

CABINET AGENDA



6 August 2012

at 9.30 am

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

MEMBERS: CABINET:

The Mayor, Stuart Drummond

Councillors Hill, Lauderdale and Thompson.

1. APOLOGIES FOR ABSENCE

2. TO RECEIVE ANY DECLARATIONS OF INTEREST BY MEMBERS

3. MINUTES

To receive the Record of Decision in respect of the meeting held on 23 July 2012
(previously circulated)

4. BUDGET AND POLICY FRAMEWORK

No items.

5. KEY DECISIONS

- 5.1 Furniture Solutions Project – *Director of Regeneration and Neighbourhoods*
(Forward Plan ref RN14/12)

6. OTHER ITEMS REQUIRING DECISION

- 6.1 Hartlepool Voluntary and Community Sector Strategy (Community Pool –
Grant Allocations 2012/2013, Deferred Decision) – *Director of Regeneration
and Neighbourhoods*

7. ITEMS FOR DISCUSSION/INFORMATION

- 7.1 Localism Act 2011 – Latest Position – *Assistant Chief Executive*
- 7.2 Collaboration Programme Update – *Acting Chief Executive*
- 7.3 Healthy Lives, Healthy People: Update on Public Health Funding – *Director of Public Health*

8. REPORTS FROM OVERVIEW OF SCRUTINY FORUMS

No items.

CABINET REPORT

6th August 2012



Report of: Director of Regeneration and Neighbourhoods

Subject: FURNITURE SOLUTIONS PROJECT

1.0 TYPE OF DECISION/APPLICABLE CATEGORY

- 1.1 Key decision (test ii applies).
Forward Plan Reference No. RN 14/12.

2.0 PURPOSE OF REPORT

- 2.1 To provide an overview of existing similar service provision in the town, as well as identify links to the Social Fund to ensure both schemes are complementary to one another and duplication is avoided.

3.0 BACKGROUND

- 3.1 A report was presented to Cabinet on 07 July 2012, which outlined the proposal for the delivery of a Furniture Solutions Project. The report also asked for approval to progress with the preferred option in terms of the delivery model.
- 3.2 At the meeting Cabinet asked for an additional report to be submitted to the next meeting including further information around similar services already provided within the town, and by which organisations, to enable Members to give full consideration to the proposal, along with further details of how the project will link with the Social Fund.

4.0 FURNITURE PACKAGE SERVICE PROVISION

- 4.1 In the project development stages an exercise was undertaken to establish what existing provision currently exists. There are a number of providers in the town offering furniture packages; these have been summarised in paragraphs 4.2 to 4.4.
- 4.2 Through a partnership with Co-operative Electrical, Hartlepool Credit Union Ltd. in Avenue Road, a not for profit financial co-operative, offers a scheme

for Credit Union members to apply for a loan to specifically obtain individual electrical goods or packages, including washing machine, cooker and fridge freezer.

- 4.3 Bright House and PerfectHome are UK companies with retail stores in Middleton Grange Shopping Centre. These high street weekly payment stores sign up customers to rent to own credit agreements for electronics, domestic appliances and furniture.
- 4.4 Housing Hartlepool has agreed in principle to join Tristar's scheme to offer furniture packages to its tenants paid for by a service charge usually covered by Housing Benefit if the tenant is eligible.

5.0 FURNITURE RECYCLING PROVISION

- 5.1 A number of community / voluntary organisations, including charity shops, offer a furniture recycling service through the sale of donated items and goods. Organisations include Owton Fens Community Association (OFCA) Choose 2 Re-use Furniture Services (former Settlement Furniture Services), Epilepsy Outlook, British Heart Foundation, Barnardos, Hartlepool and District Hospice and YMCA.

6.0 PROJECT PROPOSAL

- 6.1 The intention is to initiate an innovative project, which provides a holistic service that offers, in summary, access to finance for the purpose of purchasing from a range of high quality new or re-used products at an affordable price.
- 6.2 The introduction of the Furniture Solutions Project is not intended to duplicate or compete against services being offered by local organisations and agencies. Moreover it is designed to add value, strengthen and expand provision, and potentially join up existing providers. Each service area has common goals, and by joining together can achieve impressive and mutually beneficial outcomes.
- 6.3 Following the publication of Council reports and subsequent press releases by the Hartlepool Mail, a number of organisations have been proactive and contacted the Council to express an interest in the delivery of the project. The feedback from existing providers has been positive, viewing the project as an opportunity that would assist in achieving the organisation's aspirations.

7.0 LINKS TO THE SOCIAL FUND

- 7.1 The Council is in the process of developing and agreeing its delivery model for the new Social Fund responsibilities in Hartlepool, which includes robust

eligibility criteria for applications. The Social Fund is a demand led service that needs to be delivered by the Council within a cash limited allocation from the Department of Work and Pensions (DWP). Given the difficult economic climate and the phased implementation of other welfare reforms, there is a significant risk that demand for discretionary support from the Social Fund will increase and put pressure on the available government funding allocation.

- 7.2 Whilst the Social Fund and the Furniture Solutions Project are both concerned with providing types of support to individuals and families they are fundamentally different in focus. Each will have distinctive target audiences and will provide different forms of support and choice. A principle of the Furniture Solutions Project is that individuals will access goods that will be backed by a loan at affordable rates of interest, which they will repay. In contrast, in line with outline guidance from the DWP, the new local Social Fund support arrangements will not require the recipient to repay a loan i.e. the support will be a non repayable award / grant.
- 7.3 Even though the April 2013 local Social Fund eligibility criteria has not yet been finalised, the arrangements are likely to follow the current DWP criteria, which would see the fund issued to those in greatest need who are in a crisis situation and have no alternative resources available to them.
- 7.4 The introduction of the Furniture Solutions Project will provide an opportunity to re-direct / refer individuals to alternative service provision when they have applied for Social Fund support, but do not meet the qualifying criteria; where individuals wish to exercise greater choice over items and / or require goods that are not available through the Social Fund, and have the ability to enter into an affordable loan arrangement. In this respect, the Furniture Solutions Project can complement a Social Fund arrangement.
- 7.5 Effective co-ordination, information sharing and signposting will assist in ensuring maximum value and effectiveness of both programmes. Running in tandem they will also provide a greater freedom of choice for the customer and operate in line with Hartlepool's partnership approach in promoting financial inclusion.

8.0 RECOMMENDATION

- 8.1 Cabinet is requested to note the additional information provided and approve the report on the Furniture Solutions Project (*contribution to be funded from the approved allocation in the Departmental Reserve*).

9.0 REASONS FOR RECOMMENDATIONS

- 9.1 Introducing a Furniture Solutions Project has been identified as a priority, as part of the Scrutiny Co-ordinating Committee's investigation into Child

Poverty and Financial Inclusion to assist families, particularly those in receipt of benefits when they need to replace or purchase essential household items. Members of the Committee are supportive of introducing the scheme to assist with reducing child poverty in Hartlepool, as the implications of not achieving associated targets are demonstrated below.

- i) Children exposed to child poverty, hardship and deprivation will suffer. Their own childhood experiences have a significant impact on their ability to operate as an adult in later life. Children born and raised in persistent poverty are likely to have poor children of their own – thus creating a perpetual cycle of deprivation;
- ii) Low educational achievement has a knock on effect on an adult's ability to take up skilled work in the marketplace. This in turn limits the potential productivity of the country as a whole. A lack of skilled workers makes it increasingly difficult for the country to compete in the global economy;
- iii) Some people, but not all, who live in persistent poverty are in danger of turning to crime in order to 'supplement' their income. Crime affects everyone within a community and puts a drain on local resources;
- iv) Children who experience poverty are more likely to develop long term health issues which in turn puts a strain on public resources. In addition, as adults with a long term debilitating health issue they are more likely to remain out of work. Low birth weights, respiratory illnesses, including asthma, mental health issues and obesity have clear links to poverty and cannot be ignored;
- v) Family background is one of the most important predictors of academic success. Children from low income households are more likely to require remedial help or special educational needs assistance than their better off peers;
- vi) Growing up in poverty is associated with a substantially higher risk of teenage pregnancy;
- vii) A relationship has also been identified between childhood poverty and living in social housing, demonstrating a strong link between these two factors;
- viii) Difficulties of access and expense limit participation in pre-school education amongst lower income families. Young people from low income households end up leaving school earlier and are around six times more likely to leave without qualifications than those from higher income households; and
- ix) Deprived communities with poor environments and a lack of local resources leads to reduced citizenship, a lack of neighbourliness and trust. Community members are less likely to volunteer or to engage in civic participation.

10.0 BACKGROUND PAPERS

10.1 The following background papers were used in the preparation of this report:-

- (i) Reports and Minutes from the Scrutiny Co-ordinating Committee meetings (23 July and 15 October 2010, 07 April and 19 August 2011);
- (ii) Initial Furniture Solutions Project Business Case;
- (iii) Report of the Scrutiny Co-ordinating Committee entitled 'Interim Report - Child Poverty and Financial Inclusion in Hartlepool' (presented to Cabinet on 07 June 2010);
- (iv) Cabinet Report and Decision Record (10 October 2012);
- (vi) Cabinet Report and Decision Record (09 July 2012).

11.0 CONTACT OFFICER

- 11.1 Dave Stubbs Director Regeneration and Neighbourhoods
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CABINET REPORT

6th August 2012



Report of: Director of Regeneration and Neighbourhoods

Subject: HARTLEPOOL VOLUNTARY & COMMUNITY
SECTOR STRATEGY (COMMUNITY POOL –
GRANT ALLOCATIONS 2012/2013, DEFERRED
DECISION)

1. TYPE OF DECISION/APPLICABLE CATEGORY

Non Key Decision.

2. PURPOSE OF REPORT

- 2.1 The purpose of the report is to seek a decision on the Category 4, Community Pool Application from Belle Vue Community, Sports and Youth Centre Limited, which was deferred from Mayor's Portfolio on 21st May 2012.

3. BACKGROUND

- 3.1 Following the review of the Community Pool, the approach to commissioning of the budget this financial year has been significantly different to the approach taken in previous years.
- 3.2 On 21 November 2011, Cabinet agreed that the overall value of the Community Pool Grant Fund 2012/2013 would be £403,000. Cabinet also agreed that this funding would be allocated via the following five categories:
- Category 1 – The provision of universal welfare benefits and advice;
 - Category 2 – The provision of universal credit union support;
 - Category 3 – Capacity and resource building in the Voluntary and Community Sector (VCS);
 - Category 4 – The provision of universal specialist support; and
 - Category 5 – The provision of development / investment
- 3.3 A formal procurement process was undertaken to award Categories 1, 2 and 3; the level of expenditure for these three categories is £251,203, and was agreed by Cabinet on 19th March 2012. Following this, the level of budget available for Categories 4 and 5 is a total of £151,797.

- 3.4 The original intention was to split the remaining budget equally between Categories 4 and 5; however it was agreed at Cabinet on the 19th March 2012 that the decision on allocating funding to each category should be postponed in order to assess the level of interest in Category 4 grants. In addition to this, there is £51,595 remaining from the 2011/2012 allocation; this is an amount that is currently in reserves and has historically been carried forward. Steps have been taken to ensure that this reserve can be carried forward into this financial year.
- 3.5 Cabinet agreed on the 6th February 2012 that grants given to both Categories 4 and 5 will continue to be awarded via the Grants Committee; however given the short timescales outlined for the delivery of Category 4, proposals are being presented to Cabinet.
- 3.6 The Community Pool is open to applications from all VCS Organisations in Hartlepool, with set eligibility criteria for both Categories 4 and 5. The deadline for Category 4 was Monday 30th April 2012 and 19 applications were received. Category 4 was oversubscribed by £250,000, with the total level of funding requested through applications totalling £401,138. The requests received ranged from £6,058 to £43,473 and were from a wide variety of diverse organisations. The over-subscription highlights the fiscal pressures faced by the Council and that disappointment to some interested parties would be unavoidable.
- 3.7 In light of the high level of funding requested a process was undertaken to assess each of the applications and make the recommendations, which was to support 9 out of the 19 applications in whole or part, ensuring that a range of VCS organisations offering a variety of services were supported. Both the process and recommendations were agreed at Mayor's Portfolio on 21st May 2012.
- 3.8 The level of funding approved at this meeting was £151,529 with the remaining £268 and £51,595 from reserves were allocated to Category 5.
- 3.9 Those organisations that were unsuccessful were also noted at this meeting; however the Mayor declared a personal and prejudicial interest in relation to the application from Belle Vue Community, Sports and Youth Centre Ltd and the decision on this application was deferred to a future meeting of Cabinet.

4. DEFERRED PROPOSAL

- 4.1 The application from Belle Vue Community, Sports and Youth Centre Ltd was evaluated by a panel of officers with representation from Neighbourhood Management, Community Regeneration and Development Team and Corporate Procurement Team, who assessed all of the applications in line with the agreed process. Following this assessment the application was not recommended for approval.

5. SUPPORT

- 5.1 As requested at Mayors Portfolio on 21st May 2012, further advice and guidance will be available for all organisations that are unsuccessful in securing funding through Category 4.
- 5.2 Belle Vue Community, Sports and Youth Centre Ltd have received detailed feedback on the rationale for the recommendation and have been offered the opportunity to meet with an officer to discuss support available.

6. RECOMMENDATIONS

- 6.1 In line with the process outlined within this report and approved at Mayor's Portfolio on 21st May 2012, Cabinet is asked to:
1. Note that the application from Belle Vue Community, Sports and Youth Centre Ltd was not recommended for approval.

7. REASONS FOR RECOMMENDATIONS

- 7.1 Cabinet previously agreed to commission Category 4 through a grant process (6th February 2012) and the criteria for Category 4 grants (19th March 2012). The process and recommendations for funding were agreed by Mayor's Portfolio on 21st May 2012.

8. BACKGROUND PAPERS

- (i). Item 5.1 from Cabinet on 21st November 2011.
- (ii). Minutes from Cabinet on 21st November 2011.
- (iii). Item 6.1 from Cabinet on 6th February 2012.
- (iv). Minutes from Cabinet on 6th February 2012.
- (v). Item 5.1 from Cabinet on 20th February 2012.
- (vi). Minutes from Cabinet on 20th February 2012.
- (vii) Item 5.12 from Cabinet on 19th March 2012.
- (viii) Minutes from Cabinet on 19th March 2012.
- (ix) Item 1.2 from Mayor's Portfolio on 21st May 2012.
- (x) Minutes from Mayor's Portfolio on 21st May 2012.

9. CONTACT OFFICER

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CABINET REPORT

6th August 2012



Report of: Assistant Chief Executive

Subject: LOCALISM ACT 2011 – LATEST POSITION

1. TYPE OF DECISION/APPLICABLE CATEGORY

Non Key Decision

2. PURPOSE OF REPORT

- 2.1 The purpose of the report is to update Cabinet on the measures introduced through the Localism Bill 2011 setting out the latest position and the implications for the Council.

3. BACKGROUND

- 3.1 The Localism Act received Royal Assent on 15 November 2011. Although the Act contains a number of important measures, many of these are not yet in force. The Act contains a number of enabling provisions. These give the Secretary of State power to introduce regulations and guidance that will make the measures 'live.'
- 3.2 The government has published a 'Plain English Guide to the Localism Act' which summarises the main measures under four headings:
- new freedoms and flexibilities for local government
 - new rights and powers for communities and individuals
 - reform to make the planning system more democratic and more effective
 - reform to ensure that decisions about housing are taken locally
- 3.3 Although the Act is 497 pages long, the full implications of some of the key measures will not be clear until the Secretary of State has introduced regulations and guidance. Since the Localism Bill was first introduced a number of reports have been made to Cabinet. This report seeks to update Cabinet on the latest position with regards to the implementation of the measures contained within the Localism Act.

- 3.4 The tables on the following pages set out the range of measures contained within the Act, the latest position and implications for Hartlepool (where known) and identifies a Lead Officer. Not all of the measures included will have a direct impact on the Council and its services but they will have implications for the Borough.
- 3.5 Where appropriate the council is working (and will continue to do so where it will benefit HBC) with other authorities to formulate a consistent approach – for example under the requirement for more pay accountability a common policy statement was jointly prepared by the Tees Valley Heads of Human Resources (HR).

TABLE 1 - NEW FREEDOMS & FLEXIBILITIES FOR LOCAL GOVERNMENT

| Measure | Summary of changes | Implications for HBC | Lead Officer(s) |
|--|--|---|---|
| General Power of Competence for Local Authorities In force from 18 February 2012, regulations for parish councils published 27 March 2012. | <p>The “general power of competence” gives Local Authorities (and parish councils that meet certain minimum standards) the legal capacity to do anything an individual can do that is not specifically prohibited. It enables local authorities to:-</p> <ul style="list-style-type: none"> (i) Operate freely, providing of course that they do not break other laws; (ii) Legally do anything that an individual can do that is not specifically banned by other laws: they will not, for example, be able to impose new taxes, as other laws make clear they cannot; and (iii) Work with others in new ways to identify creative/innovative ways of reducing costs and meeting local people’s needs. <p>It does not remove any duties from Local Authorities – just like individuals they will need to continue to comply with the duties placed on them.</p> <p>Key features of the general power of competence are that:</p> <ul style="list-style-type: none"> • it can be exercised in any way whatever; unlike the ‘well-being power’ it does not need to be used to benefit a particular place or group; • it does not give local authorities power to determine their governance arrangements beyond that permitted by existing legislation; • the power may be exercised for a commercial purpose or otherwise, with or without a charge; but it does not allow a charge to be made for anything a local authority is under a duty to provide; • local authorities can charge for discretionary services on a full cost recovery basis; they may only trade on a commercial basis through a company or social enterprise; • the power is subject to any express prohibitions, restrictions and limitations in existing legislation; • the power must be exercised reasonably; • the Secretary of State can alter, repeal or revoke legislation that overlaps with the general power of competence or makes it difficult for local authorities to use it subject to safeguards designed to protect vital services; | <p>The new power is intended to bring about:</p> <ul style="list-style-type: none"> • greater innovation • a more confident and entrepreneurial approach • the opportunity to deliver greater efficiencies • improved partnership working • the ability for councils to help communities in ways previously outside their remit <p>How the power will work in practice will ultimately depend on how it is interpreted by the courts.</p> <p>The authority’s decisions will still be open to judicial review and it is clear that this new power does not move away from the obligation to safeguard the financial interests of the authority and its residents.</p> | <p>Chief Solicitor</p> <p>Acting Chief Executive</p> <p>Director of Regeneration & Planning</p> |

| Measure | Summary of changes | Implications for HBC | Lead Officer(s) |
|--|--|--|---|
| | <ul style="list-style-type: none"> at any time the Secretary of State can make an order which specifies anything local authorities cannot do using the general power of competence. <p>The general power of competence will apply to all local authorities, including 'eligible' parish councils. The eligibility criteria for parish councils include a requirement for:</p> <ul style="list-style-type: none"> at least two thirds of the total number of parish councillors to be elected (rather than co-opted or appointed); the parish clerk to hold specific qualifications in local council administration; the parish clerk to complete all 'relevant training' on the general power of competence, such as training provided by provided by the National Association of Local Councils. <p>To exercise the general power of competence eligible parish councils will need to:</p> <ul style="list-style-type: none"> pass a resolution under Schedule 12 of the Local Government Act 1972 at a council meeting; pass a resolution at each annual meeting that takes place in a year of ordinary elections of parish councillors (the next date for ordinary elections is 2 May 2013). <p>Similar powers have been given to Fire & Rescue Authorities, Integrated Transport Authorities, Passenger Transport Executives, Combined Authorities and Economic Prosperity Boards.</p> | | |
| Power for ministers to transfer the functions of local public bodies to local authorities and other 'permitted authorities' | <p>The Act gives the Secretary of State power to transfer local public functions to 'permitted authorities' – local authorities, economic prosperity boards and combined authorities. This power cannot be used to transfer functions to town/parish councils.</p> <p>'Local public functions' are the functions of public authorities that relate to the local area or people living or working in that area. They do not include the power to make regulations or pass legislation. It is not yet clear whether this will apply to the local functions of national bodies, for example Jobcentre Plus.</p> <p>A function can only be transferred if:</p> | <p>The implications will not be clear until the Secretary of State decides which functions should be transferred.</p> <p>The council should explore the use of this power once the full implications are</p> | <p>Chief Solicitor</p> <p>Acting Chief Executive</p> <p>Director of Regeneration & Planning</p> |

| Measure | Summary of changes | Implications for HBC | Lead Officer(s) |
|---|---|---|---|
| Unclear, regulations expected 3 May 2012 however still not yet available. | <ul style="list-style-type: none"> transferring it will promote economic development and increase local accountability; the function can be appropriately carried out by the permitted authority; the permitted authority gives its consent for the transfer. <p>‘Permitted authorities’ can also submit requests to the Secretary of State asking for the functions of other public bodies to be transferred to them.</p> <p>When a function is transferred the Secretary of State can:</p> <ul style="list-style-type: none"> change local authority governance arrangements; transfer current and future property, rights or liabilities from the individual or public body that previously carried out the function (this includes rights and liabilities for employment contracts). | known, including use within the community area. | |
| New Arrangements for Local Authority Governance Effective from 4 th May 2012 | <p>The Act introduces a further form of Local Authority governance: in addition to the leader and cabinet and mayor and cabinet models. There is now the option of adopting a committee system. Local Authorities can also propose an alternative model which can be accepted by the Secretary of State provided it meets certain criteria. This alternative model must :</p> <ul style="list-style-type: none"> be an improvement on the current arrangements; ensure that decisions are taken in an efficient, transparent and accountable way; be appropriate for all councils or any particular description of council <p>The Act requires local authorities using executive arrangements to set up an overview and scrutiny committee (and sub-committees), which should:</p> <ul style="list-style-type: none"> be able to report to the executive (cabinet) or authority (full council) on any aspect of council business or any other matters that affect residents or the local area; be able to scrutinise decisions or action taken by the local authority when discharging any of its functions; have power to ask ‘partner authorities’ to have regard to its reports and recommendations; | Council considered this issue on 21 st June 2012 and agreed to hold a Mayoral Referendum in November 2012. | Chief Solicitor Acting Chief Executive |

| Measure | Summary of changes | Implications for HBC | Lead Officer(s) |
|---|---|---|------------------------|
| | <ul style="list-style-type: none"> review and scrutinise flood risk management (as the council is a lead flood authority); not include any members of the executive - people who are not councillors can be included but they usually do not have any voting rights; be supported by a designated scrutiny officer who is not the head of paid service, the monitoring officer or the chief financial officer; have arrangements to allow councillors that do not sit on scrutiny committees to refer matters to them; include church and parent governor representatives with voting rights at any committee or sub-committee concerned wholly or partly with scrutinising the executive's arrangements for education. <p>Authorities operating the committee system are not required to operate a formal overview and scrutiny committee; where they do the Secretary of State may prescribe by regulations how the system is to operate.</p> <p>Councils can resolve to change their governance arrangements and implement those changes without waiting until after the next local election.</p> | | |
| <p>Clarification on the rules of predetermination</p> <p>Effective from 15th January 2012</p> | <p>This section of the Act clarifies how the common law concept of predetermination applies to councillors. Predetermination occurs where someone has a closed mind and is unable to apply their judgment fully and properly to an issue requiring a decision. This can lead to legal challenges and decisions being set aside.</p> <p>The Act makes it clear that a councillor is not deemed to have had a closed mind on an issue just because they have indicated what view they have taken or may take before the issue is decided. A councillor is not, for example, prevented from participating in discussion of an issue or voting on it if they have campaigned on the issue or made public statements about their approach to it.</p> <p>However, the general position remains that, whatever their views, councillors must approach decision-making with an open mind in the sense that they must have regard to all material considerations and must be prepared to change their views if persuaded that they should.</p> | <p>Although the Localism Act attempts to provide clarification upon predetermination, it is established that any bias or prejudice which might taint a decision would be open to formal legal challenge and therefore cases appearing upon this particular aspect of the Act are awaited.</p> | <p>Chief Solicitor</p> |

| Measure | Summary of changes | Implications for HBC | Lead Officer(s) |
|--|--|---|------------------------|
| <p>New approach to local authority standards and abolition of the Standards Board regime</p> <p>Standards Board for England abolished on 1 April 2012, Relevant Authorities (Disclosable Pecuniary Interests) Regulations, 2012 are effective from 1st July 2012.</p> | <p>The Act abolishes the current standards regime, including the statutory model code of conduct for councillors, the national regulatory body, Standards for England, local authority statutory standards committees and the jurisdiction of first tier tribunals in relation to appeals on code of conduct complaints.</p> <p>It places a duty on all relevant authorities (including parish councils) to promote and maintain high standards of conduct by members and voting co-opted members. Local authorities may establish a standards committee to assist them in discharging this duty.</p> <p>Local authorities, including parish councils are required to adopt a code of conduct which:</p> <ul style="list-style-type: none"> is consistent with the principles of selflessness; integrity; objectivity; accountability; openness; honesty and leadership; includes such provision as the authority considers appropriate for the registration and disclosure of pecuniary and non-pecuniary interests. Regulations dealing with the registration and disclosure of 'disclosable pecuniary interests' are expected 1 July 2012. Breach of the requirements relating to disclosable pecuniary interests without reasonable excuse will amount to a criminal offence. <p>The Monitoring Officer is required to establish and maintain a register of members' interests for the principal authority and all parish councils in its area. This must be available for inspection and published on the principal authority's website and on the parish council's website if it has one.</p> <p>Principal authorities must put in place arrangements for investigating and determining complaints under the code of conduct and deciding what action to take where there is a breach of the code. This includes the appointment of at least one independent person whose views must be sought and taken into account before a decision is made on an allegation that has been investigated. A councillor who is the subject of a complaint may also consult the independent person. There are detailed rules on who is eligible for appointment as an independent person. Complaints against members of parish councils must be dealt with under the</p> | <p>The Standards Committee has considered the implications for Hartlepool and a draft Code of Conduct based on the LGA proposed model. Further regulations and transitional arrangements are now in place, reports considered by both Standards and Constitution Committees and a report will be considered by Council on 2nd August 2012.</p> | <p>Chief Solicitor</p> |

| Measure | Summary of changes | Implications for HBC | Lead Officer(s) |
|--|--|--|---|
| | <p>arrangements adopted by their principal authority. Any consequential action in the event of a breach of the code rests with the parish council.</p> <p>Local authorities (including parish councils) may grant dispensations on the grounds set out in the Act to enable councillors to participate in or vote at meetings where they have a disclosable pecuniary interest.</p> <p>Transitional regulations on the transfer to the new arrangements are awaited.</p> <p>All local authorities must publicise the adoption, revision and replacement of a code of conduct.</p> | | |
| <p>Requirement for more pay accountability</p> <p>In force from 15 January 2012.</p> | <p>Local authorities and fire authorities must prepare an annual statement for each financial year which sets out the authority's policies on:</p> <ul style="list-style-type: none"> the pay of its chief officers (head of paid service, monitoring officer, statutory and non-statutory chief and deputy chief officers); the pay of its lowest paid employees (including the definition of lowest paid employees and reasons for adopting that definition); the relationship between the pay of chief officers and employees who are not chief officers . <p>The council's pay policy statement for the financial year 2012-13 must be approved by full council before 31 March 2012 and published as soon as possible afterwards. The government has published guidance for local authorities.</p> | <p>A common policy statement was jointly prepared by the Tees Valley Heads of HR and adapted to reflect local arrangements.</p> <p>Council approved the Pay Policy Statement at their meeting on 12th April 2012.</p> | <p>Chief Solicitor</p> <p>Head of HR</p> |
| <p>Power for Ministers to require public authorities to pay EU financial sanctions</p> <p>Unclear, consultation closed 22 April</p> | <p>The Act gives government ministers power to require a 'public authority' to pay all, or part, of a financial sanction imposed on the UK by the European Court of Justice for failure to take action to remedy a breach of EU law.</p> <p>A 'public authority' is a local authority, or any other body or person that has non-devolved public functions.</p> <p>To require a public authority to pay a financial sanction, ministers will need to:</p> <ul style="list-style-type: none"> issue an order designating a named public authority in relation to any specific breach of EU law – this should describe the activities of the public authority; obtain approval for the order from both houses of parliament - only acts or | <p>Consultation by the Secretary of State on the policy statement to be followed by ministers and independent panels that will use these powers ended on 22nd April 2012 and as yet there have been no further announcements.</p> | <p>Chief Solicitor</p> <p>Chief Finance Officer</p> |

| Measure | Summary of changes | Implications for HBC | Lead Officer(s) |
|---------|---|----------------------|-----------------|
| 2012. | <p>omissions which take place after the order has been issued can be taken into account by ministers when they pass on a financial sanction;</p> <ul style="list-style-type: none"> • set up an independent advisory panel; • issue a warning notice; • take into account an evidenced (and published) report from the independent advisory panel with recommendations on the apportionment of the sum to be paid and any future penalties under the EU financial sanction; • invite representations from the public authority on its ability to pay and the potential impact on its finances • issue a final notice. | | |

TABLE 2 - NEW RIGHTS & POWERS FOR COMMUNITIES & INDIVIDUALS

| Measure | Summary of changes | Implications for HBC | Lead Officer(s) |
|---|--|---|------------------------------|
| <p>More control for Local Authorities over business rates/non domestic rates</p> <p>Cancellation of backdated business rates in force from 15 January 2012, discretionary relief in force from 1 April 2012.</p> | <p>The Act gives local authorities power to provide discretionary business rates relief in any circumstance subject to two conditions:</p> <ul style="list-style-type: none"> that granting relief can be considered 'reasonable' from the perspective of council tax payers in the local area; that the authority has regard to any relevant guidance issued by the Secretary of State – the Secretary of State has not issued any new guidance, but the current guidance (which relates to the previous provisions), is very restrictive and it is unclear whether this will be revised. <p>The House of Commons has issued a briefing note on the new power for local authorities to provide discretionary business rate relief in any circumstance. The briefing note suggests that:</p> <ul style="list-style-type: none"> local authorities must be careful not to break state aid rules; the government will continue to part fund discretionary rate relief for small rural businesses, charities, non-profit organisations and individuals experiencing hardship; any discretionary rate relief for other ratepayers will need to be funded locally. <p>The Act also:</p> <ul style="list-style-type: none"> introduces a new small business rate relief scheme, which no longer requires ratepayers to apply for small business rate relief; gives the Secretary of State power to introduce conditions to cancel backdated business rates if a property is incorrectly shown in a local business rates list compiled on 1 April 2005 (in force from 15 January 2012); changes the ballot requirements for proposals to introduce a Business Rate Supplement. Business Rate Supplements allow upper tier local authorities to introduce an additional charge on business rates which can be used to fund specific projects in their local area. A ballot of everyone eligible to vote in the local area is now required for all Business Rate Supplements. | <p>A report went to Cabinet on 9 July 2012 looking at Business Rates Retention and Localising Support for Council Tax. The report is sought cabinet approval for a response to the Government's consultation on the subject. More details are needed on the proposals (i.e. after the consultation) before implications are known. Once proposals are known there may be implications that relate to the provision of discretionary business rates relief in terms of budget shortfalls and the requirement to increase revenue/ decrease expenditure in other areas.</p> | <p>Chief Finance Officer</p> |

| Measure | Summary of changes | Implications for HBC | Lead Officer(s) |
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| | Currently a ballot is only needed if the money raised from the supplement will be used to fund more than a third of the total cost of the project. | | |
| Referendums on 'excessive' council tax increases In force now for billing authorities and upper tier authorities, not in force for parish councils until at least April 2013. | <p>The Act removes the Secretary of State's power to cap council tax increases and introduces a new power for the Secretary of State to produce a set of principles which will be used to decide whether local authority council tax increases are 'excessive.' If a proposed council tax increase is considered 'excessive,' the local authority will be required to hold a referendum.</p> <p>The Secretary of State can set different principles for different types of local authorities. For example a different set of principles could be used to decide whether a council tax increase is 'excessive' for unitary councils and district councils. The principles must include a comparison between the proposed amount of council tax and the previous year's council tax. The principles also need to be approved by the House of Commons.</p> <p>Billing authorities (for example unitary authorities, upper tier authorities (such as county councils) and local precepting authorities (such as town and parish councils) that want to set 'excessive' council tax increases will have to:</p> <ul style="list-style-type: none"> • hold a referendum within a time-frame specified by the Secretary of State - local precepting authorities will need to notify the billing authority of the requirement to hold a referendum and the referendum will be arranged by the billing authority which can recover the costs of holding it from the local precepting authority; • make 'substitute' council tax calculations which are below the level considered 'excessive' – these will be used as the basic amount of council tax if the referendum is rejected; • inform the Secretary of State of the result of the referendum. <p>If a local authority is unable to carry out its functions or balance its budget without setting an 'excessive' council tax increase, the Secretary of State can:</p> <ul style="list-style-type: none"> • remove the requirement to hold a referendum for one financial year; • set the amount of council tax for the local authority – until the local authority | Report to Cabinet on 6 Feb 2012 stated that correspondence received from DCLG in December 2011 advised that a proposed increase of more than 3.5% (HBC) would need a mandate through a local referendum – results of which would be binding. Regulations covering the conduct of Council Tax referendums would be laid before Parliament for approval and correspondence received from DCLG have stated these will be "long and complex". Precise implications for the authority will not be known until regulations have been published. | Chief Finance Officer Chief Solicitor |

| Measure | Summary of changes | Implications for HBC | Lead Officer(s) |
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| | <p>has changed its calculations to match the amount of council tax set by the Secretary of State, it cannot transfer any money from the collection fund to its general fund (where this applies to a local precepting authority, the billing authority will not be able to transfer any money).</p> <p>The Act changes the way basic amounts of council tax are calculated by:</p> <ul style="list-style-type: none"> removing the obligation to calculate a 'budget requirement' (the amount that the local authority requires from council tax, revenue support grant, redistributed business rates and other income sources), and replacing it with an obligation to calculate a 'council tax requirement' (the amount that the local authority requires from council tax to finance its budget for the year based on expected outgoings and income) introducing a requirement for billing authorities to calculate their basic amount of council tax by dividing the council tax requirement by the council tax base. <p>The Secretary of State can make regulations to alter the rules for calculating the council tax requirement and council tax base.</p> | | |
| <p>Community right to challenge</p> <p>Statutory Guidance published in May 2012.</p> | <p>The community right to challenge enables a "relevant body" to make an expression of interest to a relevant authority (including the Council) to take over the running of relevant services. Relevant bodies as set out in the statutory guidance include voluntary and community bodies, charities, parish councils, two or more staff of the authority concerned and any other person or body specified by the Secretary of State by regulations.</p> <p>The statutory guidance sets out:</p> <ul style="list-style-type: none"> what relevant authorities may require an expression of interest to contain; exclude certain types of services from the community right to challenge; change the types of bodies that are able to use and have to respond to the community right to challenge amend the process local authorities must follow when they receive expressions of interest. | <p>The Council is currently:</p> <ul style="list-style-type: none"> - considering the procedures & protocols required to deal with "challenges"; - reviewing the constitution/contract procedure rules in light of the Act; - considering whether to open up a "window of opportunity". | <p>Director of Regeneration & Planning</p> |

| Measure | Summary of changes | Implications for HBC | Lead Officer(s) |
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| | <p>Local authorities must consider expressions of interest if they are submitted in writing by a 'relevant body' and comply with requirements outlined by the Secretary of State in regulations.</p> <p>Although expressions of interest can be submitted at any time, local authorities can:</p> <ul style="list-style-type: none"> • set time periods when expressions of interest can be submitted for a particular service - these time periods must be published on the local authority's website; • refuse to consider expressions of interest submitted outside of these time periods - if no time period is specified expressions of interest can be submitted at any time. <p>The Act outlines the procedure local authorities should follow after receiving an expression of interest. They should:</p> <ul style="list-style-type: none"> • publically accept, change or reject the expression of interest in writing – an expression of interest can be altered if the local authority would otherwise reject it and the body that submitted it agrees to the changes; • consider how the expression of interest could promote or improve the social, economic and environmental well-being of the local area. <p>When an expression of interest is accepted a local authority must:</p> <ul style="list-style-type: none"> • carry out an open procurement exercise for the service and consider how the procurement exercise could promote or improve the social, economic and environmental well-being of the local area; • let the body know the minimum and maximum period between accepting the expression of interest and starting the procurement exercise; • publish details of the service specification on its website, <p>The Secretary of State can also provide advice and assistance (including financial assistance, education or training) for 'relevant' bodies wishing to use the community right to challenge.</p> | | |

| Measure | Summary of changes | Implications for HBC | Lead Officer(s) |
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| <p>Community right to bid for assets of community value</p> <p>Regulations in Parliament in April and subject to agreement by Parliament regulations expected to come into force in June/July 2012.</p> | <p>The Act places a legal duty on all local authorities to maintain a publicly available list of assets of community value. A building or land in a local authority's area is an asset of community value if in the opinion of the authority:</p> <ul style="list-style-type: none"> current primary use of the building/land or use of the building/land in the recent past furthers the social well-being or social interests (cultural, recreational, or sporting interests) of the local community; it is realistic to think that now or in the next five years there could continue to be primary use of the building/land which will further the social well-being or social interests of the local community. <p>Local authorities will have some say over the form of the list. Listed assets will be removed from the list after five years. Land and buildings can only be listed as community assets if this is permitted by regulations made by the Secretary of State and a parish council or 'voluntary or community body' with a 'local connection' has submitted a 'community nomination.' Listed assets will also need to be entered on the local land charges register.</p> <p>Owners of listed assets cannot dispose of them without:</p> <ul style="list-style-type: none"> letting the local authority know that they intend to sell the asset or grant a lease of more than 25 years; waiting until the end of a six week 'interim moratorium' period if the local authority does not receive a request from a community interest group to be treated as a potential bidder; waiting until the end of a six month 'full moratorium' period if the local authority does receive a request from a community interest group to be treated as a potential bidder. <p>The owner does not have to sell the asset to the community group.</p> <p>There is also a 'protected period' (18 months from the time that the owner notified the local authority of their intention to dispose of the asset) – during this time there can be no further moratoriums.</p> <p>Local authorities have a legal duty to:</p> <ul style="list-style-type: none"> consider community nominations and list buildings/ land as community | <p>The government conducted consultation in 2011, requesting views on which elements of the right to buy should be prescribed in regulations – the responses indicates that regulations will set out a number of elements for the detailed operation of this. Once regulations are published implications for HBC may become clearer.</p> | <p>Director of Regeneration & Planning</p> |

| Measure | Summary of changes | Implications for HBC | Lead Officer(s) |
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| | <p>assets if they meet the criteria;</p> <ul style="list-style-type: none"> • write to unsuccessful community nominators and explain why they have decided not to list the building/land as a community asset; • give written notice of the inclusion or removal of buildings/land from the list of community assets to the owner of the building/land, the occupier of the building/land, the community nominator and anyone else specified in regulations made by the Secretary of State; • draw the owner's attention to the consequences of their building/ land being listed as a community asset and the right to ask for the decision to be reviewed by the local authority; • maintain a publically available list of unsuccessful community nominations, which explains why these nominations were unsuccessful; • make the community nominator and local residents aware when the owner of a listed asset gives notice of their intention to sell – the local authority is also responsible for updating the entry for the listed asset to include the owners intention to sell and dates for the end of the 'interim' and 'full' moratorium periods and 'protected period'; • notify the owner of a listed asset of a written request from a community interest group to be treated as a potential bidder. <p>The Secretary of State has powers to introduce regulations that set out:</p> <ul style="list-style-type: none"> • the types of buildings/land that are not of community value – regulations may be based on the owner of the building/land, the occupier of the building/land, the nature of the building/land, the use to which the building/land has been, is being or could be put and the price or value of the building/land • the contents of the 'community nomination' and the exact meaning of 'voluntary or community body with a local connection' and 'community interest group' • the procedures local authorities must follow when deciding whether to list buildings or land as community assets • the procedures local authorities must follow when reviewing decisions to list buildings or land as community assets • who will be eligible for compensation, how compensation will be calculated | | |

| Measure | Summary of changes | Implications for HBC | Lead Officer(s) |
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| | and who will be required to pay compensation (depending on the regulations this may apply to local authorities) <ul style="list-style-type: none">• how enforcement action will be carried out | | |

TABLE 3 - REFORM TO MAKE THE PLLANING SYSTEM MORE DEMOCRATIC AND MORE EFFECTIVE

| Measure | Summary of changes | Implications for HBC | Lead Officer(s) |
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| Abolition of Regional Spatial Strategies In force now, abolition order expected 30 April 2012. | The Act abolishes responsible regional planning authorities and the regime for regional planning strategies. At present regional planning strategies remain in force. It also gives the Secretary of State power to order the abolition of all or part of any previous structure plan policies that were saved as part of the transition to core strategies. Structure plan policies provided a strategic policy framework for land use planning, development and transport. | <p>The Localism Act 2011 gave delegated authority to ministers to revoke Regional Spatial Strategies (RSS) – but they must do this through a statutory instrument. The Act itself does not revoke the strategies.</p> <p>Environmental assessments relating to revoking the North East RSS are currently in progress – once they are complete further stages towards revocation will occur.</p> <p>At present North East RSS is still part of the Hartlepool Development Plan. However, Hartlepool has devised its own policies for housing and employment land based on local up to date evidence.</p> | Director of Regeneration & Planning |
| New legal duty to co-operate when planning sustainable development | <p>The Act places a legal duty on local planning authorities, county councils and other statutory bodies (to be defined in regulations) to co-operate with each other. They will be required to:</p> <ul style="list-style-type: none"> engage constructively, actively and on an ongoing basis when preparing development plans, marine plans and other local development documents | There are very strong reasons for neighbouring local authorities, or groups of authorities, to work together on planning issues | Director of Regeneration & Planning |

| Measure | Summary of changes | Implications for HBC | Lead Officer(s) |
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| In force now. | <p>for 'strategic' activities, such as sustainable development or infrastructure that would have a significant impact on at least two planning areas;</p> <ul style="list-style-type: none"> • have regard to the activities of each other; • consider whether to consult on, prepare and publish agreements on joint approaches to 'strategic' planning activities; • consider whether to prepare joint local development documents (this only applies to local planning authorities); • comply with all guidance issued by the Secretary of State on how to comply with the legal duty to cooperate. | <p>in the interests of all their local residents. This might include working together on environmental issues (like flooding), public transport networks or major new retail parks.</p> <p>The duty is set out in section 110 of the Localism Act and requires:</p> <ul style="list-style-type: none"> • Councils and public bodies to 'engage constructively, actively and on an ongoing basis' • Councils to have regard to the activities of other bodies; and • Councils to consider joint approaches to plan making <p>The National Planning Policy Framework sets out in detail how planning strategically across boundaries should be achieved. In support of the Local Plan for the upcoming public inquiry a statement of Compliance with the Duty to</p> | |

| Measure | Summary of changes | Implications for HBC | Lead Officer(s) |
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| | | Cooperate has been produced detailing all the relevant work that HBC has done to date. | |
| <p>Changes to the approval process for local development schemes and development plan documents</p> <p>In force from 15 January 2012.</p> | <p>Local development schemes set out the timetable for local planning authorities to produce development plan documents which are used to make decisions on planning applications. The Act changes the way local development schemes are approved by:</p> <ul style="list-style-type: none"> removing the requirement for local planning authorities to submit local development schemes to the Secretary of State; introducing a new requirement for local planning authorities to publish their local development scheme, including any changes to the scheme and up to date information on progress against the timetable; limiting the powers of the Secretary of State to make changes to local development schemes – the Secretary of State can only order changes for the purpose of ensuring ‘effective coverage’ of the local authority’s area. <p>The Act also changes the process for approving and withdrawing development plan documents:</p> <ul style="list-style-type: none"> if it is reasonable to conclude that development plan documents are sound and meet the statutory requirements, the planning inspector must recommend that they are adopted; if the local planning authority prepared the documents correctly, but the documents are not sound or do not meet the statutory requirements, the local planning authority can ask the planning inspector to recommend changes that would make the documents suitable for adoption – the planning inspector can only recommend changes if he or she is requested to by the local planning authority; local planning authorities can change development plan documents after the inspector has recommended approval as long as the changes do not ‘materially affect’ the policies in the development plan; if the inspector recommends non-adoption and changes to the development plan documents that would make it suitable for adoption, local | <p>On 25th June 2012 Cabinet considered a number of changes to the emerging Core Strategy to ensure it will be compliant with the new National Planning Policy Framework.</p> | <p>Director of Regeneration & Planning</p> |

| Measure | Summary of changes | Implications for HBC | Lead Officer(s) |
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| | <p>planning authorities can adopt the documents with the main changes recommended by the inspector and any other changes that do not 'materially affect' the policies in the modified development plan;</p> <ul style="list-style-type: none"> local planning authorities can withdraw a development plan document any time before its adoption without a recommendation from the planning inspector or an order from the Secretary of State; the Secretary of State still has powers to order a local planning authority to withdraw a development plan document before it is adopted; local planning authorities will no longer be required to submit annual reports on the implementation of local development schemes and development plan documents to the Secretary of State - instead they will need to publish this information annually. <p>The new process will apply to all development plan documents that are adopted after the provisions come into force (after 15 January 2012), including those that have been inspected.</p> | | |
| <p>Reform the Community Infrastructure Levy</p> <p>In force from 6 April 2012, regulations expected 25 July 2012.</p> | <p>The Community Infrastructure Levy (CIL) allows local planning authorities to charge a levy on new development in their area in order to raise funds to meet the associated demands placed on the area and enable growth.</p> <p>The Act changes the process for setting and approving Community Infrastructure Levy charges by introducing:</p> <ul style="list-style-type: none"> a requirement for local planning authorities to set their charging schedules based on 'appropriate available evidence' (to be determined in regulations by the Secretary of State); a requirement for the independent examiner to consider whether the local planning authority has complied with the CIL regulations when setting the charging schedule: <ul style="list-style-type: none"> if the local planning authority has not complied with the regulations and no changes could be made to the charging schedule to make it compliant the examiner must recommend that the charging schedule is rejected - local planning authorities cannot adopt a charging schedule if the examiner has recommended rejection | <p>On 25th June 2012 Cabinet approved the appointment of external consultants to undertake viability testing on a range of development types to illustrate whether it is viable to implement a CIL in Hartlepool.</p> | <p>Director of Regeneration & Planning</p> <p>Chief Finance Officer</p> <p>Corporate Management Team</p> |

| Measure | Summary of changes | Implications for HBC | Lead Officer(s) |
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| | <ul style="list-style-type: none"> • if changes could be made to the charging schedule to make it compliant with the regulations, the examiner must recommend that the charging schedule is approved with these changes • very limited discretion for local planning authorities to choose how they respond to changes suggested by the examiner: <ul style="list-style-type: none"> • a local planning authority must have regard to the reasons for the changes suggested by the examiner and can only introduce changes that are 'sufficient and necessary' to ensure compliance with the regulations identified by the examiner. They will also be required to publish a report explaining how the charging schedule complies with the regulations. • a local planning authority cannot approve a charging schedule if the examiner recommends rejection. <p>The Act amends the purpose of the Community Infrastructure Levy by:</p> <ul style="list-style-type: none"> • explicitly requiring the CIL regulations to make sure local planning authorities will not be able to impose levy charges that make it 'economically unviable' to develop their areas because landowners and developers will be unable to meet the costs of the levy; • widening the definition of 'infrastructure' to include the future maintenance and operating costs of infrastructure; • extending the permitted uses of levy receipts so that they can be applied to a matter that supports development by addressing the demands that it places on the area; • allowing the CIL regulations to require local planning authorities to consider the costs of, and expected sources of funding for, anything other than infrastructure that will address the demands that development places on an area. <p>The Act also introduces a legal duty to pass levy receipts to other bodies specified by the CIL regulations. The regulations will:</p> <ul style="list-style-type: none"> • ensure levy receipts passed to other bodies are only used to support the provision, improvement, replacement, operation or maintenance of infrastructure; or, anything else that addresses the demands development | | |

| Measure | Summary of changes | Implications for HBC | Lead Officer(s) |
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| | <p>places on an area;</p> <ul style="list-style-type: none"> provide details of how levy receipts can be passed to other bodies, including the monitoring, reporting and accounting responsibilities of the local planning authority and bodies that have been given CIL receipts. <p>A government consultation on the draft community infrastructure regulations closed on 30 December 2012.</p> | | |
| <p>Introduction of Neighbourhood Planning</p> <p>In force from 6 April 2012, general regulations passed 6 March 2012, regulations for referendums expected July 2012.</p> | <p>The Localism Act makes a number of changes to the Town and Country Planning Act 1990 and the Planning and Compulsory Purchase Act 2004 to introduce neighbourhood planning. This includes:</p> <ul style="list-style-type: none"> <i>neighbourhood development plans</i> – these allow parish councils (or ‘neighbourhood forums’ if there is no parish council) to lead on the development of local policies for the development and use of land in a neighbourhood area; <i>neighbourhood development orders</i> - orders prepared by parish councils (or ‘neighbourhood forums’ if there is no parish council) which grant planning permission for specific development in a particular neighbourhood area. <p>The Act places a legal duty on local planning authorities to:</p> <ul style="list-style-type: none"> designate ‘neighbourhood areas’ when parish councils or bodies capable of being designated as ‘neighbourhood forums’ where there is no Parish Council (comprised of a minimum of 21 individuals who live or work in the neighbourhood area, including unitary councillors) apply to be designated as neighbourhood areas; have regard to the ‘desirability’ of designating existing parish council areas as neighbourhood areas; follow the procedure for considering neighbourhood development plans and orders outlined in the Act and regulations from the Secretary of State. <p><u>Neighbourhood development plans:</u> Unless there are other material considerations, decisions on applications for planning permission must be made in accordance with neighbourhood</p> | <p>Hartlepool is currently taking part in a pilot for Neighbourhood Planning working with the Rural Parishes.</p> <p>Neighbourhood planning will be a potentially onerous and resource intensive process for the council and participating town/parish councils.</p> <p>Full legislation is not currently in place for Neighbourhood Planning – the government is expected to publish the remaining regulations on 25 July 2012.</p> | <p>Director of Regeneration & Planning</p> |

| Measure | Summary of changes | Implications for HBC | Lead Officer(s) |
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| | <p>development plans. According to the draft National Planning Policy Framework (NPPF) neighbourhood development plans must conform to the Local Plan, i.e. the Core Strategy.</p> <p>The Act provides detail on the expected form and contents of neighbourhood development plans and gives the Secretary of State power to make further regulations. A neighbourhood development plan must:</p> <ul style="list-style-type: none"> • specify the period for which it has effect; • not include any references to 'excluded development' (including nationally significant infrastructure projects and minerals and waste); • only relate to one neighbourhood area – a neighbourhood area cannot have more than one neighbourhood development plan. <p><u>Neighbourhood development orders:</u></p> <p>Neighbourhood development orders cannot apply to more than one neighbourhood area and the local planning authority cannot consider more than one neighbourhood development order for the same neighbourhood area at the same time. Planning permission under a neighbourhood development order can be granted:</p> <ul style="list-style-type: none"> • unconditionally; or, • subject to conditions which specify that the local planning authority must give approval for some of the work permitted under the order - regulations from the Secretary of State may allow parish councils to give approval for work permitted under neighbourhood development orders. <p>Neighbourhood development orders can be revoked by the Secretary of State or the local planning authority (with the consent of the Secretary of State or to correct errors in the development order). Legal challenges to neighbourhood development orders can only take place if a claim for judicial review is filed within six weeks of the day when the decision was published.</p> <p><u>Procedure for introducing neighbourhood development plans and orders:</u></p> <p>The procedures for introducing neighbourhood development plans and making neighbourhood development orders are very similar. Proposals for neighbourhood</p> | | |

| Measure | Summary of changes | Implications for HBC | Lead Officer(s) |
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| | <p>development plans and orders will need to be submitted to the local planning authority by parish councils or 'neighbourhood forums'.</p> <p>The Act gives the Secretary of State power to make regulations on:</p> <ul style="list-style-type: none"> the expected standards for draft neighbourhood development plans or orders, including documents and information that must accompany proposals for plans or orders; consultation which must be undertaken by the parish council or neighbourhood forum before proposals for plans or order are submitted to the local planning authority. <p>It also requires local planning authorities to:</p> <ul style="list-style-type: none"> give appropriate advice and non-financial assistance to parish councils or neighbourhood forums to help them make proposals for neighbourhood development plans and orders; check whether the application meets the requirements of legislation and regulations; submit the draft neighbourhood development plan or order for 'independent examination' by an independent person with appropriate qualifications who has no interest in the land affected by the draft plan or order (the local planning authority may be required to pay the independent person for their services). The independent examiner will consider whether the plan or order is appropriate in relation to national policy, the strategic policies of the local development plan for the area (i.e. the Core Strategy once adopted) and EU obligations; hold a referendum on the neighbourhood development plan or neighbourhood development order in the relevant neighbourhood area (this may include an additional referendum if the neighbourhood area has been designated as a 'business area'); bring the neighbourhood development plan into force or make the neighbourhood development order as soon as reasonable practicable if more than half of those voting in each relevant referendum have voted in favour of the plan. This does not apply if the planning authority considers that bringing the plan into force would be incompatible with any EU | | |

| Measure | Summary of changes | Implications for HBC | Lead Officer(s) |
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| | <p>obligations or any rights under the Human Rights Act. In these circumstances the planning authority must follow a procedure set out in regulations by the Secretary of State;</p> <ul style="list-style-type: none"> publish all decisions to accept or reject neighbourhood development plans, including the reasons for making the decision; follow the procedure for dealing with neighbourhood development order requests set out in regulations from the Secretary of State (the government is currently consulting on these regulations). <p>Local authorities can refuse to consider 'repeat proposals.' A proposal is a 'repeat proposal' if a similar proposal has been refused by the local authority or the subject of an unsuccessful referendum within the last two years and there has been no 'significant change' in national policies or guidance or the strategic policies of the local development plan.</p> <p><u>Charges to recover costs incurred by neighbourhood planning</u></p> <p>The Act gives the Secretary of State power to make regulations on the introduction of charges to cover expenses incurred by local planning authorities when exercising their neighbourhood planning functions.</p> <p>A charge will need to be paid to a local planning authority when development under a neighbourhood planning order is commenced. Regulations may allow liability for the charge to be passed to land owners and developers before or after the charge becomes due.</p> <p>Regulations will make provision for enforcement to collect unpaid charges and unpaid charges will be treated as a collectible civil debt due to the local planning authority.</p> <p>The Act also gives the Secretary of State power to provide financial assistance for neighbourhood planning, for example to help a neighbourhood forum draft a neighbourhood development plan or order.</p> | | |

| Measure | Summary of changes | Implications for HBC | Lead Officer(s) |
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| <p>Requirement for developers to consult local communities before submitting applications for planning permission</p> <p>Regulations expected 1 October 2012</p> | <p>The Act introduces a requirement for developers to consult local communities before submitting applications for planning permission.</p> <p>Before submitting planning applications developers will need to:</p> <ul style="list-style-type: none"> publicise the proposed application in a way that is likely to bring it to the attention of the majority of people who live near the land – this must include information about the length of the consultation and how the developer can be contacted; consult anyone specified in the development order; have regard to any advice about good practice for consultation provided by the local planning authority; consider any comments or responses received during the consultation when deciding whether to make any changes to their proposed planning application; submit an account of the consultation to the local authority with their planning application. <p>The Act also gives the Secretary of State power to introduce regulations which set out the detail of how developers should consult local communities.</p> | <p>DCLG have stated the requirement for pre-application consultation will initially only apply to major planning applications – that is developments with more than 200 units and other developments that provide 10,000 square metres or more new floor space. Thresholds will be officially specified by secondary legislation. Due to size of thresholds the implications for Hartlepool may be small.</p> | <p>Director of Regeneration & Planning</p> |
| <p>Changes to planning enforcement</p> <p>In force from 6 April 2012</p> | <p>The Act allows local authorities to refuse to consider planning applications for development that has already taken place in circumstances where an enforcement notice was issued for all or part of the development before the planning application was submitted. It also changes the right to appeal against enforcement notices to prevent appeals against similar developments using both planning application and enforcement routes.</p> <p>The Act allows local planning authorities to take enforcement action against concealed 'breaches of planning control' (development that has taken place without planning permission or where the developer has failed to comply with the conditions of planning permission) by:</p> <ul style="list-style-type: none"> applying to the magistrates' court for a 'planning enforcement order' – this must be within six months of the day when the local planning authority discovered the breach of planning control and the magistrates' court can | <p>The council will be able to refuse to consider planning applications where:</p> <ul style="list-style-type: none"> an enforcement notice has already been issued; or the applicant is still able to appeal an earlier decision not to grant planning permission. <p>This may reduce delay because work will not be</p> | <p>Director of Regeneration & Planning</p> |

| Measure | Summary of changes | Implications for HBC | Lead Officer(s) |
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| | <p>only make a 'planning enforcement order' if they are satisfied that the individual has deliberately concealed the breach of planning control;</p> <ul style="list-style-type: none"> • serving a copy of the application for a planning enforcement order on the individual that will be given an enforcement notice if the order is granted; • including all 'planning enforcement orders' in their enforcement registers. <p>The Act raises the maximum penalty for failing to comply with a notice on the conditions of planning permission from level three on the standard scale (currently £1,000) to level four (currently £2,500). It also gives local planning authorities powers to:</p> <ul style="list-style-type: none"> • remove structures which are used for illegal advertisements after a removal notice has been served; • take action against persistent fly-posting on surfaces; • remove signs (including graffiti) that they consider offensive or detrimental to the amenity of the area after an action notice has been served; • remove signs or graffiti at the expense of the owner of a building or land when requested to by the owner. | <p>duplicated across a planning appeal and an enforcement appeal.</p> <p>The council will be able to take action against concealed breaches of planning control after the normal time limits for enforcement have expired. This will act as a strong deterrent and reduce the number of unauthorised developments.</p> | |
| <p>Changes to the system for approving nationally significant infrastructure projects</p> <p>In force from April 2012.</p> | <p>The Act makes a number of changes to the regime for approving nationally significant infrastructure projects. The changes include:</p> <ul style="list-style-type: none"> • abolishing the independent Infrastructure Planning Commission (IPC), transferring all of the IPCs property, rights and liabilities to the Secretary of State (this will be treated as a relevant transfer for the purposes of the TUPE Regulations 2006) and giving the Secretary of State powers to make transitional arrangements for applications received before or after the abolition of the IPC; • giving the Secretary of State the right to appoint an inspector (or panel of inspectors) to examine applications for nationally significant infrastructure projects and make recommendations to the Secretary of State and allowing the Secretary of State to charge fees for the costs incurred in considering applications for planning permission for major infrastructure projects; • requiring the House of Commons to approve all national policy statements and amendments that significantly ('materially') change existing national policy statements- this must be done within 21 sitting days unless the | <p>The potential is that decision making on a new Nuclear Power Station would be taken out of the Council's hands. However, the Council would be a key consultee in any decision making process.</p> | <p>Corporate Management Team</p> |

| Measure | Summary of changes | Implications for HBC | Lead Officer(s) |
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| | <p>Secretary of State requests an extension (up to another 21 sitting days);</p> <ul style="list-style-type: none"> clarifying the rules for consultation with local planning authorities - where a national policy statement has been changed consultation only needs to be carried out on the changes and not on the whole of the policy statement; giving the Secretary of State powers to: <ul style="list-style-type: none"> change the types of consents that are automatically granted when consent is granted for a nationally significant infrastructure project, such as consent under the Electricity Act; decide that infrastructure projects below the threshold set in the Planning Act 2008 are nationally significant and require development consent – this power can only be used when the Secretary of State receives a written request and the Secretary of State is required to make a decision with 28 days; allow applicants (or proposed applicants) to serve a notice on the landowner requiring them to write to the applicant with the name and address of anyone with an interest in the land or anyone who may be entitled to make a relevant claim for compensation (e.g. for compulsory purchase of the land or a reduction in the value of the land because of public works); require successful applicants for development consent to gain approval throughout the project from the Secretary of State or the local planning authority. no longer requiring applicants for development consent to publish a statement setting out how local people will be consulted on the proposed application – a statement of when and where the statement can be viewed will still need to be published in a local newspaper; extending the ability of applicants to compel landowners to allow them to enter their land to survey it – this now applies regardless of whether the applicant is likely to ask for compulsory purchase of the land. | | |
| Clarification that 'local finance considerations' can be taken into | The Act amends the Town and Country Planning Act 1990 to make it clear that local planning authorities can take 'local finance considerations' into account when assessing planning applications. | The Localism Act makes amendments to the Town and Country Planning Act 1990 as to allow | Corporate Management Team |

| Measure | Summary of changes | Implications for HBC | Lead Officer(s) |
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| <p>account when assessing planning applications</p> <p>In force from 15 January 2012</p> | <p>Local finance considerations are defined as:</p> <ul style="list-style-type: none"> grants or financial assistance that are, could be or would be provided to the local authority by a government minister, such as the New Homes Bonus; money that the local authority has received, will receive or could receive from the Community Infrastructure Levy. | <p>consideration of “any local finance considerations, so far as material to the application” when determining planning applications.</p> <p>The Act describes local finance considerations as</p> <ol style="list-style-type: none"> a grant or other financial assistance that has been, or will, or could be provided to a relevant authority by a Minister of the Crown; or sums that a relevant authority has received, or will, or could receive, in payment of Community Infrastructure Levy <p>It is important to note that to use local finance considerations in decision making on planning application it must comply with the descriptions given above.</p> | |

TABLE 4 - REFORM TO ENSURE DECISIONS ABOUT HOUSING ARE TAKEN LOCALLY

| Measure | Summary of changes | Implications for HBC | Lead Officer(s) |
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| <p>Changes to the system for allocating social housing</p> <p>Unclear, consultation on draft statutory guidance and draft regulations on preference for armed service personnel closed 30 March 2012. Still awaiting statutory guidance and final regulations.</p> | <p>The Act gives local housing authorities power to decide the classes of people that are eligible for social housing and the factors that will be considered when allocating housing. However, the Act also gives the Secretary of State power to make regulations that specify:</p> <ul style="list-style-type: none"> the classes of people that should be given priority; factors that local housing authorities cannot take into account when allocating housing. <p>Local housing authorities will have a legal duty to:</p> <ul style="list-style-type: none"> make sure people who apply to be allocated social housing are informed of their right to free information, advice and assistance; maintain a social housing 'allocation scheme' which sets out the housing authority's priorities and procedures for allocating social housing; not allocate social housing to anyone who is already a secure, introductory or assured tenant of private registered provider of social housing or a registered social landlord unless a change of accommodation is needed and has been requested by that individual and the housing authority is satisfied that the individual should be given 'reasonable preference'. * <p>*This takes existing social housing tenants who are not in housing need off the allocations system and leaves them to be dealt with through a system of internal transfers. Although the Act itself does not require it, the changes introduced by the Act imply that registered providers, including the council, will have to rethink their approach to transfers, with a certain proportion of their vacancies being made available exclusively for existing tenants who have no priority status.</p> <p>The social housing allocation scheme must:</p> <ul style="list-style-type: none"> include a statement of the authority's policy on offering people a choice of housing accommodation or the opportunity to express a preference about the housing allocated to them; be framed so as to secure that 'reasonable preference' is given to people | <p>Detailed analysis behind the allocation of social housing is awaited following recent consultation that ended on 30 March 2012.</p> | <p>Corporate Management Team</p> |

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| | <p>who are homeless, owed a duty by any local housing authority or already occupy accommodation secured by a local housing authority, living in unsatisfactory housing conditions, who need to move on medical or welfare grounds (including grounds that are related to a disability) and who need to move to a particular place in the local area if failure to do so would cause hardship to themselves and others;</p> <ul style="list-style-type: none"> • explain the authority's priorities for deciding factors that will be taken into account when allocating social housing – these could include the financial resources available to the person to meet their housing costs, the behaviour of proposed person (and members of their household) and any local connection between the person and the local area; • have regard to the housing authority's current homelessness strategy and tenancy strategy; • be transparent – a person who applies for housing is entitled to sufficient information to enable them to assess how their application is likely to be treated and how long it will take. | | |
| <p>Changes to local housing authorities' duty to the homeless</p> <p>Regulations expected 16 July 2012</p> | <p>The Act allows local housing authorities to meet their duty to the unintentionally homeless by offering suitable accommodation in the private rental sector as long as the tenancy is fixed for at least 12 months.</p> <p>The local housing authority is not subject to a duty to the unintentionally homeless if:</p> <ul style="list-style-type: none"> • the applicant refuses an offer of housing that the local housing authority considers suitable – the applicant must be informed of the possible consequences of refusal (and (acceptance) and their right to ask the local housing authority to review the suitability of the accommodation; • the offer of accommodation is not a private rental sector offer; • the housing authority notifies the applicant that they no longer think they are subject to the duty. <p>If an applicant becomes unintentionally homeless and re-applies for accommodation within two years of accepting an offer of accommodation in the private rental sector the local housing authority still has a duty to provide accommodation regardless of whether the applicant has a 'priority need'.</p> | | Director of Regeneration & Planning |

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| <p>New requirement for local housing authorities to publish tenancy strategies</p> <p>Tenancy strategies may be required from April 2013</p> | <p>The Act introduces a new duty for every local housing authority to write and publish a tenancy strategy within a year of the measures coming into force (Local Government Lawyer estimate the strategies will need to be in place by April 2013). Local housing authorities must have regard to this strategy when exercising their housing management functions. They are also required to keep the strategy under review and they may modify or replace it from time to time.</p> <p>Tenancy strategies should:</p> <ul style="list-style-type: none"> • set out the matters registered providers of social housing should consider when setting policies on the type of tenancies they will grant, how they will decide which type of tenancy to grant, the length of tenancies and when they will grant a further tenancy before the end of an existing tenancy; • summarise those policies of registered providers of social housing and explain where they can be found; • be regularly reviewed and updated when necessary; • be available for inspection (free of charge) by members of the public. <p>When preparing its tenancy strategy a local housing authority must have regard to its current scheme for allocating social housing (see above) and its current homelessness strategy.</p> <p>Before adopting a tenancy strategy or changing it to reflect a major policy change, the local housing authority must:</p> <ul style="list-style-type: none"> • consult with every private registered provider of social housing in the area. | <p>The five Tees Valley authorities are seeking to establish a framework for a sub regional Strategic Tenancy Policy. Cabinet considered a report on 19 March that sought approval for this framework. The Cabinet report states that the Council are required to have the Strategic Tenancy Policy in place by January 2013, and not April 2013 as originally indicated.</p> | <p>Director of Regeneration & Planning</p> |
| <p>Introduction of flexible social housing tenancies and changes to social housing tenancies</p> <p>In force from 1 April 2012, regulations</p> | <p>The Act gives local housing authorities power to offer 'flexible tenancies' to new social tenants and family intervention tenants (tenants with neither assured or secured tenancies who are being provided intensive support in purpose built units). This only applies to new tenancies.</p> <p>A 'flexible tenancy' is a secured tenancy with a fixed term of two years or more. A new tenancy can become a flexible tenancy when:</p> <ul style="list-style-type: none"> • the landlord serves a notice on a tenant that their family intervention tenancy will become a secure tenancy of more than two years; • a 'demoted tenancy' (a less secure type of tenancy because of the tenant's antisocial behaviour) becomes a secure tenancy of more than two years; | <p>The Tees Valley Common Allocations Policy is undertaking a review to take account of the range of measures contained in the Localism Act 2011 that make changes to the way people access social housing.</p> <p>The draft Tees Valley</p> | <p>Corporate Management Team</p> |

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| published 1 April 2012 | <ul style="list-style-type: none"> the landlord offers a flexible tenancy at the end of an introductory tenancy (this only applies if the landlord has informed the tenant of this in writing before the start of the introductory tenancy). <p>The Act outlines the process social housing landlords should use to offer and end flexible tenancies:</p> <ul style="list-style-type: none"> the landlord is required to serve a notice on the tenant and the tenant has the right to ask the landlord to review the decision to offer or end a flexible tenancy; the tenant must ask for a review within 21 days of receiving the landlord's notice - the tenant can also ask the landlord to review the length of the tenancy, but only if the proposed length contravenes the landlord's policy on the length of flexible tenancies. <p>The Act gives the Secretary of State power to make regulations about the procedure to be followed when a tenant asks for a review of the landlord's decision. Tenants will also have the right to end a flexible tenancy by giving the landlord a month's notice in writing.</p> <p>The Act also makes a number of changes to social housing tenancies:</p> <ul style="list-style-type: none"> flexible tenancies and assured tenancies that are granted by private registered providers in England will no longer need to be executed by deed or registered with the land registry; existing secure tenants and assured tenants that exchange their properties with social tenants with flexible tenancies will be able to retain the same level of security of tenure; landlords can only refuse to let tenants exchange properties on grounds specified in Schedule 14 of the Act – these include unpaid rent and accommodation being too large for one of the tenants exchanging properties; only spouses or civil partners that occupy the accommodation as their main home at the time of the tenant's death will have the right to inherit a secure tenancy – this only applies to new tenancies after the measures in the Act come into force; landlords can try to recover possession of a property six to twelve months | Tenancy Strategy is currently being consulted on with registered providers, partners and stakeholders. | |
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| | <p>after they become aware of the previous tenant's death rather than from the actual date of the tenant's death – this only applies if the person who succeeded the previous tenant is not their spouse or civil partners, the property is too large for that person and the landlord proposes to move them to a smaller property;</p> <ul style="list-style-type: none"> • a court cannot make an order for possession of a property let by a private registered social housing provider with a fixed term of two years unless the landlord has written to the tenant giving them six months notice that s/he does not intend to grant another tenancy; • tenants of private registered social housing providers with assured shorthold tenancies will have the right to acquire their property subject to regulations from the Secretary of State – this only applies to new assured shorthold tenancies after the measures in the Act come into force; • landlords have 'repairing obligations' for flexible and assured tenancies with a fixed term of seven years or more. | | |
| <p>Abolition of the Housing Revenue Account subsidy and introduction of a self-financing system</p> <p>Powers for the Secretary of State to make regulations in force now, self-financing in place from 1 April 2012.</p> | <p>The Act abolished the Housing Revenue Account (HRA) subsidy in England (a system of annual subsidies controlled by Whitehall). It gave the Secretary of State power to introduce a new local self-financing system for council housing which started in April 2012.</p> <p>Under the new system councils will be able to keep all of their rental income and use it to support their own housing stock. The Act gives the Secretary of State power to:</p> <ul style="list-style-type: none"> • calculate the value of each local housing authority's housing service (according to a formula which includes income, expenditure and debts from carrying out its housing functions) and use this to decide the 'settlement payment' (the payment the government will receive or make); • direct local housing authorities to make a payment to the government - this should be treated as capital expenditure; • make a payment from the government to some local housing authorities - this should be treated as a capital receipt that can only be spent on housing; • re-calculate the settlement payment if circumstances have changed – this may mean the government has to make a payment to the local housing | No impact on Council services. | Chief Finance Officer |

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| | <p>authority or vice versa;</p> <ul style="list-style-type: none"> • direct when and how local housing authorities should make payments to the government and set the rate of interest that will be charged by the government on any money that is not paid on time; • set a maximum amount of debt that can be held by each local housing authority; • make agreements with local authorities which mean they do not have to give the government a percentage of the money they earn from the sale of council houses purchased by council tenants using the right to buy. <p>The Secretary of State can use these powers differently for different areas, different local housing authorities or different types of local housing authority. The Secretary of State is required to consult with any representatives of local government or relevant professional bodies before directing local housing authorities to make a payment to the government or receive a payment from the government.</p> <p>Local housing authorities have a legal duty to give the Secretary of State any information that is requested to exercise the powers listed above: if they fail to provide information the Secretary of State can exercise his powers on the basis of any estimates or assumptions he considers appropriate.</p> <p>The final five determinations as published by the Secretary of State in February 2012 are:</p> <ul style="list-style-type: none"> • The Settlement Payments Determination. This sets out the amount each local authority will either pay the Government or receive from the Government on 28 March 2012 in order to exit the current subsidy system, and the way in which the payments will be made. • The Limit on Indebtedness Determination. This places a cap on the amount of housing debt each council may hold. • The Housing Revenue Account Subsidy Amendment Determination for the year 2011-12. This adjusts the subsidy entitlement for this financial year in order to take account of the interest costs or savings arising from the settlement payments. These payments will be made before the end of the financial year. | | |
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| | <ul style="list-style-type: none"> The Item 8 Credit and Debt Amendment Determination for the year 2011-12. This enables the appropriate charges to be made between the Housing Revenue Account and a council's General Fund to reflect the borrowing costs or savings in this financial year arising from the settlement payments. The Item 8 Credit and debit Determinations for 2012 onwards. This provides a framework for the Housing Revenue Account ring-fence to continue to operate under self-financing. | | |
| Power for the regulator and Secretary of State to set standards for registered providers of social housing to help tenants exchange properties and purchase properties In force from 15 January 2012, regulations in force from 1 April 2012. | <p>The Act gives the social housing regulator power to set standards for registered providers which require them to comply with rules about methods of helping tenants exchange properties. It also allows the Secretary of State to direct the regulator on methods of helping tenants exchange properties.</p> <p>The Act allows tenants who own shares in their landlord's organisation (i.e. in a registered private provider of social housing) to benefit from payments which can help them move out of their socially rented property and purchase a property or acquire a long-leasehold interest (over 21-years) in a dwelling.</p> | No impact on Council services. | Director of Regeneration & Planning |
| Changes to the regulation of social housing In force from 1 April 2012 | <p>The Act abolishes the Tenant Services Authority (TSA) as the regulator for social housing in England and transfers its functions to a new Regulation Committee of the Homes and Communities Agency. The TSA is consulting on changes to the current regulation framework.</p> <p>The new Regulation Committee will have two fundamental objectives which must be achieved with minimum interference:</p> | No impact on Council services. | Corporate Management Team |

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| | <ul style="list-style-type: none"> • economic regulation to ensure value for money, the financial viability and proper management of providers of social housing and to guard against the misuse of public money; • consumer regulation to make sure social housing is well managed and of appropriate quality, tenants are involved in management issues and are given an appropriate degree of choice and protection. <p>Any action taken by the Regulation Committee must be exercised in way that minimises interference and is proportionate, consistent, transparent and accountable. The Regulation Committee can only use its monitoring and enforcement powers if:</p> <ul style="list-style-type: none"> • it has reasonable grounds to believe that there has been a failure which has resulted in serious harm to the registered provider's tenants or potential tenants; • there is a significant risk that if no action is taken the failure will result in serious harm to the registered provider's tenants or potential tenants. <p>The Act gives the regulator powers to set standards for registered providers which require them to comply with specified rules about the minimum and maximum levels of rent then can charge and the extent to which they can increase or decrease rent.</p> <p>The Act also changes the process for dealing with complaints from social housing tenants by:</p> <ul style="list-style-type: none"> • making sure all complaints are referred to the Ombudsman by an MP, local councillor or designated tenant panel (unless 8 weeks have elapsed since the end of the landlord's complaint process or the designated person declines to refer the complaint or agrees it can be made direct by the tenant); • introducing a unified service for investigating complaints about social landlords – all complaints from social housing tenants will be considered by the Independent Housing Ombudsman (currently complaints from tenants of local housing authorities are made to the Local Government Ombudsman and complaints from tenants of private providers are made to the Independent Housing Ombudsman.). | | |
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| Abolition of home information packs In force from 15 January 2012. | The Act abolishes the legal duty to provide a home information pack. | No impact on Council services. | N/A |
| Changes to tenancy deposit schemes for social landlords In force from 6 th April 2012. | The Act changes the law on tenancy deposit schemes for social landlords by: <ul style="list-style-type: none"> • extending the time limits within which a landlord must comply with the requirement to protect a deposit for an assured shorthold tenancy by placing it in a tenancy deposit scheme and provide information to the tenant from 14 to 30 days; • making it clear that penalties for non-compliance will apply when the landlord has not complied with these timescales; • making it clear that penalties for non-compliance will also apply when the tenancy has ended; • giving the courts discretion about the level of penalty that may apply; • clarifying that landlords are allowed to seek possession of a property when the deposit is not held in a tenancy deposit scheme or the time limits have not be complied with as long as action has been taken to remedy the situation. | No impact on Council services. | Director of Regeneration & Planning |

4. ELEMENTS OF THE ACT THAT CABINET WILL NEED TO CONSIDER IN THE NEAR FUTURE

4.1 Over the next few months Cabinet will be asked to consider a number of reports and make a range of decisions relating to the implementation of various elements of the Localism Act including:

- Community Right to Challenge;
- Community Right to Bid for Assets of Community Value;
- Community Infrastructure Levy – Cabinet will need to consider the viability testing when this is completed by the appointed external consultants;
- Neighbourhood Planning;
- Local Housing Authorities Duty to the Homeless;
- Tenancy Strategy – this will be covered by the Sub Regional Strategic Tenancy Policy.

5. RECOMMENDATIONS

5.1 Cabinet is note the current position with regards to the implementation of the Localism Act 2011.

6. REASONS FOR RECOMMENDATIONS

6.1 The report provides information on the implementation of the Localism Act 2011 so that Cabinet are aware of the current picture.

7. APPENDICES AVAILABLE ON REQUEST, IN THE MEMBERS LIBRARY AND ON-LINE

N/A

8. BACKGROUND PAPERS

N/A

9. CONTACT OFFICER

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CABINET REPORT

6th August 2012



Report of: Acting Chief Executive

Subject: COLLABORATION PROGRAMME UPDATE

1.0 TYPE OF DECISION/APPLICABLE CATEGORY

Non Key.

2.0 PURPOSE OF REPORT

- 2.1 To provide Cabinet with an update of the work being undertaken in respect of the proposed programme of collaboration.

3.0 BACKGROUND

- 3.1 Cabinet considered a report at the meeting of the 7th November 2011 outlining the background to work which had been undertaken by Darlington and Hartlepool Councils and agreed the next stages for the work.
- 3.2 At this meeting Cabinet were informed that the nature and expectations on local government are constantly evolving no less so in a changing political context nationally. In order to effectively consider the range of options that may be available to assist in managing the balance between local priorities and the implications of nationally driven financial constraints work had commenced on a feasibility study to evaluate the potential for strategic collaboration.
- 3.3 It was identified as important in considering the feasibility of change to be aware of both the drivers of this change but also the guiding principles which should act as a guide at a locality level. In outline these included;
- Each Local authority will retain their individual identity and sovereignty
 - Collaboration is not limited to Darlington and Hartlepool
 - The authorities enter this process with a positive view of collaboration
 - Collaboration must deliver demonstrable additional benefits to working separately
- 3.4 The evaluation study identified that the potential for strategic collaboration was a real option and offers the potential to significantly reduce the cost

base of the authority and, at the same time, provide protection to front line services by avoiding reductions in front line provision.

- 3.5 The initial feasibility study identified that the potential scale of the opportunity corporately (subject to detailed business cases and due diligence) is between £5.3m and £8.4m but that these were estimates at this stage and required further more detailed work.
- 3.6 This report considered the strategic and operational issues in respect of
- Child and Adult Services
 - Corporate Services
 - Culture and Leisure Services
 - Environmental Services
 - Regeneration, Policy, Planning and Infrastructure
- 3.7 The decisions of the meeting of Cabinet on 7th November 2011 are detailed below;
- That the development of a detailed business case for collaboration in respect of Child and Adult Services be approved and submitted to Cabinet for decision prior to any implementation.
 - That Hartlepool review the work being undertaken by Darlington in respect of the options available for environmental services, building services, highways, in terms of efficiency and alternative models of delivery and receive a report back on options be submitted prior to the consideration of more detailed Business cases.
 - That a more detailed business case and option in respect of the development of options for Cultural Services including a Cultural Trust be progressed and reported to Cabinet for decision.
 - That an application be made for REIP legacy funding for the anticipated project costs and should this prove unsuccessful that this be funded from Social Care Reform Grant.
 - That further work be undertaken in respect of the options and key considerations around potential governance models and that this be considered as part of their development.
 - That officers undertake development work in respect of the financial, Human Resource and legal and technical issues underpinning the development of business cases to be reported to Cabinet for consideration and decision prior to the potential implementation of any completed business case.
 - That Cabinet receives for consideration a more detailed work programme and plan.
 - That any further opportunities for any tactical collaboration outside of the scope identified in this report be developed for Cabinet's consideration and approval.
- 3.8 Following the decision of Cabinet, at which time the focus was in respect of potential collaboration primarily (though not limited to) being with Darlington Council, the potential for collaboration has been broadened to include

Redcar and Cleveland Council. Redcar and Cleveland Council have undertaken the work previously completed by Hartlepool and Darlington with external support to ensure there is a robust baseline shared across the three organisations for Child and Adult Services and are involved in the work being undertaken for Corporate Services as part of their organisational change programme.

4.0 PROGRESS AND UPDATE ON AGREED RECOMMENDATIONS

- 4.1 As part of the overall arrangements for management and communication as part of the programme the respective Leaders / Mayor and Chief Executives meet on a regular basis to ensure that the programme for the development of potential options is on track, that the initially established principles are being adhered to and to consider any issues which may arise. In addition the respective portfolio holders have met on a number of occasions to consider the emerging position for Child and Adults services.
- 4.2 As part of the consideration of options, and the development of the Scrutiny work programme, across the three boroughs it has been identified that each authority will want to potentially scrutinise the potential operations separately to ensure that this reflects any local needs and or views. It has however been identified that a meeting of the respective scrutiny leads with leaders / mayor across the three boroughs in advance of this process would be beneficial and this is currently in the process of being organised.
- 4.3 As part of the ongoing process of communication in Hartlepool officers are currently identifying a date for a members seminar on collaboration which is likely to be held in late August.
- 4.4 Taking each of the decisions of Cabinet from the 7th November 2011 in turn an update is provided below.
- 4.5 **“That the development of a detailed business case for collaboration in respect of Child and Adult Services be approved and submitted to Cabinet for decision prior to any implementation.”**
 - 4.5.1 The work on developing a detailed business case and potential options in respect of Child and Adult Services has been continuing. Initially the information that formed part of the feasibility has been revisited in terms of budgets, staffing, structures and commissioning arrangements across the three local authorities.
 - 4.5.2 As part of the development of potential options and opportunities there have been a number of roadshows held for staff across the three boroughs to both provide them with information on the outline timescales and work being undertaken (previously provided to Cabinet in the March 2012 report) and for them to identify the current strengths in service delivery and local arrangements, areas for service development and organisational values that will be required in any collaboration model.. The roadshows provided the

opportunity for staff to identify questions about the collaboration; a high number of questions were generated which are in the process of being answered and a Frequently Asked Questions newsletter is being prepared.

- 4.5.3 A range of options are being developed for consideration. As has been outlined previously these options range from limited collaboration in specific or identified services area where such collaboration will provide either greater capacity and / or resilience to options for more wide scale collaboration across management and delivery. The level of savings that may be achieved depend on the options and the considerations within them. It is expected that these will be completed for consideration in early autumn.
- 4.6 **“That Hartlepool review the work being undertaken by Darlington in respect of the options available for environmental services, building services, highways, in terms of efficiency and alternative models of delivery and receive a report back on options be submitted prior to the consideration of more detailed Business cases.”**
- 4.6.1 The work in Darlington has been completed and a review of this undertaken internally. Darlington have determined to move initially to a model of internal deliver based around identified “business units” with a view to driving out savings and efficiencies through a review of internal practices and structures and their external delivery arrangements. Any consideration of other alternative options will not be for 12 – 18 months.
- 4.6.2 Whilst this offers limited scope for wide scale collaboration across a broad range of services it does not restrict the opportunity to explore the feasibility of collaboration in other ways and in other service areas. The authority is continuing to explore opportunities in respect of Street Lighting and Waste Disposal, with discussion around a range of other opportunities for sharing equipment, and or skills to address identified needs.
- 4.6.3 In addition to the collaboration work with Darlington it is worth noting that in this area, and as part of continuing to work to the original principal that collaboration is not limited to Darlington or Redcar and Cleveland the council has recently won a contract to do work for the Vela group jointly with Stockton Borough Council.
- 4.7 **“That a more detailed business case and option in respect of the development of options for Cultural Services including a Cultural Trust be progressed and reported to Cabinet for decision.”**
- 4.7.1 Cabinet considered a report at the meeting of 5th March 2012 in respect of the potential for the development of a Cultural Trust. This report identified a range of work which had been undertaken on the feasibility and identified a number of outstanding issues which required clarification prior to the progression of this any further. Most notable amongst these were issues in respect of National Non Domestic Rates (NDR), Valued Added Tax and the potential to secure external and Capital funds. Also included in this report were the views of the Cultural Trusts working group of members which had

been established and which informed Cabinets decisions which are shown below.

- That a review of the existing business case be undertaken to determine the impact on the current conclusions in respect of the emerging NNDR position and the impact of current service efficiencies since 2010/11 and determined for 2012/13 in conjunction with the potential of asset transfer arrangements.
- It was noted that an update report would be submitted to Cabinet in due course to recommend a way forward and that timescales/key milestones be reviewed.
- That officers continue to work with the Trusts Working Group in relation to future proposals and considerations of the Trusts Working Group be reported to Council as appropriate.

4.7.2 There has been limited clarity to date in respect of the position in terms of NNDR but officers are working through the issues raised when Cabinet (and the Cultural Trusts Working Group) have considered these matters previously and it is expected that an updated report and position will be able to be provided in early autumn.

4.8 **“That an application be made for REIP legacy funding for the anticipated project costs and should this prove unsuccessful that this be funded from Social Care Reform Grant.”**

4.8.1 An application for REIP legacy funding for the anticipated project costs was submitted and was successful and has been utilised towards the costs of managing and delivering the project to avoid and limit any additional costs to the authority.

4.9 **“That further work be undertaken in respect of the options and key considerations around potential governance models and that this be considered as part of their development.”**

4.9.1 Within each of the agreed areas of work ongoing consideration is being given, and will be provided as part of any business case submission to the key considerations around ensuring that there are effective governance arrangements in place.

4.10 **“That officers undertake development work in respect of the financial, Human Resource and legal and technical issues underpinning the development of business cases to be reported to Cabinet for consideration and decision prior to the potential implementation of any completed business case.”**

4.10.1 The work in respect of Corporate Services is, as has been agreed previously, running a number of months behind the work on Child and Adult Services. This is to ensure that any considerations of potential opportunities can be investigated in the light of the potential form of the rest of the organisation.

4.10.2 The activity for this area of the programme is currently focussing on collating baseline information and a consistent understanding of the services provided by each of the respective authority's (with a deadline for this of late summer). Following this there will be initial consideration of any potential opportunities and the development of a more detailed business case and potential options prior to reporting these to Cabinet for decision. This is not expected to be before the early new year.

4.11 **“That Cabinet receives for consideration a more detailed work programme and plan.”**

4.11.1 A more detailed work plan outlining the phasing of the work and the key stages was submitted to Cabinet on 5th March 2012. The timescales identified within this report have been revised as the nature of the work in each area has become apparent and there has been some slippage in the originally determined timescales to ensure that the is adequate and sufficient robustness in any models which are to be presented to Cabinet for consideration and that they reflect best officer advice

4.12 **“That any further opportunities for any tactical collaboration outside of the scope identified in this report be developed for Cabinet's consideration and approval.”**

4.12.1 As further opportunities for collaboration emerge, either through existing joint work or additional opportunities which are identified these will be presented to Cabinet. As is identified in other areas of the report there is a range of work ongoing outside the development of any potential Business Cases around either Child and Adult Services or Corporate Services and these include options in respect of waste management, street lighting through to opportunities to share systems and other infrastructure or equipment.

5.0 RECOMMENDATIONS

5.1 Cabinet are recommended to note the update and progress made to date

6.0 REASONS FOR RECOMMENDATIONS

6.1 This is an update report

7.0 APPENDICES AVAILABLE ON REQUEST, IN THE MEMBERS LIBRARY AND ON-LINE

7.1 None

8.0 BACKGROUND PAPERS

8.1 None

9.0 CONTACT OFFICERS

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CABINET REPORT

Monday 6TH August 2012



Report of: Director of Public Health

Subject: HEALTHY LIVES, HEALTHY PEOPLE: UPDATE ON PUBLIC HEALTH FUNDING

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to inform Cabinet proposals regarding future public health funding. Proposals for funding are set out in 'Healthy Lives, Healthy people: Update on Public Health Funding – Department of Health (DH) June 2012. Comments on these proposals are being invited by the Department of Health until mid August 2012.

2. BACKGROUND

- 2.1 The publication of 'Healthy Lives, Healthy People: Our Strategy for Public Health in England published in November 2010 outlined the Government's vision for the future of public health. The Government's Strategy was developed in the light of 'Fair Society, Healthy Lives: The Marmot Review: Strategic Review of Health Inequalities post 2010.
- 2.2 The Government's vision for public health proposes significant changes for the leadership and delivery of public health. One of the most significant changes is the new leadership role local government will play in improving and protecting the health of the population. The transferring of responsibilities for public health from the NHS to Local Government is very significant and local political leadership is central to this.
- 2.3 In order to enable local government to discharge the new responsibilities for public health 2013, the Government made proposals for funding this as set out in 'Healthy Lives, Healthy People: Engagement on the funding and commissioning routes for public health – DH 2011'. It is proposed that public health services will be funded by a new public health budget, separate from NHS resources for public health. Commitment was given to ensure local authorities are adequately funded for their new public health responsibilities and any additional net burdens would be funded in line with the Government's New Burdens Doctrine.
- 2.4 In summary, the principal routes through which public health functions will be funded post 2013 are:

- Ring-fenced grants to upper and unitary authorities
- Through the NHS Commissioning Board: and
- Public Health England (newly created national Executive Agency of the Department of Health for public health)

3. Engagement on Public Health Funding

3.1 'Healthy Lives, Healthy people: Update on Public Health Funding – (DH) June 2012 proposes the following:

- Next steps on moving on from estimates of baseline spend published in February 2012 following a comprehensive mapping of 2010/11 actual spend on public health by the Primary care Trust.
- Conditions of the grant to be awarded to local government post 2013.
- Health premium incentive

3.2 It is estimated that nationally £5.2 billion will be spent on delivering the new public health system of which £2.2 billion of this will be allocated to local authorities to fund their new public health responsibilities. A commitment has been given to support planning that in 2013-14 investment will not fall below these estimates in real terms other than in exceptional circumstances.

3.3 In order to move from baseline mapping to actual budget, the following steps are proposed:

- Understanding the baseline
- Setting the preferred relative distribution of resources
- Setting the total resources available
- Deciding how quickly to move organisations from a baseline position towards a level of resource implied by the preferred distribution (pace-of-change policy).

3.4 Given the complexity of setting national budgets and other factors including demographic change, new policies, efficiency gains, at this stage there is no firm information on actual levels of allocation and pace-of-change policy. The restrictions on growth however mean that initially, progress towards preferred distribution is likely to be slow.

3.5 The document also highlights the interim recommendations of the Advisory Committee on resource Allocation (ACRA) that has informed the engagement document. ACRA was commissioned to develop a formula for the allocation of the public health budget relative to population need and health outcomes. The recommendations made by ACRA are based on the standardized mortality ratio (SMR) for those aged under 75 years (SMR<75). This measures how many more or fewer deaths there are in a local area compared to the national average on a standardized population basis. The higher the SMR the higher the number of deaths. It is important to acknowledge that this is just one

measure and that this does not infer that the allocation should not reflect the needs of those people over 75 years. ACRA proposes that in areas with highest SMR<75 years should have a weighting that is three times greater per head than those with lower SMR<75 years. ACRA also recommends that the funding formula should include an adjustment for differences in unavoidable costs. The Area Cost Adjustment (ACA) based on that used in the local government funding formula is proposed to be used. The Office of National Statistics (ONS) projected resident population for 2012 should be used as the population base. The ACRA recommendations are interim and there is a recognition further work is needed before making final recommendations to influence the funding formula for allocations.

3.6 It is anticipated that the ring fenced public health grant will be made up of three elements:

- Component to fund the 5 mandated services to be commissioned and delivered. These services are national childhood measurement programme, healthy heart checks, sexual health services, core offer to NHS of public health support, health protection plan.
- Component to fund the other 18 non mandatory services e.g. smoking, obesity services
- Component to fund drug services currently commissioned by Drug Action Teams through the pooled treatment budget.

When the grants are made to local government there will not be a distinction made between the mandated and non mandated elements. However, for drug services in the interim, it is expected that allocations in this area will follow the approach used currently. The focus on this element is based on number of people successfully completed drug treatment.

3.7 The concept of health premium or incentivising areas has caused concern through the previous national consultations on public health funding. Given the concerns regarding how the health premium could be developed to properly reward progress, it is proposed to delay health premium payments until 2015-16.

4. What does this mean for Hartlepool?

4.1 The interim recommendations from ACRA are based on relative shares of the national resource for local government not absolute monetary values. This is because until the national resource is known for certain it is not possible to be accurate. The pace-of-change policy can only then be determined, although, there is a commitment to protect investment in each local authority area during this Spending Review.

4.2 However, if the national resource available was £2.2 billion, the implications for Hartlepool as implied by ACRA's interim recommendations for the preferred relative distribution of resources is circa 0.24%. The baseline estimate in 2012/13 of public health actual spend is circa 0.35%. In monetary

terms, this would mean a loss of £2.288 million from the baseline budget of £7.685 million to £5,297 million.

- 4.3 The table below illustrates Hartlepool's position in relation to the rest of the North East councils.

| 2012/13 Baseline | Indicative Formula | | Indicative long term Gain / Loss | |
|----------------------|--------------------|---------------|----------------------------------|--|
| | £000 | % of Total | % Share | Allocation (if total is £2,223m) £000 |
| Hartlepool | 7,685 | 0.346% | 0.238% | 5,297 |
| Middlesbrough | 14,872 | 0.669% | 0.379% | 8,417 |
| Stockton | 11,914 | 0.536% | 0.424% | 9,426 |
| Redcar and Cleveland | 10,110 | 0.455% | 0.302% | 6,717 |
| Darlington | 6,482 | 0.292% | 0.215% | 4,773 |
| County Durham | 42,905 | 1.930% | 1.039% | 23,106 |
| Northumberland | 10,969 | 0.493% | 0.541% | 12,033 |
| Gateshead | 14,496 | 0.652% | 0.443% | 9,845 |
| Newcastle | 18,213 | 0.819% | 0.647% | 14,393 |
| North Tyneside | 8,513 | 0.383% | 0.400% | 8,903 |
| South Tyneside | 11,970 | 0.538% | 0.336% | 7,471 |
| Sunderland | 19,468 | 0.876% | 0.612% | 13,619 |
| NORTH EAST | 177,598 | 7.987% | 5.577% | 124,000 |

5. Proposed Conditions of the Public Health Grant

- 5.1 The public health grant will be made to local authorities under section 31 of the Local Government Act 2003. It will carry conditions as to what it can be used to fund, although it is expected that this will be limited to ensure maximum flexibility for the local authority to net their new health improvement duty. It is expected that the main focus of this money will be to invest in the mandated and discretionary public health services which will become the responsibility of the local authority. It is expected that local authorities will invest the grant to meet needs identified through Joint Strategic Needs Assessment and joint Health and Well Being Strategies.
- 5.2 There will be standard governance, financial management and reporting requirements on the use of public funds by local authorities which will apply equally to the public health grant. These include the Accountable Officer role of the Chief Financial Officer and the local government obligation to secure best value.
- 5.3 It is expected that actual allocations will be published before the end of 2012.

6. Key Issues

- 6.1 The following are key issues that may wish to be considered as part of the response to this consultation:

- The size of the national budget for public health needs to be known as soon as possible.
- The certainty of funding for 2013/14 and 2014/15 needs to be confirmed to add stability through transition.
- The baseline funding position is a reflection of discretionary PCT investment and not on a needs based formula.
- The preferred 'pace of change' policy would be that of the Department of Health.
- The formula used needs to reflect need, deprivation and not just standardized mortality ratio.

7. RECOMMENDATIONS

- 7.1 Cabinet is asked to note the proposals within the report and offer comments back to the Department of Health before the end of the engagement period of 14th August 2014.

8. REASONS FOR RECOMMENDATIONS

- 8.1 Potential implications for the delivery of public health within the local authority post 2013.

9. APPENDICES AVAILABLE ON REQUEST, IN THE MEMBERS LIBRARY AND ON-LINE

No appendices attached to this report.

10. BACKGROUND PAPERS

- 10.1 Healthy People, Healthy Lives: Our strategy for Public Health in England - DH November 2010
 'Healthy Lives, Healthy People: Engagement on the funding and commissioning routes for public health – DH 2011'

 'Healthy Lives, Healthy people: Update on Public Health Funding – Department of Health – DH June 2012.

11. CONTACT OFFICER

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