies reference to those Regulations as amended.

- days on which and times at which those services are provided
- other NHS services or other local services which may increase demand for pharmaceutical services (e.g., general practices in working hours and in the so-called extended access period, or the provision urgent treatment services, or NHS 111) and other services which may reduce the need for pharmaceutical services as defined (eg GP personally administered items or services commissioned from pharmacies or other providers by the local authority).

- 4.8 The latest [ONS estimates](#) (mid-year 2022) show that Hartlepool has a resident population of 93,861 and virtually unchanged from the mid-2020 estimate of 93,836 used in the PNA 2022.
- 4.9 PNA localities identified for the 2022 PNA were re-considered and maintained for use in 2025. They are shown in Figure 1³, which also shows the location of pharmaceutical services available from **21 NHS community pharmacies** in the Hartlepool. Two of these pharmacies opened on 1st June 2022⁴ and in April 2024, respectively. These are both categorized as ‘distance selling’ (DSP) therefore cannot provide face-to-face essential services from the premises, but must do so remotely via phone, email or a website. People living in the Borough may access any of the more than 400 NHS distance-selling pharmacies contracted and registered in England, or in any UK location; such is the nature of that pharmacy business.
- 4.10 Two of the remaining **19** pharmacies in Hartlepool first opened under a 2005 regulatory exemption which then required them to open for 100 hours each week. More recent legislation changes have permitted these ‘100 hour’ pharmacies to reduce the days and times at which services are available. However, they retain the ‘100 hour’ condition which now requires each of them, including the two located in Hartlepool, to provide NHS pharmaceutical services for not less than 72 hours per week.

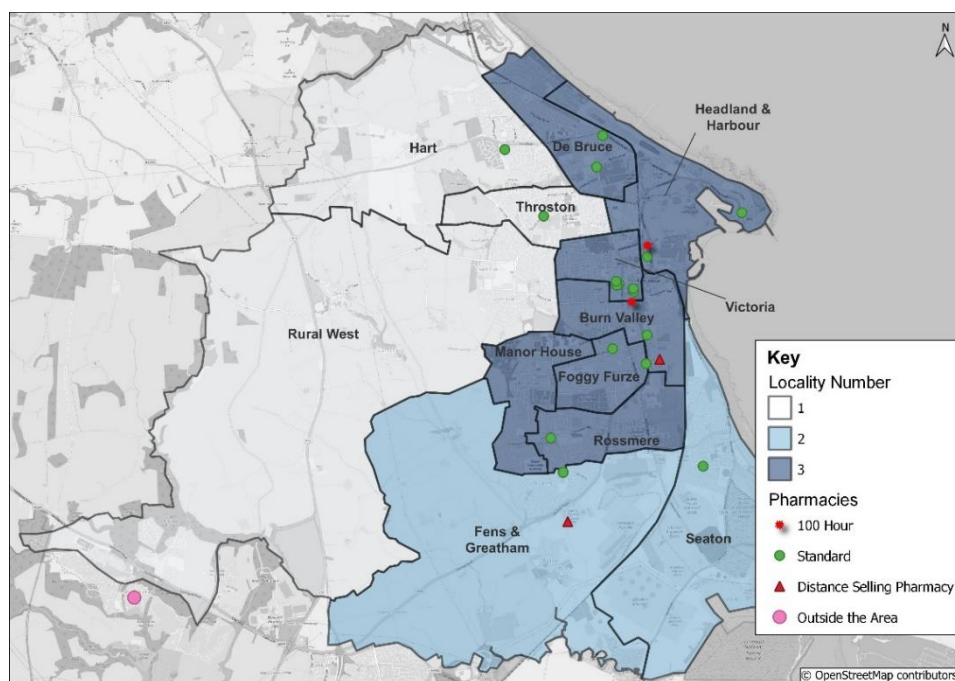


Figure 1. Map of Hartlepool showing location of 21 community pharmacies at 1st January 2025

³ A map showing the location of all pharmacies within the Borough is a statutory part of the PNA

⁴ NB. This was after the conclusion of both engagement and consultation processes for the PNA 2022

- 4.11 Five pharmacies in Hartlepool changed ownership since 2022 but there have been no changes in location and no other new pharmacies or conversely closures of pharmacies, as has been the case across England.
- 4.12 The latest data from May 2025 showed that the rate of pharmacy closures in England accelerated from January to April with some 60 pharmacies closing in that time. The number of non-DSP (“bricks-and-mortar”) community pharmacies in England has now fallen to its lowest level in 20 years at 9,984. In some parts of the country this is causing very real difficulties, forcing people to travel significant distances to access essential pharmaceutical services in person on the premises, even on weekdays in the in-hours period (from 9am to 6.30 pm).
- 4.13 Table 1 shows the distribution of pharmacies in Hartlepool in each locality with numbers for Stockton on Tees for comparison.

Table 1. Pharmacies in each locality of Hartlepool (March 2025) and the number opened under ‘100-hour’ and ‘distance-selling’ exemption categories. Pharmacies in the Stockton-on-Tees HWB area shown for information.

Locality	Pharmacy contractors provide in person, face-to-face essential services	Of these, number of ‘100-hour’ contractors	Number of ‘distance selling’ pharmacies	Total number of pharmacy contractors
Hartlepool West	2	0	0	2
Hartlepool South	2	0	1	3
Hartlepool Central & Coast	15	2	1	16
Hartlepool HWB	19	2	2	21
Stockton-on-Tees HWB	35	8	0	35

- 4.14 Appendix 5 of the draft PNA contains a copy of the full pharmaceutical list for the Hartlepool HWB area including all days and times at which pharmaceutical services are currently available. Since 2022, eight pharmacies in Hartlepool have made changes to the days and times at which pharmaceutical services are available and changes such as these might be anticipated to continue.
- 4.15 Since the PNA went out to consultation, the new 10-year NHS plan has indicated further potential expansion to the clinical services to be provided by community pharmacies as part of a neighbourhood healthcare model⁵.
- 4.16 Responses to the public engagement survey of people who use pharmaceutical services in Hartlepool contribute local evidence for this. Although most respondents stated that it was easy to visit a pharmacy, there were reports of issues with medicines being out of stock. It is challenging for people to understand that the significant national shortages of some medicines are beyond the ability of the local pharmacy staff to fix.
- 4.17 Also in the engagement survey, 78% of (n=273) respondents were happy with the current opening times of pharmacies in Hartlepool (slightly more than in 2021/22 when overall opening times were greater and ten

⁵ [NHS Long Term Plan](#)

percentage points more than in a nearby HWB area where the range of opening times is longer). 87% stated that they could “*usually find a pharmacy that is open when I need to*” which is only a slightly reduced proportion to previous surveys, but nevertheless a high agreement. In the public survey, 85% of all of those who responded to the survey had either not noticed or been unaffected by recent changes to opening times.

- 4.18 In making this assessment, the HWB had regard, to the demography, protected characteristics and health needs of the population as follows:
- the essential services delivered in person on the premises of those in the pharmaceutical lists, which includes, but is not limited to, the dispensing of drugs and appliances, are **necessary services** in all localities of Hartlepool.
 - the essential services of dispensing appliance contractors are considered to offer **improvement or better access** to pharmaceutical services, including dispensing supply of appliances for people in all localities of Hartlepool.
 - the essential services of distance selling pharmacies whether located in the HWB area or out of the area, are considered to offer improvement or better access to necessary (essential) pharmaceutical services, including the delivery of drugs and appliances for people in all localities.
 - all directed (advanced) services of the community pharmacy contractual framework for community pharmacy contractors in place in May 2025, and the national enhanced services are **other relevant services** according to the 2013 Regulations, offering improvement or better access to pharmaceutical services for the people of Hartlepool.
 - all enhanced services currently that are currently commissioned by NHS England from community pharmacies in Hartlepool are defined as **other relevant services** for the Hartlepool HWB area according to the 2013 Regulations.
- 4.19 The HWB has adopted, as a guide, a travel time standard of 20 minutes by car, based on national access standards. However, travel times to access necessary pharmaceutical services particularly in working hours (defined as 9 am to 6pm), and outside of working hours, and at times or on days defined by the HWB are for most people very much shorter in Hartlepool localities, both by car and on foot; 67% of the population is within a 10-minute walk and 97% are within a 20-minute walk (or a 5-minute car journey) of their nearest pharmacy. There are differences between localities that reflect the nature of their populations and environment. The whole of the Borough can access at least one pharmacy within a 10- to 15-minute drive.
- 4.20 The HWB has identified the current provision of pharmaceutical services in Hartlepool and considered whether current provision meets the needs of the population or whether there are any potential gaps in pharmaceutical service provision either now or within the near future including the likely lifetime of the PNA. Taking all into account, based on current needs, there is **no gap in pharmaceutical services provision** of necessary services; no pharmaceutical need that could not be addressed through the existing contractors.

- 4.21 The HWB had regard to the contribution of services from outside of the HWB and the impact of other NHS and other locally commissioned services on the needs for the pharmaceutical services it has defined. Though dispensing is not the only consideration, the great majority (more than 96%) of all items prescribed in Hartlepool are dispensed by contractors located in Hartlepool.
- 4.22 Projected population changes and housing or other developments, including in healthcare estate or facilities, may impact on the type of services required and the number of people needing to access pharmaceutical services in the future within the Borough. Given the current population demographics, housing projections, the distribution of pharmacies across Hartlepool, and mapped reasonable travel times, it is anticipated that the current pharmaceutical services providers will continue to be able meet local needs for a time up to and including the statutory lifetime of this PNA, other than in specified future circumstances described in the statement of need.
- 4.23 The 2013 Regulations state that HWBs are required to consult on a draft of their PNA during its development and this consultation must last for a minimum of 60 days. The statutory consultation period for PNA 2025 ended on 4th September 2025. The extracted results of submissions received from the electronic collation of responses are summarized in the attached draft Consultation Summary and Report.
- 4.24 HWBs are also required to publish a report on the consultation in their PNA, including analysis of the consultation responses and reasons for acting or otherwise upon any issues raised. This Consultation Report, once approved, will therefore be included in full as an Appendix to the PNA.
- 4.25 The draft PNA will be updated as required in response to the consultation including an outline summary of consultation responses within the relevant section of the PNA, before seeking approval of the HWB ahead of final publication before the statutory deadline of 29th September 2024.
- 4.26 In accordance with the agreed consultation process, the Committee is asked to consider the draft revised PNA 2025 (accessed via the following link <https://www.hartlepool.gov.uk/downloads/download/447/pharmaceutical-needs-assessment>). Paper copies of the PNA are available on request from the Democratic Services Team.
- 4.27 The Committees views and comments will then be fed into consideration of the PNA by the Health and Wellbeing Board on the 29th September 2025.

5. OTHER CONSIDERATIONS/IMPLICATIONS

RISK IMPLICATIONS / LEGAL CONSIDERATIONS	To fulfil the requirements of Section 128A of the National Health Service Act 2006 (NHS Act 2006) for
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	each Health and Wellbeing Board to publish a Pharmaceutical Needs Assessment (PNA). PNAs are used by NHS England for the purpose of determining applications for new premises. It is therefore important that PNAs comply with the requirements of the regulations, due process is followed in their development and that they are kept up to date.
FINANCIAL CONSIDERATIONS	None
SUBSIDY CONTROL	None
SINGLE IMPACT ASSESSMENT	None
STAFF CONSIDERATIONS	None
ASSET MANAGEMENT CONSIDERATIONS	None
ENVIRONMENT, SUSTAINABILITY AND CLIMATE CHANGE CONSIDERATIONS	None
CONSULTATION	(a) Public engagement including internal engagement and subsequent statutory consultees undertaken December 2024/January 2025 (b) Public consultation on the draft PNA has been undertaken through an online survey 4 th July to 4 th September 2025 (c) Consultation comments have been invited from the following statutory consultees (minimum 60 days). As detailed in Appendix 1 of the PNA 2025.

6. RECOMMENDATIONS

6.1 That the Committee:

- i) Considers the draft revised PNA as part of the formal consultation process; and
- ii) Identifies any views / comments that it wishes to be incorporated into its consultation response to be considered by the Health and Wellbeing Board on the 29th September 2025.

7. REASONS FOR RECOMMENDATIONS

- 7.1 To fulfil the requirements of Section 128A of the National Health Service Act 2006 (NHS Act 2006) for each Health and Wellbeing Board to publish a Pharmaceutical Needs Assessment (PNA).

8. BACKGROUND PAPERS

Pharmaceutical Needs Assessment 2022 (link to PNA – <https://www.hartlepool.gov.uk/downloads/download/447/pharmaceutical-needs-assessment>)
Draft Pharmaceutical Needs Assessment 2025
(<https://www.hartlepool.gov.uk/downloads/download/447/pharmaceutical-needs-assessment>)
Draft PNA 2025 Consultation Summary and Report
National Health Service (Pharmaceutical and Local Pharmaceutical Services) Regulations 2013 SI 2013/349 as amended (the 2013 Regulations).
[The NHS \(Pharmaceutical and Local Pharmaceutical Services\) \(Amendment\) Regulations 2023](#) (the 2023 regulations).

9. CONTACT OFFICERS

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AUDIT AND GOVERNANCE COMMITTEE

23 September 2025



Report of: Scrutiny and Legal Support Officer

Subject: Scrutiny Investigation into Retail Crime – Final Report

1. COUNCIL PLAN PRIORITY

Hartlepool will be a place:

- where people live healthier, safe and independent lives. (People)

2. PURPOSE OF REPORT

- 2.1 To present the Committee's report on 'retail crime' and provide an opportunity for Members to express any views, or comments, they may wish to be relayed to the Neighbourhood Services Committee and Safer Hartlepool Partnership for consideration, alongside the report's conclusions and recommendations.

3. BACKGROUND INFORMATION

- 3.1 The Audit and Governance Committee completed its 'retail crime' investigation in 2024/25 and, based on the evidence provided, the report attached at **Appendix A** has now been produced.
- 3.2 The Committee is asked to consider approval of the report for submission to the Neighbourhoods Services Committee and Safer Hartlepool Partnership.

4. RECOMMENDATIONS

- 4.1 That the Committee:
- i) Considers approval of the report for submission to the Neighbourhood Services Committee and Safer Hartlepool Partnership; and
 - ii) Identify any additional views or comments it would like to be brought to the attention of the Neighbourhood Services Committee and Safer Hartlepool Partnership, during consideration of the report's conclusions / recommendations.

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AUDIT AND GOVERNANCE COMMITTEE DRAFT FINAL REPORT

RETAIL CRIME INVESTIGATION

SEPTEMBER 2025

DRAFT

EXECUTIVE SUMMARY

Introduction

As part of the requirements of the Police and Justice Act 2006, the Council's Audit and Governance Committee considers potential topics for investigation under its statutory scrutiny responsibilities.

The Audit and Governance Committee, at its meeting on the 16 July 2024 explored a range of potential topics for investigation as part of its 2024/25 work programme, all of which had merit. Of particular interest to the Committee was data presented in relation to retail crime, which highlighted that Cleveland had one of the highest rates of retail crime per 1000 population in the country and the highest rate of shoplifting¹.

Whilst shocked at the regional position, Members were concerned regarding the impact of retail crime in Hartlepool, not only on the stores but also on employees and the wider community. In view of this, Members agreed to select retail crime as the topic of investigation for the 2024/25 municipal year and, over the course of the investigation, received detailed evidence from a variety of sources. Details of the evidence considered by the Committee in the formulation of its conclusions and recommendations, as summarised below, are outlined in Sections 7, 8 and 9 of this report.

Conclusions

1. Retail crime is a significant issue in Hartlepool for retailers, employees, the Police and the wider community.
2. Offences are committed for various reasons, however, evidence showed that the main driver behind retail crime in Hartlepool is substance misuse and addiction issues. It is unclear whether perpetrators are engaging with treatment services and ways of ascertaining this information needs to be considered. It is paramount that, in order to make every contact count, offenders are linked to treatment services and that any issues are identified for those who might offend whilst in treatment.
3. A joined-up approach is vital to tackling retail crime, with primarily retailers, the Police and Local Authorities working together on the issue.
4. There appears to be a miscommunication that the Police do not respond to all reports of theft. This needs to be addressed with improved communication by all partners.
5. Under reporting appears to be an issue in Hartlepool with issues around the perception of the police response and the complexity of reporting mechanisms acting as a disincentive. The reporting of crime being essential to the gathering of intelligence to inform future development and focus of initiatives to tackle the issue.

¹Cleveland Police evidence to the A&G meeting – 24 Jul 2024

6. All mechanisms available to respond to the issue are essential, including the use of out of court resolution pathways that can be more effective at tackling the issue in some cases rather than custodial sentences.
7. In Hartlepool many of the suspects arrested are local offenders. There is little evidence to suggest that this is serious and organised crime (SOC), planned and co-ordinated by groups or as part of transnational networks.
8. A range of activity is taking place across Hartlepool in working towards tackling the issue of retail crime. The Committee commended the work of retailers, the Police, Local Authority and the wider community.
9. The identification of new funding and the provision of continued funding for initiatives that can be delivered across Hartlepool is essential. This will help to support not only retailers but also prevent offending / re-offending. Promotion of such initiatives needs to be a priority and engagement encouraged.
10. It is unacceptable for employees in any sector of employment to face the risk of violence and abuse in the conduct of their duties.
11. The creation of supportive retail networks to facilitate the sharing of information and experience, assist in the collection of intelligence and promote engagement with initiatives are essential.

Recommendations

1. That the process of reporting crime to the Police by retailers be examined to ensure that this process is simple and straight forward.
2. That ways of encouraging the reporting of all retail theft be explored. Whilst reinforcing and promoting that the Police will respond to reports of retail theft.
3. Explore ways to build relationships between retailers and the Police and to share best practice.
4. Identify both new, and continued sources of funding, for initiatives to tackle neighbourhood crime and anti-social behaviour. Including those that would extend the availability of help and support to businesses outside the town centre.
5. Local businesses be encouraged further to engage with schemes and initiatives, including the offer of Airwave Radios to aid communication between retailers to prevent thefts occurring.
6. Examine ways to identify whether retail crime offenders are engaging with substance misuse treatment services. Including ways of making every contact count in order to signpost offenders to services and identifying issues for those who might offend / reoffend whilst in treatment.

7. To explore developing a Retail Forum where retailers can work in conjunction with each other to share ideas and best practice.
8. That the effectiveness of Police target hardening and the prioritisation of certain businesses most affected by retail crime be evaluated.

1. PURPOSE OF REPORT

- 1.1 To present the findings of the Audit and Governance Committee's investigation into retail crime.

2. MEMBERSHIP (for part or whole of investigation)

- 2.1 The Membership of the Audit and Governance Committee for this investigation was Councillors Boddy, Buchan, Darby, Hall, Holbrook, Jorgeson, Moore, Morley, Roy and Thompson.

3. SETTING THE SCENE

- 3.1 The Committee was concerned to learn that Cleveland had one of the highest rates of retail crime per 1000 population in the country, and the highest rate for shoplifting². In addition to this, retail theft in Hartlepool had increased by 16% from the previous 12 months². A further summary of the data considered by the Committee during the investigation is available in Section 7 of this report.
- 3.2 Members were informed that increases in retail crime were not specific to Hartlepool, with levels also increasing across other Police force areas. However, retail crime was identified as an issue of significant concern that would merit further investigation, as part of the Committee's statutory scrutiny responsibilities under the Police and Justice Act 2006. The investigation providing an opportunity for partnership working with Cleveland Police, including support for ongoing prevention and detection activities, whilst gaining an understanding of the:
 - Impact of retail crime on staff, businesses and residents, in particular the health and well-being of staff working in retail outlets.
 - Drivers behind retail crime and the potential for a combination of factors.
 - Measures that were being taken to address this issue locally and regionally.
- 3.3 The Audit and Governance Committee commenced its investigation on the 24th September 2024, agreeing:
 - The aim of the investigation, terms of reference and methods of investigation (full details of which are available in Sections 4-6 below).
 - Definition of retail crime³ for the purpose of the investigation.

² Data received from Cleveland Police Forces Performance Team

³ as defined by Cleveland Police.

‘retail crime being any criminal act (intended and unintended) against the retail industry i.e. a store, a company, their properties as well as their employees and customers’

- 3.4 The Committee met formally on five occasions, during 2024/2025, to discuss and receive evidence relating to this investigation, details of the issues raised during these meetings are available from the Council’s Democratic Services.

4. OVERALL AIM OF THE SCRUTINY INVESTIGATION

- 4.1 The **aim** of the investigation was to explore ways of designing out and reducing incidents of retail crime.

5. TERMS OF REFERENCE FOR THE SCRUTINY INVESTIGATION

- 5.1 The **Terms of Reference** for the investigation were:

- (a) To gain an understanding of the issue and its impact on residents, employees and businesses;
- (b) To explore the factors that drive retail crime (national and local data inc. police information in relation to high level offenders);
- (c) To examine existing approaches used to tackle the issue and investigate their effectiveness (preventative and reactive). E.g.
 - i) Are we encouraging retailers to maximise the use of new technologies for the prevention and detection of retail crime, including the facilitation of digital CCTV evidence?
 - ii) Are we encouraging the Community Safety Partnership to direct investment to design out crime to areas they perceive to be a problem, including reducing opportunities to sell stolen goods?
 - iii) Are we actively encouraging the use of appropriate funding to invest in local retailers?
 - iv) Are there sufficient support pathways for those who use retail theft to fund substance misuse?
 - v) Are there sufficient food banks, advertised, accessible and with ongoing funding, for those who use retail theft as a means during the cost-of-living crisis?
 - vi) Are there sufficient out of court resolution pathways available to residents of Hartlepool?
- (d) To seek views on the issue, the impact and what could / should be done from:
 - Residents survey (as part of Police Ward surveys),
 - Stakeholders and businesses (HBC survey and face to face Working Group)

- (e) To gain an understanding of the impact of current and future budget pressures on the way in which services are provided.
- (f) To identify potential ways of designing out and reducing incidents of retail crime.

6. METHODS OF INVESTIGATION

6.1 Members of the Audit and Governance Committee met to discuss and receive evidence relating to this investigation.

A summary of the methods of investigation are outlined below:

- Detailed information gathering sessions with Senior Officers from Cleveland Police including an overview of data and crime statistics both nationally, regionally and in Hartlepool.
- Evidence provided by Cleveland Police regarding the drivers behind retail crime via interviews with offenders.
- Sought the views of the Police and Crime Commissioner for Cleveland and received a presentation on this matter at a Committee meeting.
- A consultation survey circulated to business owners/retailers in the town to seek their views on this issue.
- In-depth interview with a Manager of a local retail outlet.
- Evidence from the British Retail Consortium.
- Sought the views of the local MP who is also the Chair of the Safer Hartlepool Partnership and the views of the Chair of the Councils Neighbourhood Services Committee.
- Sought the views of local residents via Cleveland Police ward survey.

7. RETAIL CRIME IN HARTLEPOOL

7.1 The Committee received evidence from Cleveland Police regarding an overview of data and statistics⁴ for retail crime in Hartlepool together with comparative data, both regionally and nationally. The data in table 1 was received by the Committee in September 2024. For the most current data available please see **appendix 1** (table 4).

7.2 The Committee noted the data in **table 1** over the page: -

⁴ Data received from Cleveland Police Force Performance Team

Table 1 – Reports of retail theft

Area	Date range	Reports of retail theft	Trend compared to 12 months prior
Tees Valley	Sept 23 - Sept 24 (12-month period)	8,164	 7% increase
Hartlepool	Sept 23 - Sept 24 (12-month period)	2,117	 16% increase
Hartlepool	Apr 24 - Sept 24 (6-month period)	1,251	 16% increase
Hartlepool	September 2024 (1 month period)	257	 28.7% increase

- 7.3 Members were concerned to find that reports of retail theft in the Tees Valley had increased from the previous year. Members also noted an increase in the reporting of theft across Hartlepool and that this was higher than what was seen in the Tees Valley. It was, however, noted that this position echoed the national picture, with evidence suggesting that retail crime has reached unprecedented levels with a detrimental effect on communities.⁵ More detail in relation to comparable rates across the Tees Valley is available in **table 3**.
- 7.4 Whilst the increase in the reporting of thefts was a concern, Members were encouraged to see that the solved crimes by Cleveland Police were higher than the national average as detailed in **table 2**.⁶

Table 2 - Solved Crimes

Date Range	Cleveland Police	Hartlepool	Nationally
Solved crimes (month of August 2025)	37%	36%	24.8%
Solved crimes (month of September 2024)	37%	17%	16.4%

- 7.5 Members were interested in comparing the rates of retail crime across the Tees Valley local authority areas and nationally and were provided with data in relation to this.⁶ They noted that the rates for Hartlepool were the highest across the 4 local authority areas and higher than the national figure as noted in **table 3**.
- 7.6 The Committee noted data in **table 3** over the page: -

⁵ National Crime Business Centre⁶ Data received from Cleveland Police Force Performance Team

Table 3 – Retail crime theft rates

Area	Number of retail crime thefts per 1000 population*
Hartlepool	22.9
Middlesbrough	13.6
Stockton	11.1
Redcar and Cleveland	12.5
Nationally	8.7

* This data covers the period January 2024 – December 2024.

- 7.7 The financial impact of retail crime was also considered as part of this investigation. It was noted that nationally, the cost of retail theft is £970 per crime, including a cost of £40 per crime for the police and £200 per crime for the wider criminal justice system. This equates to a total cost of £7,843,420 per annum including £323,440 for the police and £1,617,200 for the wider criminal justice system.⁷
- 7.8 Looking at the perpetrators of retail crime, evidence in Section 10 of the report, demonstrated that many of the suspects arrested were known to the Police and that a small number of prolific offenders were responsible for the majority of offences. Evidence provided did not, however, support the suggestion that serious organised crime (SOC) groups are driving retail crime in Hartlepool. The definition of SOC being ‘crime that is planned and co-ordinated by groups or as part of transnational networks’. The issue of lower-level organisation of retail crime was, however, raised with the Committee and it is addressed in Section 8.6 of the report.
- 7.9 Members welcomed confirmation that retail crime had not only been identified as an issue by the Audit and Governance Committee, it had also been identified as one of three priority areas of crime by Cleveland Police and had been looked at in specific detail by the Safer Hartlepool Partnership (SHP). Actions identified by the SHP included in, and monitored via, the Community Safety Plan are explored in greater detail in Section 9.14 of the report.

8. THE IMPACT OF RETAIL CRIME ON RETAILERS, EMPLOYEES AND RESIDENTS

- 8.1 At its meeting on the 15th October 2024, the Committee agreed to seek the views of commercial business owners, retailers and residents in the town on their experiences of retail crime. This was to gain an understanding of how this issue affects staff, businesses and the wider community. This was undertaken via a number of mechanisms, including an online survey, one to one interview with a retailer and via a police ward survey.

⁷ [Economic and Social Costs of Crime 2018 report](#)

Retailer Consultation

- 8.2 A public survey was launched via the Council's 'Your Say' engagement platform that ran from the 6th November 2024 to the 17th January 2025 and was promoted extensively. Please see **appendix 2** for details of promotion and survey demographics.
- 8.3 The Committee noted that despite extensive promotion only 13 consultation responses had been received. Concern was expressed that the level of response had been influenced by the timing of the survey, during one of the busiest times for retailers. Given the level of response, the Committee appreciated that the statistical significance of the data needed to be taken into consideration in the formulation of views and comments based on the evidence provided.
- 8.4 The Committee noted with interest the responses received via the consultation, as summarised below:-
- i) *How much of a problem is theft for your business?* - 12 participants expressed concern that it was a problem for their business with 10 describing it as a significant issue.
 - ii) *What is the impact of retail crime?* – From the responses received it was clear that loss of earnings, staff mental health and the expense of security measures were felt to be the most significant issues associated with retail crime. Most participants stated that their store had security measures in place including CCTV, security tags and door alarms. However, despite the measures in place most stores still had issues with shop theft. Some stores also employed additional security measures such as the use of radios within the store to alert other businesses to potential thefts.
 - iii) *How are staff impacted by retail crime?* - 7 retailers indicated that their staff had been afraid to come to work for fear of violence, with most having experienced verbal abuse or threatening behaviour. 4 business owners stated their staff had experienced actual violence. One commented that staff had also experienced anxiety around thefts occurring. Whilst the survey received limited responses, wider evidence gathered suggests that this issue is a national concern. Data⁸ indicates that the use of aggression, abuse and violence during thefts has escalated. It was reported nationally that 87 % of retailers placed violence in their top 3 threats, with 68% placing it as the number 1 threat.
 - iv) *Reporting of thefts?* - Some retailers indicated they did not report all crime, advising that this was due to concerns that the issue would not be taken seriously by the police.

When questioned further, 1 participant commented that it was time consuming to complete paperwork regarding the reporting of thefts and that this affected how often they reported theft. 5 retailers commented they did not feel any action would be taken against the perpetrator and this dissuaded them from reporting the theft. This was also echoed in evidence from the

⁸ [British Retail Consortium – Crime Survey Report 2025](#)

British Retail Consortium (BRC) survey where it was reported that confidence in Police response to a retail crime had declined.⁹

- v) *What could be done to tackle the issue of retail crime?* - The most common suggestions included wanting to see a higher Police presence within the town and harsher punishments to deter individuals from committing crime. A full list of comments and suggestions can be found at **appendix 2**.

Interview with a local Retail Manager

- 8.5 To further inform the investigation, an in-depth interview was conducted with a local Retail Manager who described their experiences of working in the retail industry for over 25 years. The Committee noted that the response was based on an individual perspective and could not be taken as a view on behalf of the wider retail sector.
- 8.6 The Committee welcomed the input provided, as summarised below:
- i) Concerns regarding the perceived reduction in Police Community Support Officers (PCSO's), the presence of which it was felt acted as a retail crime deterrent. Whilst also helping to compile local intelligence / knowledge in relation to individual Wards and building relationships with residents and businesses.
 - ii) That their company made it a priority to log all incidents of retail theft and in their experience, Police responded to all reports. Police Officers regularly attended for statements and requested CCTV footage of the incident. They commented that this had not always been the case in their experience, but this had significantly improved over the last 6 months.
 - iii) They noted that logging crimes with the Police felt time consuming and that the system generated unnecessary letters. This was also reported to be a national problem with 38% of retailers surveyed indicating failure to report crimes due to lack of staff time, with 58% of retailers experiencing difficulties with the reporting system (this being in their top 2 reasons why crimes were not reported).⁹
 - iv) In response to questions asked about the drivers behind retail crime the Manager commented that, in their opinion, substance misuse contributed significantly to theft. They did not feel that the cost-of-living crisis was a significant driver behind theft due to the nature of the items that were regularly stolen. In terms of the patterns of theft, it was reported that different goods were targeted at different times of the year, with high value items often the target. In their view offenders, at times, seemed to work in groups and targeted different shops.
 - v) When describing the aggression shown by offenders during the thefts they considered it to be escalating. Staff surveys indicated that theft was always reported to be a worry for employees.
 - vi) When asked what they thought would help the situation they advised they would like to see a higher police presence in the local area. A network between shop owners would also be useful as there seemed to be little joined up work. Businesses were often working in silos to tackle the problem. The sharing of information and further input from the Office of the Police and Crime Commissioner (OPCC) was also discussed.

⁹ [British Retail Consortium – Crime Survey Report 2025](#)

Resident Surveys

- 8.7 In addition to the engagement outlined in Sections 8.2-8.6, the Committee considered how best to obtain an understanding of the impact of retail crime on residents. In addition to publicising meetings of the Audit and Governance Committee with the aim of encouraging engagement, the Committee also welcomed an opportunity to utilise the Cleveland Police Ward Survey to engage with residents.
- 8.8 The Committee, at its meeting on the 28th January 2025 received feedback on the findings of the Police Ward survey, with indications that no specific issues had been raised concerning retail crime by the residents who had taken part. It, however, came as no surprise to the Committee that the focus had instead been on the issue of off-road bikes and the belief that criminals were using E / off-road bikes to commit crime and travel across the Town.

9. PARTNER EVIDENCE

- 9.1 As part of its investigation the Committee, at its meeting on the 28th January 2025, welcomed evidence for a range of partners, including the Chair of the Neighborhood Services Committee, the MP for Hartlepool and the Cleveland Police and Crime Commissioner. A summary of which is outlined below.
- 9.2 Chair of Neighbourhood Services Committee - The Committee welcomed the Chair's support for the investigation of the issue as a significant area of concern for retailers across Hartlepool. The Chair reiterated views expressed through the investigation in relation to the importance of having a clear understanding of the drivers behind retail crime, as the basis for the identification of appropriate interventions. Details of the evidence considered by the Committee in relation to these drivers outlined in Section 10 of the report.
- 9.3 Discussions with the Chair also explored the potential actions / interventions that could be included as a package of measures to reduce the prevalence and impact of retail crime across the town. These included:
- The promotion of a zero-tolerance approach to all types of crime, utilising education campaigns to raise awareness of the impact of crime on communities and businesses. These campaigns to include engagement with schools to help influence behaviour as early as possible.
 - Drives to increase the reporting of all crimes, to allow the effective identification of interventions and focusing of resources.
 - The importance of utilising the expertise and knowledge of the Public Health team to help identify and target interventions for those who are experiencing substance misuse issues and may be participating in retail crime as a means of generating income (whether or not they are engaging with treatment services).
 - Interventions around alcohol sale and licensing, including the lobbying of central government to allow alcohol sales to be scrutinised and increased scrutiny for shops that apply for alcohol licensing.
- 9.4 MP for Hartlepool – The MP expressed complete support for the Audit and Governance Committee's focus on retail crime and, as Chair of the Safer Hartlepool Partnership (SHP), was well versed on the issues and impact of retail

crime. The SHP recently undertaking a light touch piece of work on retail crime, that culminated in a number of actions to be monitored via the Community Safety Plan (Action Plan). These included the formation of a Retail Crime Board to ensure the voices of retailers can be heard, the implementation of Public Space Protection Order's (PSPO's) to manager anti-social behaviour and the increased use of Community Safety Accreditation Scheme powers.

- 9.5 The MP provided a written submission for Members consideration. The letter (attached at **Appendix 3**) outlined the MP's views on the matter with attention drawn to the intent of the Crime and Policing Bill to make assaulting, threatening, or abusing a retail worker a statutory standalone offence. The Bill would also reverse the 2014 legislation whereby 'low level' thefts, worth under £200, were subject to less serious punishment.
- 9.6 Members welcomed the legislative changes contained within the Bill as an increased deterrent to perpetrators and the removal of a perceived deterrent to reporting of retail crime. The inaccurate perception that there was little point in reporting retail crime under £200 prevented the identification of an accurate position in Hartlepool and the development of appropriately focused interventions.
- 9.7 The need to promote the removal of the £200 threshold and dispel the perception was identified as a priority by the Committee. The Committee was also supportive of the SHP proposals in relation to the creation / re-establishment of a body where retailers can share information and best practice with each other, and partner organisations. Also, the increased use, where possible, of PSPO's and Community Safety Accreditation Scheme powers.
- 9.8 Police and Crime Commissioner for Cleveland (PCC) - The PCC presented evidence to the Committee regarding retail crime. This included information arising from a Retail Crime Summit, organised by the Office of the PCC in October 2023.
- 9.9 From the evidence provided, the Committee concluded that many of the areas of concern identified during the summit had also been raised during the course of the investigation, including:
- Communication – misinformation regarding what police will respond to
 - Sentencing – support for increased use of Out of Court Disposals
 - Difficulties in passing evidence to police – retailer ICT infrastructure issues
 - Wider issues such as ASB / addiction – often shoplifting is not the primary concern
- 9.10 In considering the evidence provided, emphasis was again placed on:
- The importance of prevention in addressing the drivers behind retail crime, with reference to prevention in terms of the effectiveness of drug treatment and support services as a tool in reducing reoffending.
 - The use of a range of methods of tackling retail crime, such as the effective use of dispersal orders and community protection notices.
 - The importance of reporting crime and dispelling the myths around the police response to reporting, with emphasis on the use of the COPA app, 101 and Crime Stoppers (to guarantee anonymity for those in fear of reprisals) as effective methods of reporting.

9.11 British Retail Consortium – In addition to the evidence obtained via the consultation and engagements activities outlined in Sections 8, information and data relating to retail crime from a national perspective was also available via a wide breadth of resources. The Committee received further evidence on the impact of retail crime on businesses and employees from one such source, the British Retail Consortium (BRC), which had been identified as the ‘go-to’ trade association for UK retail businesses.

9.12 A Representative from the consortium provided further information by way of their annual crime survey which tracks crime against retail staff and businesses in the UK, the costs related to it and the police response to it.¹⁰ The findings from this national survey mirrored what was found in Hartlepool. The key findings from the BRC Crime Survey 2025 demonstrating that many of the issues identified in Hartlepool were being experienced nationally:



i) The impact of violence and abuse on the welfare of retail workers:

- 1,300 violent or abusive incidents occur per day, an increase from 870
- 475,000 incidents occurred in the 12 months surveyed including 41,000 violent incidents

ii) The cost of crime and crime prevention to retail business and indirectly the customers they serve:

- Overall cost of retail crime including crime prevention measures was 3.3billion
- Crime prevention measures cost 720million

iii) The response of the justice system and overall police systems:

- Incidents of customer theft rose to 16.7million
- 61% of retailers rate police response as poor or very poor
- 8% of reported incidents of violence and abuse were prosecuted

9.13 The Committee was interested in the BRC's views on the actions that it felt should be implemented to address the issue of retail crime going forward. They recognised many of the following as being potentially relevant to the formulation of a Hartlepool response:

- A separate stand-alone offence of violence and abuse towards retail workers
- A BRC/Home Office National Retail Crime Steering Group
- Reporting to be simplified
- All theft should lead to police action.
- Role of organised crime needs to be fully understood.
- Dealing with the underlying context of crime such as alcohol and drug addiction.
- Clarity in statistics where crime is retail related.

¹⁰ [British Retail Consortium – Crime Survey Report 2025](#)

9.14 Safer Hartlepool Partnership – Looking more specifically at the focus of SHP activities in relation to retail crime, as alluded to in Section 7.9 of the report, it was clear that the partnerships concerns had mirrored those expressed by the committee during its investigation. Specifically in relation to:

- Increases in levels of retail crime and the impact of repeat offending with one offender in Hartlepool committing 46 shop thefts over a 12-month period. Prompting consideration of why repeat offending is such an issue and what is being missed in terms of prevention / interventions.
- Indications that at one point over 50% of overall theft was driven by drug / substance misuse in Hartlepool. Although there were gaps in the understanding of other factors in terms of the remaining 50%, including the cost of living / economic challenges.
- Opportunity being key to retail crime, as businesses drive enticements to increase sales by the location of goods. Prompting questions as to how businesses could be supported and share information / best practice.
- The perception of retail theft as a victimless crime and the reality of its actual economic and staff welfare impact.
- Sentencing and the effectiveness of prevention and intervention activities including probation pathways.
- Under reporting.

9.15 Potential actions identified by the SHP being:-

- i) To increase the reporting of retail crime.
- ii) Support for businesses to:
 - Encourage increased take up of schemes / activities available to businesses for the prevention of retail crime.
 - Explore the identification of new, or continued, funding for schemes to support businesses in the prevention and response to retail crime.
 - Provide advice to businesses on how to improve their own surveillance and design out crime.
- iii) Improve communication / sharing of best practice, including the potential creation of a 'Retail Crime Forum / Partnership' to ensure that the voices of retailers are heard, providing a greater promotion of crime reporting and encourage partnership working between businesses and partner organisations.
- iv) Obtain a clearer understanding of:
 - Offender need and the support required in terms of reoffending prevention.
 - The factors that drive retail crime and improve communication with offenders to identify improved interventions (e.g. reintroduction of exit interviews with offenders).
- v) Explore and develop improved pathways for the support of offenders to prevent reoffending with relevant agencies (e.g. the Probation Service).

9.16 All partners were thanked for their input in to the investigation, the evidence provided welcomed by the Committee in the formulation of its conclusions and recommendations.

10. DRIVERS BEHIND RETAIL CRIME

- 10.1 Evidence provided during the investigation emphasised the importance of having a clear understanding of the drivers of retail crime and the Committee received evidence from a variety of sources in relation to each of the below drivers.
- 10.2 Drug and Alcohol addiction – Evidence obtained via Offender Exit Interviews, carried out by Cleveland Police, indicated that shoplifting by most prolific offenders was self-motivated to fund a drug or alcohol addiction¹¹. It was also reported nationally that being under the influence of substances was also a factor with 13% of cases (440 crimes) having circumstances involving perpetrators being under the influence.¹²
- 10.3 During the investigation Members of the Committee were advised by Cleveland Police that there was funding available for drug testing. This involved the mandatory drug testing of offenders on arrest. Those that tested positive were ordered to attend a minimum of 2 drug treatment meetings. It was advised that this was a gateway to ensuring the offender can access treatment and other support to tackle their drug-related offending. However, it was confirmed that the funding for this was due to end. Significant disruption activity also takes place in Hartlepool to tackle the issue of drugs.
- 10.4 Substance misuse treatment services are available in Hartlepool that meet demand; however, it was recognised that only a proportion of those with issues access services. In addition to this, although exit interviews identified the funding of substance misuse as a driver, data was not available to confirm if perpetrators were, or were not, accessing drug treatment services at the time of their offence. This made it difficult to ascertain what and where interventions / prevention activities could be focused.
- 10.5 Organised Crime - Members were informed by Cleveland Police that most incidents of retail crime in Hartlepool are carried out by offenders operating individually with most crimes being committed by a small number of persistent offenders. There are some notable examples of shoplifters escalating to more serious crimes, but this is rare. During the Offender Exit Interviews it was noted that most offenders operated alone as opposed to being part of an organised shoplifting gang. Whilst the link to organised crime, that is crime planned and co-ordinated by groups or as part of transnational networks, has been explored by the Committee there was little evidence put forward by the Police or the PCC to confirm this to be a significant driver. However, it was acknowledged that stealing to fund drug addiction identifies an indirect link with serious and organised crime.
- 10.6 During the interview with the Retail Manager there was a suggestion that some shoplifters seemed to be co-ordinated and were targeting different shops together, however, this would not fall under the Police definition of organised crime.

¹¹ Cleveland Police evidence to the A&G meeting – 28 January 2025

¹² [British Retail Consortium – Crime Survey Report 2025](#)

- 10.7 Operation Pegasus – Pegasus is a partnership between retailers and police, spearheaded by the PCC to centralise intelligence on serious and organised crime groups involved in retail crime.
- 10.8 Cost of living crisis – It was acknowledged that whilst there was an expectation that cost of living / economic challenges was also driving retail crime, this was not the trend seen by Cleveland Police or the experiences of the retail Manager interviewed. Gaps in the understanding of its impact meant it could not be specifically identified by the Committee as a key driver.
- 10.9 The Committee was, however, aware that this may well be a factor in some cases and the availability of food banks and hardship support was touched upon by Members. Members expressing disappointment at the need for such a provision but noting the level of support provided in the town by partners, the VCS and local authority.

11. EXAMINING EXISTING APPROACHES TO TACKLING RETAIL CRIME

- 11.1 Over the course of the investigation the Committee were informed that significant work takes place via different bodies in relation to the prevention, disruption and detection of retail crime.

Cleveland Police

- 11.2 In addition to the retail crime rates outlined in Section 7 of the report, the Committee gained an understanding of the mechanisms used by Cleveland Police to tackle retail crime. This included the below -
- 11.3 Neighbourhood Policing Teams (NPT's) - NPTs are tasked with making 'Top 5' arrests which change on a month-by-month basis, as offenders are sentenced or otherwise go quiet with other prolific offenders replacing them.
- 11.4 Retail Crime Action Plan - Members were made aware that retail crime meetings take place bi-monthly and include 4 districts in the Tees Valley. They are attended by the Single Point of Contacts (SPOC) for each of the four districts and a representative from the National Business Crime Solutions Team. Each district reports into this meeting as well as local retail crime forums. This informs decisions around their approach to retail crime and ensures a joined-up, consistent approach to retail crime across the 4 Local Policing areas.

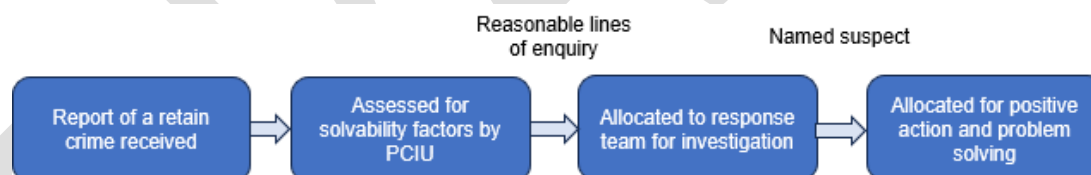
In support of the Retail Crime Action Plan, a local action plan has been developed, and work has taken place to:

- Review/revise the Force's response criteria
- Identify Cleveland's most prolific offenders
- Increase the use of Criminal Behaviour Orders (CBO)
- Identify Cleveland's most vulnerable locations
- Develop collaborative problem-solving plans
- Enhance proactivity
- Working collaboratively with partners

- 11.5 Working with Retailers - Cleveland Police encourage retailers to engage with local Retail Crime Forums. This provides an opportunity to receive tactical

updates, crime prevention updates and to share information. Information and intelligence used by Police Retail Crime Leads also informs problem solving activity.

- 11.6 A multi-faceted approach is taken to tackling crime and some stores in certain locations are also prioritised. Crime Prevention Officers visit the most vulnerable stores to provide bespoke advice and help prevent loss. Examples of this work include:
- Target hardening
 - Target removal
 - Property marking/monitoring
 - Access control
 - Surveillance
 - Raising staff awareness
 - Restricting access/ implementing banning orders
- 11.7 Members were keen to evaluate the effectiveness of prioritising high-risk locations and to understand if this impacted on the reduction of crime rates in this location.
- 11.8 The Police explained that case studies demonstrate that the Force's collaborative problem-solving work, with local retailers and other key stakeholders, has resulted in a reduction in offending and a noticeable absence of persistent perpetrators¹³.
- 11.9 Responding to Reports of Theft - The process for crime allocation was outlined using the flow chart below.



- 11.10 The Force stated that they are committed to tackling shoplifting and prioritising attendance where violence is involved, or a shoplifter is detained. At the point of first contact, a robust threat assessment is carried out using THRIVE (threat, harm, risk, investigation, vulnerability and engagement). Police attendance for retail crime, as with other crime, is prioritised if an immediate/emergency or priority response is required. The Force has a clear and consistent approach in place and all reasonable lines of enquiry are pursued to help identify suspects.¹³
- 11.11 The results from the consultation showed that the perception of some retailers was that police do not respond to all reports of crime. Members agreed that further work needs to be done to challenge the perception that reports of crime will not be responded to.
- 11.12 Methods of Detection - Cleveland Police explained the methods of detecting and solving incidences of retail crime included the use of PNC facial

¹³ Office of the Cleveland Police and Crime Commissioner – Scrutiny Meeting (retail crime) – 10 Oct 2023

recognition software to identify potential suspects. It was reported to the Committee that the use of this technology had increased by 500%.¹⁴

11.13 Community Safety Accreditation Scheme (CSAS) - The Police promote the use of the CSAS across all four districts. This scheme can accredit employed people already working in roles that contribute to maintaining and improving community safety with limited but targeted powers. These roles include neighbourhood wardens, hospital security guards, park wardens and shopping centre guards. It was recognised by the Committee that these powers do not include the power of arrest or prosecution for retail crime offences.

11.14 Measures in the Crime and Policing Bill - The Bill¹⁵ introduces a new standalone offence of assaulting a retail worker which will have a maximum penalty of six months in prison, and/or an unlimited fine – and upon first conviction. The Courts can also impose a criminal behaviour order (CBO) which can bar offenders from visiting affected shops or premises. To tackle low level shop theft, the bill will remove the perceived immunity granted to shop theft of goods to the value of £200 or less. This will ensure that all offences are tried as ‘general theft’ with a maximum custodial sentence of seven years.

The Police and Crime Commissioner (PCC)

11.15 The Police and Crime Commissioner for Cleveland presented to the Committee their views and provided information relating to recent work carried out in relation to tackling retail crime.

11.16 Activity taking place in the area included:

- Meetings with the management of Middleton Grange Shopping Centre
- The use of dispersal orders to manage Anti-Social Behaviour
- Use of Community Protection Warnings (CPW) and Community Protection Notices (CPN)
- Engagement with local businesses including sharing photos of people that have been issued with CPW and CPN
- Police enforcement around shops selling alcohol
- Additional warden patrols through UKSPF funding

11.17 The PCC also highlighted plans for next steps to be taken this included:

- Distribution of Airwaves radios to businesses.
- Explore introducing Public Space Protection Order's in the Town Centre and Marina
- Letters to be sent from PCC, Tees Valley Mayor and Council Leader to all businesses to encourage reporting of all incidences of theft
- Explore Community Safety Accreditation Scheme and additional powers for Middleton Grange security staff
- Encourage Middleton Grange Security staff to use existing powers

11.18 During the investigation it was brought to the Committees attention by the PCC that there is a miscommunication that police do not respond to reports of theft.

¹⁴ Cleveland Police evidence to the A&G meeting – 15 Oct 2024

¹⁵ Crime and Policing Bill: retail crime factsheet - GOV.UK

It was emphasised by the PCC that this is not the case and that the Police will respond to reports of retail crime.

- 11.19 The effectiveness of custodial sentences was also discussed, and comments were expressed by the PCC that this was not always the most effective way of dealing with offenders. Out of court settlements and help for substance misuse were more efficient in terms of reducing offending rates. This was also expressed by the Police who advised that significant work is carried out in relation to out-of-court disposals. However, it was acknowledged there was also room for improvement.

Local Authority Enforcement

- 11.20 Information was provided to Members regarding the introduction of the Shop Watch Scheme which involved giving premises radios that can be used by staff in the event of an incident to communicate with each other. Shops in Hartlepool town centre were urged to take advantage of the initiative aimed at tackling shoplifting. The radios were provided to shops free of charge for a year, with the subscription cost being covered by Hartlepool Borough Council. Funding for the radios was provided via the UK Shared Prosperity Fund (UKSPF), money provided by the UK Government and administered locally by the Tees Valley Combined Authority. The UKSPF money was specifically for the town centre area.
- 11.21 The availability of Safer Streets Funding enabled the Local Authority to bid for investment in initiatives which have been proven to prevent neighbourhood and environmental crime. This also included the appointment of a Community Cohesion Officer and an Environmental Projects Officer. Further funding included 3 new mobile CCTV cameras to be deployed in hot spot locations and remotely monitored by HBC council CCTV control room. It was highlighted that enforcement work by the Local Authority relates to anti-social behaviour which may help to move perpetrators out of the area.
- 11.22 Community Protection wardens employed by the Local Authority are responsible for enhancing the safety of the community and acting as a link between the Police, partners and organisations. Whilst not having the power of arrest they are able to provide a visible presence in the community. They carry out a range of duties such as conducting patrols in targeted areas, dispersing groups causing anti-social behavior and tackling unwanted activity such as vandalism or graffiti.

12. CONCLUSION AND RECOMMENDATIONS

- 12.1 The Audit and Governance Committee's conclusions and recommendations are outlined in the executive summary at the beginning of the report.

13. ACKNOWLEDGEMENTS

The Committee is grateful to all those who have presented evidence during the course of the investigation. We would like to place on record our appreciation, in particular the willingness and co-operation we have received from the below named:-

Hartlepool Borough Council:

Craig Blundred, Director of Public Health
Sylvia Pinkney, Assistant Director (Regulatory Services)

External Representatives:

Multiple Senior Officer representatives from Cleveland Police
Office of the Cleveland Police and Crime Commissioner
Jonathan Brash, MP for Hartlepool and Chair of Safer Hartlepool Partnership
Councillor Karen Oliver, Chair of Neighbourhood Services Committee
Hartlepool Retailers
British Retail Consortium

COUNCILLOR SHANE MOORE
CHAIR OF THE AUDIT AND GOVERNANCE COMMITTEE (2024/25)

- 14. Contact Officer:** Gemma Jones – Scrutiny and Legal Support Officer
Legal Services, Hartlepool Borough Council
Tel:- 01429 284171
Email:- gemma.jones@hartlepool.gov.uk

15. BACKGROUND PAPERS

The following background papers were consulted or referred to in the preparation of this report:-

- Audit and Governance Committee – Reports and minutes (11 June 2024, 16 July 2024, 24 September 2024, 15 October 2024, 5 November 2024 and 28 January 2025).

Appendix 1

Retail theft report data

Table 4 shows the most current data available in relation to reports of theft in the Tees Valley and the Hartlepool area.

Table 4 - Reports of retail theft

Area	Date range	Reports of retail theft	Trend compared to 12 months prior
Tees Valley	Sept 24 - Aug 25 (12-month period)	8,286	 2.5% increase
Hartlepool	Sept 24 – Aug 25 (12-month period)	2,289	 11% increase
Hartlepool	May 24 – Aug 25 (6-month period)	1,144	 3% decrease
Hartlepool	August 2025 (1 month period)	263	 27.7% increase

Appendix 2

Impact of Retail Crime on Business and Employees – Consultation data

How people were made aware of the consultation?

- i) Council's social media platforms;
- ii) Your Say newsletter;
- iii) Members of Audit and Governance (including a request to share with any relevant individuals or bodies).
- iv) Community Cohesion Officer who was asked to promote this with individual retailers in their patch.
- v) Middleton Grange Shopping Centre Management were asked to share with all businesses within the centre.
- vi) The Councils Economic Growth Team who circulated the details to the business forum and via their newsletter.
- vii) Surveys were also hand delivered to 22 retailers in the town including large retailers.

What was the Survey Demographics?

The demographics of each business were determined, questions included the postcode of where the businesses were located, the type of products sold and the size of the workforce. It was noted that just under half of the responses were from stores located in the Victoria Ward, but this area included the Town Centre where there was a large concentration of shops. The size of the businesses varied from those with less than 5 employees to those employing more than 20. Goods sold varied from food and drink, health and beauty and clothes.

What should be done to tackle the issue of retail crime?

- More CCTV in the town
- Higher police presence in the evenings and certain areas of the town
- Prosecuting the individuals responsible for theft
- Harsher punishments and stronger sentences for offenders
- Police to attend the store every time a shoplifter is apprehended
- Excluding offenders from certain areas in the town
- More interaction between the police and security officers
- A forum with other retailers to share ideas
- Involving the local MP in the issue
- Adoption of an offender to rehab scheme
- Tackling drug issues
- Education in schools as to the consequences of crime



HOUSE OF COMMONS
LONDON SW1A 0AA

Appendix 3
Letter from MP,
Jonathan Brash

Cllr Shane Moore
Chair of the Audit and Governance Committee
Hartlepool Borough Council
Civic Centre
Victoria Road
Hartlepool
TS24 8AY

30 October 2024

Dear Shane,

Retail Crime

Thank you for the invitation to share my thoughts with you on retail crime in Hartlepool. As you can imagine this is an issue about which many people have contacted me in my former role on the Council and since my election as Member of Parliament for Hartlepool.

Retail crime is often wrongly referred to as a victim-less crime, which any shop worker in Hartlepool will tell you is not the case. I have personally spoken to shopworkers who are required to wear a camera around their neck and who tell me that they arrive at work each day expecting to be the victim of crime. This is unacceptable.

Right now, there are 45,000 incidents of retail crime every single day in this country. A staggering 7 in 10 retail workers have been abused in the last 12 months.

It does not matter whether the shop is owned by the worker or if they work for a regional or national chain, the feeling of powerlessness watching shoplifting occur for many retail workers is leaving them feeling upset, angry, and fearful for their next shift. These crimes also lead to mental health issues for many of the people who experience them on a day-to-day basis, as too many of my constituents do every day.

The Scottish Parliament passed legislation in relation to specific retail offences in the Protection of Workers (Retail and Age-restricted Goods and Services) (Scotland) Act 2021 which was proposed by Scottish Labour MSP Daniel Johnson. The Crime and Policing Bill, announced in the King's Speech will make assaulting, threatening, or abusing a retail worker a statutory standalone offence to ensure that shop workers across Great Britain have the same protections in the workplace. The Bill will also reverse 2014 legislation that meant "low value" thefts worth under £200 were subject to less serious punishment.

Locally, as the Chair of the Safer Hartlepool Partnership we intend to make a range of specific recommendations focused on making our town centre community safer for everyone. This includes:

- The formation of a 'retail crime board' to ensure that the voices of retailers are heard, and that greater reporting of crime is ensured.
- The implementation of a Public Space Protection Order (PSPO). PSPOs are intended to prevent specific acts which would not otherwise be classed as criminal offences and this would allow the targeting of antisocial behaviour that too often blights our

town centre and causes huge distress to retail workers.

- The use of community safety accreditation scheme powers, which allow the Police Chief Officer to devolve a range of powers to accredited persons, such as Council and shopping centre security personnel.

As MP and Chair of the Safer Hartlepool Partnership, you have my complete support in the work that you are undertaking, and I would be more than happy to contribute further to the valuable work of the Audit and Governance Committee.

Yours sincerely

A handwritten signature in black ink, appearing to read 'J Brash'.

Jonathan Brash
Member of Parliament for Hartlepool

TEES VALLEY JOINT HEALTH SCRUTINY COMMITTEE

A meeting of the Tees Valley Joint Health Scrutiny Committee was held on Thursday, 8 May 2025 at the Council Chamber, Civic Centre, Ridley Street, Redcar, Yorkshire, TS10 1TD.

PRESENT Councillors M Besford, C Cawley, C Cooper, J Coulson, S Crane, L Hall, C Hannaway, B Holroyd, M Layton and A Roy.

OFFICIALS C Breheny, D Dwarakanath, L Garcia, C Jones, G Jones, C Leng, C Lunn, D Monkhouse, D Palmer, R Scrimmour, B Swanson and G Woods.

APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors S Kay, S Moore, I Morrish and H Scott.

1 **APPOINTMENT OF CHAIR FOR 2025/2026**

Members were invited to make nominations for the position of Chair, and the following were received:

Councillor Cawley was nominated by Councillor Cooper, seconded by Councillor Besford.

Councillor Kay was nominated by Councillor Hall, seconded by Councillor Coulson.

RESOLVED that as the vote was tied a Vice Chair be nominated to Chair the meeting and the appointment of Chair for 2025/26 be reconsidered at the next Committee meeting, following each Council's Annual General Meeting.

2 **APPOINTMENT OF VICE CHAIR FOR 2025/2026**

Members were invited to make nominations for Vice Chair and the following nominations were received:

Councillor Cooper was nominated by Councillor Hall, seconded by Councillor Coulson.

RESOLVED that Councillor Cooper be elected as Vice Chair of the Tees Valley Joint Health Scrutiny Committee for 2025/26 and invited to Chair the meeting.

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3 **MINUTES OF THE MEETING HELD ON 13 MARCH 2025**

RESOLVED that the minutes of the meeting held on 13 March 2025 be confirmed and signed by the Chair as a correct record.

4 **DECLARATIONS OF INTEREST**

There were no declarations of interest.

5 **TEES VALLEY JOINT HEALTH SCRUTINY COMMITTEE - PROTOCOL AND TERMS OF REFERENCE**

The Senior Democratic Services Officer presented a report confirming the Tees Valley Joint Health Scrutiny Committee protocol.

A query was raised regarding the merits of paragraph 14 and continued inclusion of the statement that 'where a review of 'substantial development or variation' will only affect the residents of part of the Tees Valley, Councils where residents will not be affected will not take part in any such review'. The view was expressed that very few NHS services were now delivered on a smaller than Tees Valley footprint thereby negating the need to include this provision. The Senior Democratic Services Officer advised that further legal advice would be sought, and feedback provided at the next meeting.

RESOLVED that the relevant legal advice be sought and the protocol resubmitted to the next meeting for approval.

6 **SOUTH TEES HOSPITALS NHS FOUNDATION TRUST QUALITY ACCOUNT FOR 2024/2025 - DIRECTOR OF NURSING SOUTH TEES NHS FOUNDATION TRUST**

The Director of Nursing at South Tees Hospitals NHS Foundation Trust began by providing an overview of the Trust's progress following the establishment of a Group model. Members were advised that the governance arrangements had been formalised in mid-2024, which had allowed clinical boards to operate as a single service model rather than separate entities across multiple sites. It was explained that this approach aimed to address workforce vulnerabilities, improve disparities in patient access, and ultimately deliver consistent, high-quality care across the Group.

In terms of the quality priority setting process for 2025/26 it was highlighted that a strategic shift had taken place to ensure that the cross-cutting priorities set out in 2024/25, which were yielding tangible benefits, were further embedded to improve service delivery. It was noted that infection prevention and control had been added as a priority for the upcoming year, reinforcing the Trust's commitment to enhancing patient

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safety.

The Director of Nursing drew reference to improvements in the Accident and Emergency (A&E) department, noting that concerted efforts to reduce wait times had resulted in a 1.7% decrease, significantly impacting patient outcomes. Ambulance handover times had also improved, allowing for faster turnaround and reducing delays in community response times. In addition, new triage protocols had been implemented to streamline patient flow within the department.

Members were advised that a further performance highlight for 2024/25 was the introduction of Martha's Rule. This enabled relatives and carers to access an independent review team if they believed a patient's care needs were not being adequately met. The Director of Nursing advised that the Trust had been proactive in implementing this initiative, having introduced the Call for Concern process in 2022. It was explained that a key focus had also been on asking patients how they were feeling and taking their response as seriously as altered physiology. Early interventions through this system had allowed for critical care escalations, often identifying patient deterioration up to 24 hours before physiological changes became apparent. It was noted that for patients with cognitive impairments, who may struggle to communicate their symptom's, structured parameters were in place to ensure their needs were not overlooked.

The Director of Nursing advised that digital transformation remained a key priority for the Trust, with Electronic Prescribing and Medicines Administration (EPMA) leading to a reduction in medication incidents. Improvements had also been made in compliance rates for insulin and venous thromboembolism (VTE) assessments. On infection prevention, it was highlighted that ongoing collaborative learning across the Group, had led to notable improvements in antimicrobial stewardship.

The Medical Director drew reference to the Friarage Hospital, outlining its achievements, ongoing challenges, and a recent national evaluation outcome. It was explained that the hospital functioned as a high-volume, low-complexity surgical centre, which delivered efficient procedures without any disruptions from acute emergency pressures.

Members were advised that although previously the Friarage had operated within an aging estate the effective governance measures in place had ensured that ring-fenced surgical pathways were established and that elective surgeries could proceed without interruption. It was advised that the British Association of Day Case Surgery had endorsed the Friarage's approach, confirming it was ideally suited to a high-efficiency, low-complexity surgical environment.

The Medical Director explained that the Getting It Right First Time

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(GIRFT) programme, a national NHS improvement initiative, had also recently conducted an inspection of the Friarage to assess its operational effectiveness. It was advised that the inspection team had been highly impressed, deeming the Friarage to be one of the best sites they had ever evaluated, out of a 60-hospital review cohort.

Members were advised that the national accreditation gained via the GIRFT programme had been received in advance of the official opening, on 1 June 2025, of the Friarage's new £35.5million surgical centre. The Medical Director explained that the national GIRFT team had taken away operational insights from the Friarage, with the intention of applying its governance model to other NHS sites. In addition, plans to implement further improvements were underway and these included a six-day surgical working model to increase procedural capacity. It was emphasised that maintaining over 90% efficiency rates remained a core priority, and the hospital would seek further improvements where feasible.

The Medical Director also provided an update on the Targeted Lung Cancer Screening programme, which had been in operation since August 2022. It was explained that the programme covered 67 GP practices and one prison population and focused on individuals aged 55 to 74 with a history of smoking. A proactive approach had been adopted with telephone health checks undertaken initially, followed by an invitation for screening. It was explained that over the course of the programme 278 incidental cases of lung cancer had been detected. A dramatic shift in cancer diagnosis rates had also taken place and Members were advised that whereas previously 80% of lung cancers were diagnosed at stage 3 or 4, today 80% were being detected at stage 1 or 2. This meant that curative treatments such as surgery and chemotherapy were becoming more viable.

The Medical Director acknowledged that these advancements in early diagnosis had placed additional pressure on oncology services and pathology departments, with a rise in demand of 24% since 2020/21. It was noted that a £1 million funding allocation had been secured to support non-surgical oncology, facilitating enhanced clinical staffing and improved diagnostic pathways.

The Medical Director advised that significant progress had also been made in the management of prostate cancer, with waiting times for treatment reduced from 62 weeks to approximately 25 days, with an expected further reduction to under 20 days. It was explained that the introduction of cancer navigators had proven instrumental in ensuring timely diagnostics and treatment for patients. The navigators primarily operated from administrative backgrounds, tracking each case through radiology, pathology, and multidisciplinary team (MDT) discussions to ensure no delays in treatment decisions. In cases where the initial MRI scan results came back negative patients were now receiving this

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information within 10 to 12 days.

Following the presentation, the Committee engaged in discussion and the following key points were raised: -

Martha's Rule and Patient Advocacy

A Member drew reference to Martha's Rule and reflected on its importance in ensuring patients and their families had a mechanism to escalate concerns when they felt their care needs were not being met. It was acknowledged that, while tragic incidents had led to its introduction, its adoption by many hospitals and trusts was a significant step forward in patient advocacy. It was queried whether the next phase of the implementation would extend to mental health trusts and maternity services. The Director of Nursing advised that maternity services were indeed prioritised in the upcoming rollout, with mental health trusts participating as part of pilot programmes. It was also explained that this initiative complemented existing measures such as the Call for Concern, which had been established at South Tees in 2022 to ensure patients and carers could request an independent review of care concerns.

Targeted Lung Cancer Screening and Oncology Care Expansion

A Member commended the significant improvements in lung cancer diagnosis rates, referencing the shift from 80% of cases being diagnosed at stage 3 or 4, to 80% now being detected at stage 1 or 2, allowing for earlier, more effective treatment.

Vaping and impact on young people

A Member queried whether there was any emerging scientific data on vaping-related cancer risks, given the rise in young people using these products. The Medical Director responded that, while there were no confirmed direct links between vaping and cancer, respiratory specialists had observed an increase in inflammatory conditions and lung-related pathologies among long-term users.

A Member highlighted their further concerns about vaping addiction among young people, emphasising that the current cessation programmes were not effectively addressing nicotine dependency amongst young people. A Member drew reference to a recent Panorama documentary that highlighted alarming statistics on youth vaping habits and associated health risks. The view was expressed that the scale of addiction amongst young people was being underestimated, with disposable vapes hooking young people at an alarming rate and the long-term impact being greater than anticipated.

Mortality Reviews

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A Member raised concerns regarding the current state of the mortality review process, specifically querying how KPIs were being applied to evaluate patient deaths and whether the system was effectively embedded across the Trust. In response, the Medical Director explained that a key aspect of the mortality review process involved Medical Examiners, who conducted initial mortality assessments. It was also explained that the Medical Examiner system was well embedded, having been established in May 2018, but the variability in referrals stemmed from the complex nature of patient eligibility criteria for secondary reviews.

The Medical Director outlined the specific cohorts of patients prioritised for mortality review, including:

- Patients with learning disabilities (LeDeR reviews).
- Patients with serious mental health conditions.
- Patients under the age of 40.
- Deaths following elective surgery.
- Clinical incidents or reported safety concerns flagged within the Trust's incident reporting system.
- Transfers from other hospitals where clinical concerns had been raised.

The Medical Director advised that in addition, when a Medical Examiner met with a deceased patient's family, if any concerns were raised, they could request a second-level review, regardless of whether the case met the standard eligibility criteria.

A Member queried the lack of inclusion of Black and Minority Ethnic (BME) patients as a specific review criterion, despite emerging national discussions about health outcome disparities in BME populations. The Medical Director acknowledged that BME considerations had not been explicitly factored into the Trust's local review criteria and advised that this would be taken back for further evaluation.

Ambulance Conveyance Rates and Urgent Care Access

A Member raised concerns about ambulance conveyance rates, particularly among individuals who did not drive or lacked access to reliable transport options. It was highlighted that certain demographics appeared to experience higher conveyance rates, and it was queried whether the Trust had assessed local transport challenges as a contributing factor to emergency admissions. The Director of Nursing explained that there were clear criteria for how ambulances were triaged and therefore it was not necessarily local demographics that contributed to emergency admissions, although it did have an impact on ease of access.

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A Member highlighted concerns regarding operational inconsistencies in respect of the Redcar Urgent Treatment Centre (UTC). Reference was made to specific cases where patients were directed to James Cook University Hospital (JCUH) despite Redcar's UTC being equipped to handle their treatment. It was queried whether these referrals were necessary, given that at prior meetings assurances had been given to the Committee regarding community-based treatment models, yet in practice some patients were being redirected unnecessarily, increasing pressure on emergency hospital services.

The Medical Director acknowledged the issue and confirmed that there were variations in triage decisions across different UTC sites. It was explained that some of these inconsistencies were influenced by individual clinician discretion, resulting in patients being redirected when, in some cases, treatment could have been provided at the originating UTC. It was explained that a key factor contributing to these variations was differences in individual risk appetite among clinicians. The Medical Director agreed that standardising the triage protocols across the different urgent treatment sites remained a priority and horizontal integration efforts were underway.

The Medical Director emphasised, however, that while standardisation was essential, a cautious approach was still necessary in cases where escalation was genuinely warranted. It was acknowledged that some cases of "failure of nerve" in clinical judgment could contribute to inefficiencies, but it was also highlighted that sometimes over-cautious risk assessment protected patients from potential harm.

RESOLVED that: -

- a) That the Committee considered and commented on the update on performance in 2024-25 and the priorities for quality improvement in 2025-26.
- b) That a statement of assurance be prepared and submitted to the Trust, with final approval delegated to the Committee Vice Chair.

7

**NORTH TEES AND HARTLEPOOL NHS FOUNDATION TRUST
QUALITY ACCOUNT FOR 2024/25 - DEPUTY DIRECTOR OF QUALITY
UNIVERSITY HOSPITALS TEES**

The Committee welcomed the Medical Director for North Tees and Hartlepool NHS Trust, who began by highlighting the Trust's strong performance against key emergency care indicators, particularly in the Accident and Emergency Department (A&E), including wait times and ambulance handover efficiency.

The Medical Director advised that the Trust had achieved 85.6% compliance with the 4-hour A&E wait target, placing the Trust among the

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top three nationally in terms of performance. It was advised that this was significantly above both the regional and national averages, demonstrating the effectiveness of the operational improvements that had been made over the past year. In addition, handover delays were exceptionally low, with 12-hour wait times standing at just 0.5%, compared to the national average of 6.4%. It was explained that this marked a significant achievement, particularly given the steady rise in demand for urgent and emergency care services. In terms of non-elective hospital stay durations the mean had been reduced to an average of six days, which demonstrated improved patient throughput and discharge efficiency.

The Medical Director discussed the operation of the two Urgent Treatment Centres (UTCs) within North Tees, which had been functioning at a consistent level year-round. It was advised that a revised workforce model was in development, ensuring that GP-led urgent care services were aligned with demand. The Trust was actively modelling GP-led workforce structures, assessing how staffing adjustments could optimise patient flow without unnecessary reliance on A&E resources.

In terms of key challenges, the Medical Director drew reference to the growing number of incidents involving violence and abuse toward staff, particularly within A&E departments on Friday and Saturday nights. It was acknowledged that emergency staff were regularly subjected to verbal and physical aggression, which necessitated additional security presence at peak hours.

The Medical Director acknowledged that in terms of challenges, although the Trust maintained good national participation in various audits, Structured Judgement Reviews (SJRs) were not performing all well as expected. The Trust was therefore focused on improvements and ensuring that learning from adverse events was effectively captured and acted upon to improve patient safety outcomes. Reference was also made to the rising burden of diabetes, as 15 per cent of patients admitted to hospital had the condition. It was advised that diabetes care was becoming more complex, with evolving treatment regimes requiring more advanced clinical oversight. It was explained that this formed part of the Trust's wider clinical upskilling strategy, to support staff in recognising early deterioration in patients with complex health conditions.

The Director of Nursing drew reference to the Trust's success stories and the Trust's evolving approach to patient safety, emphasising that the organisation had moved away from traditional incident-reporting frameworks and toward a more holistic and proactive model. It was explained that instead of focusing solely on isolated patient safety incidents, the Trust had adopted a wider learning-based approach, which evaluated systemic factors that could influence patient outcomes. A key aspect of this approach was also the integration of shared learning across

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different care settings, which allowed for best practices to be disseminated more effectively across wards and clinical teams.

The Director of Nursing detailed how the Trust used benchmarking data, comparing national audit results with internal performance metrics to critically evaluate patient safety standards. This ensured that every aspect of service delivery, from infection prevention to acute care responsiveness, was consistently monitored and refined.

Members were advised that one of the major advancements in patient safety at the Trust had been the real-time responsiveness to patient feedback. It was explained that feedback from patients now formed a core part of structured safety reviews, rather than being examined separately from clinical performance. The Director of Nursing explained how data collected from patients across multiple sources including formal complaint systems, family and friends' tests, and national satisfaction surveys was triangulated with clinical audit outcomes to provide a comprehensive view of patient experiences. It was acknowledged that not all feedback was positive and that was precisely why it was so important. It was accepted that even a 3 per cent negative response rate was significant and systems were in place to ensure frontline teams were aware of the feedback in real time.

The Director of Nursing advised that the Trust had adopted a rapid response model, ensuring that issues raised on a Friday were actively reviewed by clinical teams the same afternoon or by Monday morning. This prevented delays in addressing concerns and ensured that patients felt their feedback was acknowledged and acted upon.

Following the presentation, the Committee engaged in discussion and the following key points were raised: -

Maternity Safety Assurance and Ongoing Engagement

A Member expressed concerns about the scale of public dissatisfaction with maternity services at the Trust, citing the petition recently submitted to the Care Quality Commission (CQC), which contained 1,100 signatures from concerned individuals, and queried whether an update from the Trust could be provided.

The Director of Nursing advised that the Trust had actively engaged with the national maternity safety advisor and that discussions regarding maternity concerns were ongoing. It was explained that the Trust was aware of the feedback from service users and had taken action to evaluate concerns raised within the petition.

The Director of Nursing provided further insights into the actions the Trust had taken to improve maternity services, confirming that all objectives

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outlined in the 2022 NHS England maternity safety improvement plan had been met. It was explained that the Trust had undergone visits from NHS England and peer review teams, reinforcing external oversight of progress.

A Member queried whether feedback could be gathered from patients at the point of care through direct engagement with ward teams rather than through third-party evaluations.

The Director of Nursing addressed the importance of direct service-user engagement in maternity care, stating that maternity patients were encouraged to provide feedback at multiple stages of their journey, ensuring real-time evaluation of service quality at the Trust. It was advised that Maternity Voices Partnership representatives were actively involved in reviewing service quality, offering a critical service-user perspective on maternity care policies and decisions.

Support for Young Mothers

A Member raised a specific concern regarding younger mothers aged 19-21, stating that this demographic often struggled to feel heard during their maternity care experiences. It was suggested that introducing a peer-led model, where young mothers could seek reassurance from individuals with similar lived experiences, might improve engagement and confidence during the maternity journey.

The Director of Nursing confirmed that the Trust had been exploring community-led maternity support initiatives, particularly in relation to breastfeeding education and postnatal care. It was acknowledged that while a direct policy for peer mentoring had not yet been formalised, efforts were being made to reflect the needs of younger service users within maternity care planning. The Committee welcomed the updates provided and encouraged the Trust to continue evaluating maternity services, engaging with service users and ensuring transparency in ongoing improvements.

Workforce Safety Concerns

Members expressed concerns regarding workplace violence and the support available to frontline A&E staff. A Member queried whether violence toward healthcare staff had worsened since COVID, to which the Medical Director provided definitive confirmation.

A Member expressed concern over the diminished police presence in Stockton, highlighting that PCSO coverage had been significantly reduced, and queried whether the reduction had impacted the Trust. The Medical Director advised that regular discussions were held with Cleveland Police and briefings were provided to facilitate proactive

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intervention strategies where required.

A Member queried whether incidents of aggression impacted other patients, particularly those witnessing violent outbursts from individuals in distress. The Director of Nursing confirmed that while physical assaults on other patients were rare, psychological distress among bystanders was a known issue. It was advised that the Trust had been working on tailored risk assessments and ensuring cognition-related incidents were managed appropriately.

RESOLVED that: -

- a) That the Committee considered and commented on the update on performance in 2024-25 and the priorities for quality improvement in 2025-26.
- b) That a statement of assurance be prepared and submitted to the Trust, with final approval delegated to the Committee Vice Chair.

8 WORK PROGRAMME FOR 2025/26

The Work programme for 2025/26 was discussed and a further item relating to the impact of waste incinerators on health identified for inclusion.

RESOLVED that: -

- (i) The impact of waste incinerators on health be added to the Committee's 2025/26 work programme.
- (ii) Any further items identified for the work programme for 2025/26 be discussed at the next Committee.

9 ANY OTHER ITEMS WHICH THE CHAIR CONSIDERS URGENT

Quality Accounts 2024/25 - TEWV and NEAS

The Senior Democratic Services Officer advised that the Quality Account 2024/25 documents for TEWV and NEAS had recently been circulated, along with the draft third party statements, which had been prepared on behalf of the Committee by the Scrutiny and Legal Support Officer at Hartlepool Council.

Members were invited to provide any feedback or comments on the statements by Friday 9 May 2025, prior to sign off by the Chair / Vice Chair and formal submission to the respective Trusts.

RESOLVED that following receipt of any final comments / amendments the third party statements be submitted to TEWV and NEAS for inclusion in the Quality Accounts for 2024/2025.

SAFER HARTLEPOOL PARTNERSHIP MINUTES AND DECISION RECORD

14 March 2025

The meeting commenced at 12 noon in the Civic Centre, Hartlepool.

Present:

Responsible Authority Members:

Councillor Brenda Harrison, Elected Member, Hartlepool Borough Council
Councillor Karen Oliver, Elected Member, Hartlepool Borough Council
Tony Hanson, Executive Director of Development, Neighbourhoods and
Regulatory Services, Hartlepool Borough Council
Sylvia Pinkney, Assistant Director, Regulatory Services, Hartlepool Borough
Council
Alan O'Donoghue, Hartlepool District Commander, Cleveland Police (VC)
Tom Legg, Hartlepool Neighbourhood Policing Inspector
Gordon Bentley, Northeast and North Cumbria Integrated Care Board (NENC
ICB)
Sean Smith, Cleveland Fire Authority
Neil Harrison, Head of Safeguarding and Specialist Services

Other Members:

Jonathan Brash, MP for Hartlepool (C)
Craig Blundred, Director of Public Health, Hartlepool Borough Council
Matt Storey, Office of Police and Crime Commissioner for Cleveland
Sally Robinson, Executive Director of Children's and Joint Commissioning
Services, Hartlepool Borough Council

Non-Voting Observer, Councillor Jorgeson, Representative of Audit and
Governance Committee, Hartlepool Borough Council

Also present:

Councillor Sue Little
Michael Gardner, Siobhan Rafferty, Claire Renwick and Lucie Wilson,
Homeless Team

Officers:

Rachael Readman, Trading Standards and Licensing Manager
Joan Stevens, Democratic Services and Statutory Scrutiny Manager
Angela Armstrong, Principal Democratic Services and Legal Support Officer

28. Apologies for Absence

Apologies for absence were received from Denise McGuckin (Managing Director), Jill Harrison (Executive Director of Adult and Community Based Services), Jo Heaney (Chair Youth Offending Board), Ann Powell (Head of Cleveland Area, National Probation Service), Angela Corner (Thirteen Group).

29. Declarations of Interest

None.

30. Minutes of the meeting held on 31 January 2025

Confirmed.

31. Learning from Safeguarding Adult Reviews

(Executive Director of Adult and Community Based Services)

Purpose of report

To share learning from the second national analyses of Safeguarding Adult Reviews with members of the Safer Hartlepool Partnership, in particular the recommendations that relate to how Safeguarding Adults Boards (SABs) work more effectively with Community Safety Partnerships (CSPs).

Issue(s) for consideration

The analyses taken together provided a significant knowledge base about adult safeguarding in England across all types of abuse and neglect. They highlight both the shifts that have taken place and the challenges that endure. An executive summary of the second analysis identified the headline findings, drawing on the detail contained in the following three stages.

Stage 1 – Case characteristics, nature of the abuse and neglect, SAR reviewing process.

Stage 2 – Analysis of learning.

Stage 3 – Conclusions and improvement priorities.

The proposals from the analyses were detailed in the report and had been considered by the Teeswide Safeguarding Adults Board (TSAB) and it was recognised that there had been significant progress made in terms of engagement, awareness raising and sharing information, as well as promoting effective operational and strategic working relationships. It was noted that adult safeguarding training was available to all partners and a leaflet summarising available training and other resources was attached at Appendix 1. It was acknowledged that there may be opportunities for further

collaborative working on issues that have implications for both the Safer Hartlepool Partnership and TSAB and any feedback on areas where this could be explored was welcomed.

The Chair highlighted that safeguarding adults involved some of the most vulnerable people in society. The Chair added that partners who support vulnerable adults were only encouraged to participate in training and this was not good. Clarification was sought on the availability of statistics showing the number of people from the different organisations that had received training. The Head of Safeguarding and Specialist Services indicated that across the Tees Valley the completion rate of safeguarding training was around 80%. The Chair asked that an overview of the level of training undertaken by all partner organisations supporting vulnerable adults be collated and reported back to the Partnership.

Decision

- (i) That an overview of the participation in safeguarding training undertaken by all partner organisations be reported back to the Safer Hartlepool Partnership in the new municipal year.
- (ii) That the learning from the national analysis of SARs was noted.

32. Tees Domestic Abuse Perpetration Strategy - OPCC

Consideration of this item was deferred to the next meeting of the Partnership.

33. SHP Action Plan *(Executive Director of Development, Neighbourhoods and Regulatory Services)*

Purpose of report

To provide an outline of the priorities and actions of the Safer Hartlepool Partnership.

Issue(s) for consideration

The Assistant Director, Regulatory Services presented a report which provide an overview of the Safer Hartlepool Partnership's performance linked to the priorities outline in the Community Safety Plan 2024/27. The action plan was attached at Appendix 1 and it outlined the activities carried out by partners across the priorities of the 2024/2027 plan.

It was noted that some partners produce action plans to accompany strategies such as Domestic Abuse and Drugs and Alcohol. Links to

these were included in the action plan to ensure that it fully reflected the work being carried out by all partners.

The Chair highlighted that there was a presentation later on the agenda outlining the priorities and action plan of the Community Safety Plan.

Decision

The Safer Hartlepool Partnership Action Plan 2024/25 was noted.

34. Face the Public Session

The District Commander for Hartlepool from Cleveland Police provided the Partnership with a detailed and comprehensive presentation that outlined the typical demand in any one day for Cleveland Police along with promising crime reductions across the town. It was acknowledged that the three-year Community Safety Plan will be implemented in alignment with the Cleveland Police and Crime Plan 2024–2029. Additionally, as part of the Safer Hartlepool Action Plan, three specific crime types were identified as priority areas for Cleveland Police. This focus was driven by notable increases in these crime types over the 12 months leading up to January 2025, compared to the same period in the previous year. It was expressed that this will require an effective partnership approach through the SHP.

Retail Crime – 16.5% (plus 322)
Personal Robbery – 28% (plus 31)
Drug Related Offences – 30.5% (plus 107)

The District Commander indicated he was hugely impressed with the Safer Hartlepool's Partnership's engagement and overall work with all communities across Hartlepool.

The Assistant Director (Regulatory Services) provided a presentation which outlined the statutory responsibility of Safer Hartlepool Partnership which was to develop and implement a Community Safety Plan. The Plan would set out how the Partnership intended to address crime and disorder, substance misuse and re-offending issues in Hartlepool. The current priorities of the Community Safety Plan were noted as:

- Anti-social Behaviour
- Drugs and Alcohol
- Domestic Violence and Abuse
- Serious Violence

It was noted that the performance against the Community Safety Plan was monitored by the Safer Hartlepool Partnership. The Assistant

Director, Regulatory Services confirmed that Partners contribute to the Safer Hartlepool Partnership Action Plan by providing an outline of the work they were carried out. This included crime and disorder, substance mis-use, re-offending and the specific priorities of with the Community Safety Plan. It was noted that the action plan was a living document and allowed partners to include new initiatives to fully reflect the work being carried out.

The Chair highlighted that during the current municipal year, the Safer Hartlepool Partnership examined anti-social behaviour at the ramp in York Road, retail crime and off-road bikes. During the discussions on these issues a number of positives were raised but there were also some concerning statistics. There were a number of members of the public in attendance and the Chair invited them to address the Partnership.

There were numerous issues raised by the members of public in attendance and they were addressed as follows.

- Concerns were raised at the relocation of the drugs and alcohol support centre that had been relocated next door to a children's day nursery in Tees Street. The Leader of the Council indicated that this service had been relocated on a temporary basis during the refurbishment of the Whitby Street Centre. It was acknowledged that this was a temporary arrangement but the Director of Public Health indicated a separate discussion outside of this meeting could take place with regard to any specific concerns with the arrangement.
- In relation to the training of carers, concerns were raised at the level of training available and undertaken for carers in the private sector. The Assistant Director, Safeguarding and Specialist Services confirmed that anyone who was contracted to provide care and support would be required to undertake an element of training to cover any specific or specialized requirements of their role. The Assistant Director, Safeguarding and Specialist Services indicated that a separate discussion outside of this meeting could take place with regard to any specific concerns in relation to training requirements for carers.
- In relation to the ramp in York Road, there were a number of issues with anti-social behaviour in the area which had led to some customers visiting the shops and banks in the area feeling intimidated. The District Commander for Hartlepool acknowledged that while enforcement was needed in and around that area, that was not solely the answer. There was a need to better understand the root cause of why people were behaving that way, whilst ensuring suitable support and intervention was provided to divert vulnerable members of the community from such behaviour. It was discussed that the Safer Hartlepool Partnership would enable agencies to work together to do this. It was highlighted that there had been an increased visibility by

Cleveland Police with foot patrols on a daily basis. The Chair suggested that the greater use of dispersal orders should be explored further as it was important to ensure the area was safe, hospitable and secure for the public. The District Commander for Hartlepool added that there were dedicated police officers in neighbourhoods with dedicated wards and everyone was encouraged to get to know their dedicated officers as they were a valuable source for advice. The Chair asked for the details of the affected premises near the ramp and he would endeavour to visit the premises. A representative from Wharton Annex addressed the Partnership urging people to show compassion for people and signpost people to the support that was available, such as Cornerstone and the Drug and Alcohol Service. The Chair made a pledge that there would be a police/street warden presence on the ramp going forward to get on top of the issue. The Chair sought a commitment from partners to ensure that there was a wider presence on the ramp to help address the factors that influence the negative behaviour. It was suggested that the increased presence of police officers be extended to include the area around the Mill House Leisure Centre.

- There had been a number of incidents of off-road bikes along York Road, including some going through red lights. The Chair indicated that a number of draft actions in relation to off-road bikes had been agreed by the Partnership and a range of measures were being explored, including the use of drone technology, investment in stingers and talking to fuel suppliers to cut off the supply of fuel. The District Commander added that electric bikes and scooters were presenting a new challenge, and concerning police analysis indicated that those involved in off-road and electric bike incidents were predominantly males aged 14-19 years old. It was discussed that engagement with parents was key to dealing with this issue, along with dedicated interventions with schools and colleges, with increased communication on ways to report such incidents to police.
- The issue of child protection was raised and it was noted that this was not included within the Community Safety Plan specifically. The Chair agreed, adding that more legislation on children health and wellbeing was needed through parliament to ensure these issues were embedded in policies and plans of all agencies.
- The importance of human rights and mental health and wellbeing was raised. A specific issue around the use of a gym during covid was referred to. The Chair highlighted that there were a lot of issues of mental health post covid. The Chair added that there were avenues to instigate complaints against the local authority or Police including through the Local Government Ombudsman for complaints. The Chair noted that Officers were available to speak about the issue immediately following the meeting.
- Clarification was sought on the inclusion of the community and voluntary sector on the membership of the Partnership. The Chair indicated that the membership of the Partnership would be

reviewed to ensure the community and voluntary sector were more involved. In addition, more face the public events would be scheduled as this event had been well attended and resulted in some interesting discussions.

- It was noted that the Children's Services Committee through a Working Group were exploring the increasing number of children who were permanently excluded from schools as this was a huge issue and impacted on the children's future into adulthood.

The Chair thanked everyone who had attended and engaged with the Safer Hartlepool Partnership, it had been invaluable and demonstrated that detailed constructive discussions can go a long way to making the town better.

Decision

The discussions and comments were noted.

Date and Time of Next Meeting

The Chair reported that a schedule the schedule of meetings would be confirmed at the beginning of the municipal year.

The meeting concluded at 2.50pm

CHAIR