

# **FINANCE AND CORPORATE SERVICES PORTFOLIO DECISION SCHEDULE**



**12 September 2012**

**at 4.00 pm**

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

Councillor Paul Thompson, Cabinet Member responsible for Finance and Corporate Services will consider the following items.

**1. KEY DECISIONS**

- 1.1 Former Henry Smiths School King Oswy Drive – *Assistant Director (Resources)*
- 1.2 The Joint Marketing and Disposal of Land and Buildings at Friarage Field and Morrison Hall on The Headland – *Assistant Director (Resources)*

**2. OTHER ITEMS REQUIRING DECISION**

- 2.1 Treasury Management Advice Arrangements – *Chief Finance Officer*
- 2.2 Banking Arrangements – *Chief Finance Officer*

**3. ITEMS FOR INFORMATION**

- 3.1 Employee Attendance 2012/13 – 1st Quarter – *Human Resources Business Partner*
- 3.2 Rating Appeals Update – *Assistant Director (Resources)*

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

No items

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

**EXEMPT ITEMS**

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

6. **EXEMPT KEY DECISIONS**

No items

7. **OTHER EXEMPT ITEMS REQUIRING DECISION**

- 7.1      Review of Compulsory Redundancy Dismissal Decision – *Human Resources Business Partners (para 4)*

## FINANCE AND CORPORATE SERVICES PORTFOLIO

Report To Portfolio Holder  
12th September 2012



**Report of:** Assistant Director (Resources)

**Subject:** FORMER HENRY SMITHS SCHOOL KING OSWY  
DRIVE

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### 1. TYPE OF DECISION/APPLICABLE CATEGORY

1.1 Key Decision (test (i)) Forward Plan Reference No. RN 1309

### 2. PURPOSE OF REPORT

2.1 To report on the tenders received for the purchase of the site.

### 3. BACKGROUND

- 3.1 The former Henry Smith School in King Oswy Drive (as shown edged in **Appendix 1**) was closed and demolished in 2002/3. Since then the site has been unused except for parking for St Hilda's School and as temporary site compounds. The land is designated as a surplus asset on the Council's asset register and is identified in the disposals strategy as a potential development site.
- 3.2 The receipts from the site have been earmarked to meet shortfalls identified in the Medium Term Financial Strategy.
- 3.3 In 2010 the Vela Group obtained funding from the HCA of £3.375m to build 45 new affordable homes and the King Oswy Drive land was identified as a suitable site in which to locate them. The Council therefore resolved to market the land for sale on the basis that the developer would build the new affordable homes together with new private market properties on the remainder of the site.
- 3.4 Marketing commenced in May 2012 on the basis of informal tenders to be submitted by 10<sup>th</sup> August 2012. Two tenders were received as outlined in **Confidential Appendix 2. This item contains exempt information under Schedule 12A Local Government Act 1972 (as amended by the Local Government (Access to Information) (Variation) Order 2006) namely,**

**(para 3), information relating to the financial or business affairs of any particular person (including the authority holding that information.**

- 3.5 Neither of the tenders are considered acceptable as they fall short of the Estates Manager's opinion of market value of the site and or the Council's requirements in relation to the format of the development.

**4. PROPOSALS**

- 4.1 It is proposed to formally reject both offers and to reconsider how the affordable housing can be provided. The King Oswy site will be retained until the Housing market improves prior to remarketing.
- 4.2 Discussions have been held with the Vela Group and the Council's Housing Services Manager to identify options to enable the development of affordable housing and capture the HCA grant.
- 4.3 As a bid was submitted to the HCA specifically in relation to the King Oswy Drive site it would be difficult to reallocate the funding to another site. In addition the timing of the spend is critical as development needs to commence by March 2013. As such there are limited alternatives but to agree to dispose of part of the site to Vela to enable then to undertaken direct development.
- 4.4 Although this is a less favourable outcome than an integrated private/social housing scheme, provided it is planned carefully overall compatability and integration should be achieved.
- 4.5 Discussions with the Council's Planning Services Manager are being undertaken to agree options to facilitate development of the site in two phases prior to an appropriate area of land being released for disposal.
- 4.6 In addition to the former Henry Smiths site, the area of allotments to the north of the site are unsightly and problematic with limited use. It is proposed, to include this area of land within the site to be marketed in order to add value and hopefully increased interest. It has been confirmed that allotments available in other locations will be adequate to cater for any requirements of current or future allotment holders.

**5. FINANCIAL AND RISK CONSIDERATIONS**

- 5.1 Sale of the site on the basis of either tender would not result in an acceptable capital receipt. Sale at a later date at a time when market conditions have improved should however so do. There is a risk that the capital receipts target to meet the shortfalls in the Medium Term Financial Strategy will not be met if the land remains unsold. Opportunities for this site will continue to be explored and, in addition, other potential capital receipts will be pursued to cover shortfalls.

## **6. ASSET MANAGEMENT CONSIDERATIONS**

- 6.1 The attention of the Portfolio Holder is drawn to the Asset Management element of the Business Transformation programme. The decision by Cabinet in January 2009 requires a proactive, commercial approach to be taken on Asset Management issues.
- 6.2 The decision to adopt a commercial approach to asset management requires the Council to realise the full value of any properties or property rights of which it disposes.
- 6.3 As outlined above it is not considered that a sale would at present represent good asset management.

## **7. EQUALITY AND DIVERSITY CONSIDERATIONS**

- 7.1 There are no equality or diversity implications.

## **8. SECTION 17 OF THE CRIME AND DISORDER ACT 1998 CONSIDERATIONS**

- 8.1 There are no implications under Section 17.

## **9. RECOMMENDATIONS**

- 9.1 It is recommended that both tenders for the site are refused because:-
  - a) Neither of the bids reflect the Estates and Asset Manager's opinion of market value.
  - b) The proposals submitted do not reflect the requirements of the development brief.
  - c) Further consideration is given to how the proposed affordable housing can be provided.

## **10. REASONS FOR RECOMMENDATIONS**

- 10.1 It is considered that sale of the site on the basis of either tender would not adequately reflect market value or enable development in accordance with the requirements of the development brief.
- 10.2 There are a number of relatively large sites coming forward for residential development or already under construction in Hartlepool at present and it is now considered that this is impacting on market demand/values for new sites.

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

- 11.1 Former Henry Smith School site – **Appendix 1.**
- 11.2 Information relating the tenders received is attached as **Confidential Appendix 2. This item contains exempt information under Schedule 12A Local Government Act 1972 (as amended by the Local Government (Access to Information) (Variation) Order 2006) namely, (para 3), information relating to the financial or business affairs of any particular person (including the authority holding that information.**

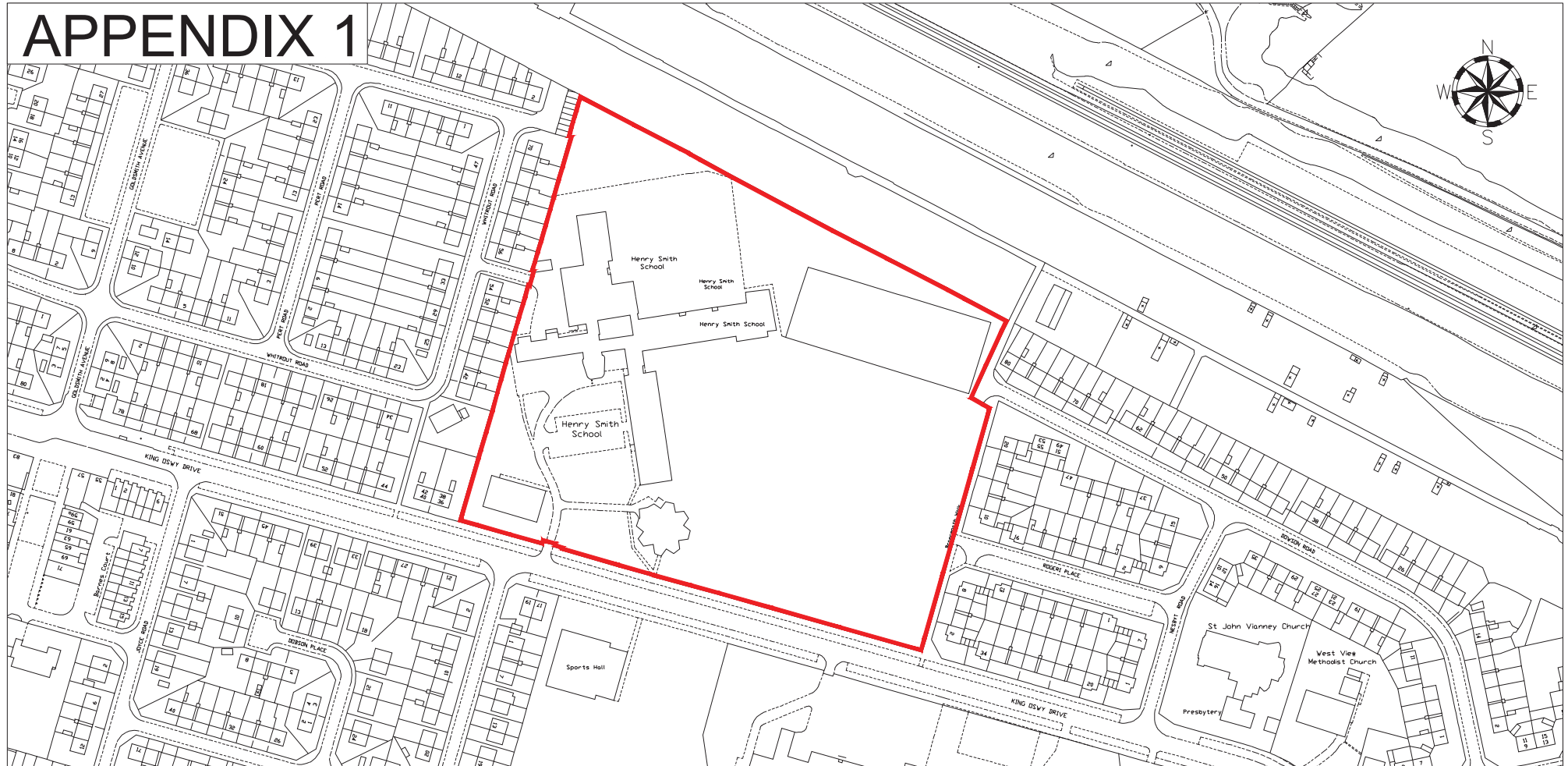
**12. BACKGROUND PAPERS**

- 12.1 There are no background papers to this report.

**13. CONTACT OFFICER**

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# APPENDIX 1



LOCATION	Former Henry Smith's School Site, King Oswy Drive, Hartlepool AREA - 38,088.19 sq/m			DRAWN BY CT		DATE 18/06/09	
				SCALE 1:2500			
DEED PACKET	Various	OS MAP	NZ 4935SE/ SW	DRWG NO E/G/296			



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## **FINANCE AND CORPORATE SERVICES PORTFOLIO**

Report To Portfolio Holder  
12<sup>th</sup> September 2012



**Report of:** Assistant Director (Resources)

**Subject:** THE JOINT MARKETING AND DISPOSAL OF LAND  
AND BUILDINGS AT FRIARAGE FIELD AND  
MORRISON HALL ON THE HEADLAND

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### **1. TYPE OF DECISION/APPLICABLE CATEGORY**

1.1 Key Decision (test (i)) Forward Plan Reference No. RN 13/09.

### **2. PURPOSE OF REPORT**

2.1 The purpose of the report is to inform Portfolio Holder of the proposal to market the former Friarage Manor House and adjoining land on behalf of both Henry Smiths Trusts together with Morrison Hall which is owned by the Council.

### **3. BACKGROUND**

3.1 The Grade II Listed Friarage Manor House occupies part of a wider 0.8Ha site in two separate ownerships, the Henry Smith Educational Trust and the Henry Smith Non Educational Trust. (**Appendix 1**). The Trusts have been working with officers of the Council to identify solutions that would achieve the restoration of the Manor House and the redevelopment of the wider site with a bespoke housing development.

3.2 The Estates and Asset Manager has been appointed to market the land and building on behalf of both Trusts and it is projected that the properties will be placed on the market in September with a tender closing date in December 2012. A site marketing plan has been prepared (**Appendix 1**) and although the land is in two separate titles it is proposed that the sites are marketed together but as two separate lots. As such prospective purchasers can bid for the lots separately which complies with the requirements of the Charities Act and ensures that both Trusts obtain the correct apportionment of the capital receipt.

3.3 It has been agreed between the parties that the Henry Smith Educational Trust and the Council will initially pay for the marketing costs as the Educational Trust are unable to contribute due to their current finance situation. The Non-



Educational Trust have agreed to reimburse the Educational Trust and the Council out of the capital receipt that they receive for their property.

- 3.4 The Friarage Manor House has been included on the Council's derelict land list for a number of years and the course of action proposed would alleviate a range of problems associated with the site's derelict nature.
- 3.5 A sale of the land would also enable the Manor House to be converted and bought back in to use subject to the necessary planning consents which would lead to the property being removed from the Council's derelict land list.
- 3.6 In a bid to assist the Trusts' to fund the marketing process and to help facilitate the sale of another derelict building in the town it is proposed that the Council jointly markets Morrison Hall on the Headland at the same time. Marketing costs will be divided between the three parties. It is hoped that the joint marketing might bring renewed interest and possibly some innovative packages of development.

#### **4. PROPOSALS**

- 4.1 It is proposed that the Estates and Asset Manager undertakes a full joint marketing exercise on behalf of the Henry Smith's Educational & Non Educational Trusts of land and buildings as shown in **Appendix 1** together with Morrison Hall which is owned by the Council.

#### **5. RISK IMPLICATIONS:**

- 5.1 There is no risk to the Council in relation to the Friarage Manor House and development land due to these being in the ownership of the two Henry Smith Trusts. Any risk associated with these sites will fall to the Trusts.
- 5.2 If the Trust sites do not sell then the Council will have expended approximately £1000 which will not be recovered but will have the benefit of a land charge to ensure that the costs are recovered following a future land sale.
- 5.3 Should Morrison Hall not be sold or marketed there would be no significant increase in risk to the Council as the site is currently vacant.

#### **6. FINANCIAL CONSIDERATIONS**

- 6.1 Any capital receipt from the sale of Morrison Hall will contribute to the Council's overall capital receipts target of £4.5m as highlighted in the Medium Term Financial Strategy. The Council would be incurring costs on behalf of the Trust prior to achieving the receipt and although there is a financial risk to the Council should the receipt not be achieved this is likely to be negligible.

## **7. LEGAL CONSIDERATIONS**

- 7.1 There are no legal considerations for the Council although the Charities need to consider Sections 119-124 of the Charities Act which deals with the disposal of Charities assets.
- 7.2 The sale of Morrison Hall will be subject to a buy back provision so should the prospective purchaser not develop the property within a suitable timescale to be agreed then the Council will have the option to buy back the property at the lesser of Market value or the price that was originally paid by the purchaser.

## **8. ASSET MANAGEMENT CONSIDERATIONS**

- 8.1 The attention of the portfolio Holder is drawn to the Asset Management element of the Business Transformation Programme. The decision by Cabinet in January 2009 requires a commercial, proactive approach to be taken on Asset Management issues, the proceeds of this transaction being a contribution to the Medium Term Financial Strategy (MTFS).
- 8.2 The decision to adopt a commercial approach to asset management requires the Council to realise the full value of any properties or property rights that it disposes of.

## **9. EQUALITY AND DIVERSITY CONSIDERATIONS**

- 9.1 There are no equality or diversity implications.

## **10. SECTION 17 OF THE CRIME AND DISORDER ACT 1998 CONSIDERATIONS**

- 10.1 Section 17 Community Safety considerations – Development of the site will be subject to a formal planning application being submitted that will address any issues of crime and disorder. The future development will eradicate 2 key derelict buildings on the Headland so bringing community benefits.

## **11. RECOMMENDATIONS**

- 11.1 The Portfolio Holder is asked to note the report.

## **12. APPENDICES AVAILABLE ON REQUEST, IN THE MEMBERS LIBRARY AND ON-LINE**

- 12.1 Site Marketing Plan attached as **Appendix 1**.

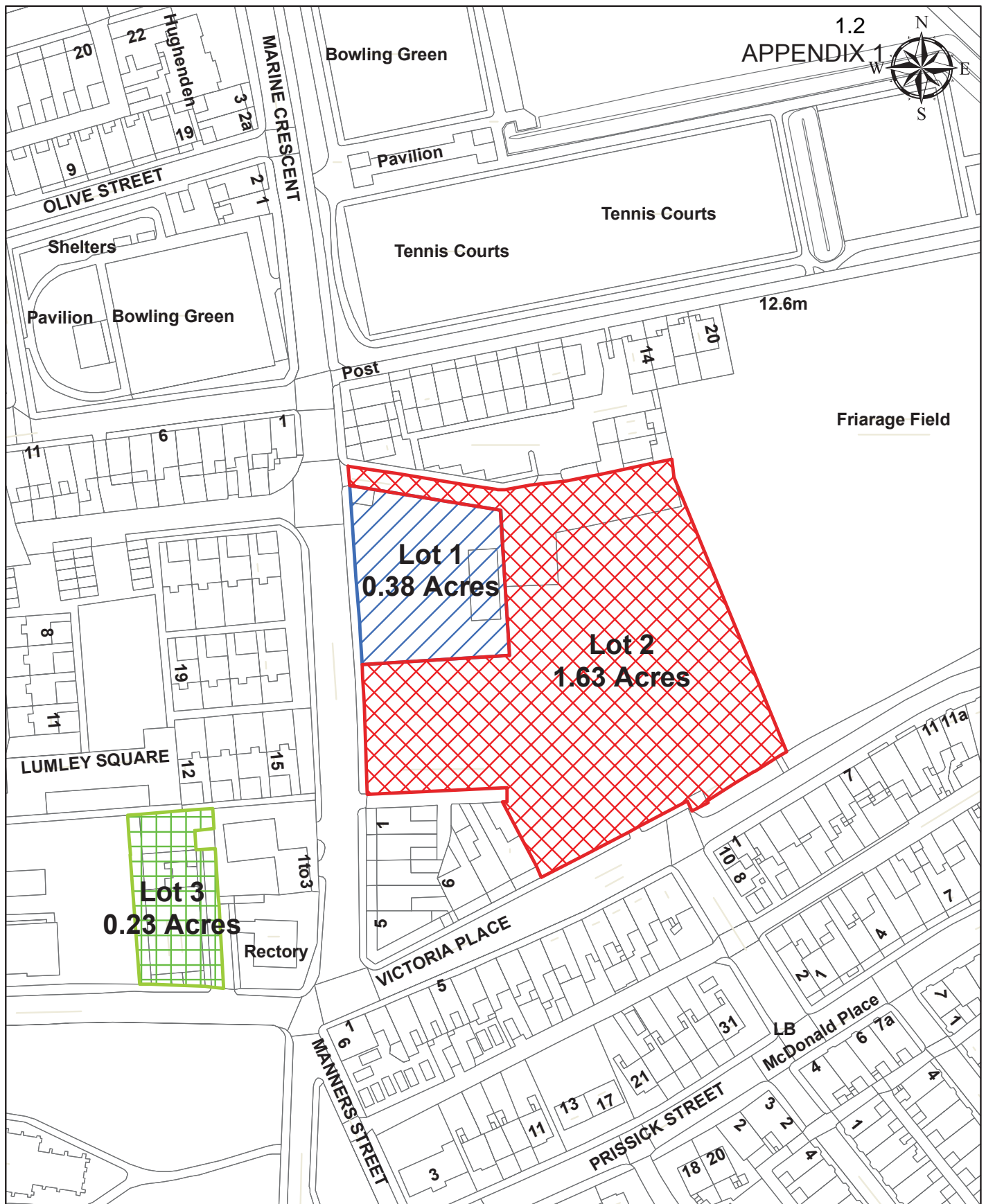
**13. BACKGROUND PAPERS**

13.1 There are no background papers to this report.

**14. CONTACT OFFICER**

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LOCATION Land at Friar Street/ Moor Terrace, The HeadlandHartlepool		DRAWN BY	CT	DATE	10/08/11
		SCALE		1:1250	
DEED PACKET -		OS MAP NZ 5233NE/ 5333NW		DRWG No	E/S/705



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# **FINANCE AND CORPORATE SERVICES PORTFOLIO**

Report To Portfolio Holder  
12<sup>th</sup> September 2012



**Report of:** Chief Finance Officer

**Subject:** TREASURY MANAGEMENT ADVICE  
ARRANGEMENTS

## **1. TYPE OF DECISION/APPLICABLE CATEGORY**

Non-Key Decision.

## **2. PURPOSE OF REPORT**

- 2.1 To detail proposals for extending the existing contract for Treasury Management Advice Services.

## **3. BACKGROUND**

- 3.1 The current Treasury Management Advice contract was awarded to Butlers. Butlers were acquired by Sector in October 2010 which effectively merged the two main providers of Treasury Management Advice to Local Authorities.

## **4. PROPOSALS**

- 4.1 There are a number of benefits that would arise from the continued provision of services by Sector. Sector provide a number of services to the council including Investment and Debt Management advice, up to date economic information and forecasts and advice on compliance with the Treasury Management Code of Practice and the Prudential Code. The required services have been maintained throughout the period and efficient working arrangements have been developed.
- 4.2 In the current economic climate, and uncertain market conditions, the Council needs an advisor who understands our positions and can help the Council manage in uncertain times. Owing to the value of the contract there is no real scope for making revenue savings, especially as the two major local authority advisors have merged.
- 4.3 However the real cost of the contract is the quality of the advice and support by the advisor. Over a sustained period the Treasury Advisors have helped

the Council achieve significant one-off benefits and ongoing savings in Treasury Management arrangements. This includes advice on restructuring debts prior to the housing stock transfer and ongoing advice to restructure debt to achieve recurring savings.

- 4.4 In the future advice and market intelligence will be needed to help manage the transition from the current strategy of netting down investments and borrowing to a strategy which addresses the underlying borrowing requirement by taking out new external loans. The timing of these decisions will be critical to the long term financial position of the Council. This will be a challenging position to manage given the historically low level of the Bank Rate and how the transition to a “normal” level of interest rates will be managed.

## **5. RECOMMENDATIONS**

- 5.1 It is recommended that the Portfolio Holder authorises the Chief Finance Officer to enter into negotiations with Sector to continue to provide Treasury Management Advice until 31 March 2014, and to conclude these negotiations if the cost is within the budget provision. If the contract cost will exceed the current budget provision a further report will be submitted before the negotiations are concluded.

## **7. REASONS FOR RECOMMENDATIONS**

To ensure the continuation of Treasury Management Services until 31<sup>st</sup> March 2014.

## **8. APPENDICES AVAILABLE ON REQUEST, IN THE MEMBERS LIBRARY AND ON-LINE**

None.

## **9. BACKGROUND PAPERS**

None.

## **10. CONTACT OFFICER**

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## **FINANCE AND CORPORATE SERVICES PORTFOLIO**

Report To Portfolio Holder  
12<sup>th</sup> September 2012



**Report of:** Chief Finance Officer

**Subject:** BANKING ARRANGEMENTS

### **1. TYPE OF DECISION/APPLICABLE CATEGORY**

Non-Key Decision.

### **2. PURPOSE OF REPORT**

- 2.1 To seek approval for an extension to the current banking arrangements to 31<sup>st</sup> March, 2014.

### **3. BACKGROUND**

- 3.1 The current banking contract was awarded to the Co-operative Bank in November, 2002 and in October 2011 the previous Portfolio Holder agreed an extension to the 31<sup>st</sup> March 2013 on the basis of satisfactory contract performance and soft market testing of the contract cost.

### **4. PROPOSALS**

- 4.1 The Council's banking arrangements from 1<sup>st</sup> April, 2013, therefore need to be determined. There are a number of benefits that would arise from the continued provision of services by the Co-operative Bank and it is proposed that the contract with the Co-operative bank be extended. The performance of the bank has been reviewed throughout the contract period. The required services have been maintained throughout the period and effective working arrangements have been developed.
- 4.2 The services provided by the bank are a major element in the Council's financial arrangements and the Council is in a period of significant internal change. A switch to another bank would require significant input from key Council staff that continue to be heavily involved in dealing with implementing the cuts in the overall budget and the development of business cases for a range of potential projects, for example the letting of the ICT Contract, relocation of Business Rates and implementation of a local Council Tax Support Scheme. Therefore, there are capacity issues and an opportunity cost from allocating key staff to support the transfer of the bank

contract and in practice this work would stretch over a nine month period. There would also be additional cash costs of changing the system and stationary.

4.3 Joint tendering continues to be explored as part of the collaboration exercise and extending the banking contract by a further year allows the Council to include the bank contract as part of collaboration without entering into a commitment that would delay the achievement of potential future savings. A joint tendering exercise for insurance has provided a significant ongoing saving which demonstrates the benefits of this approach.

4.4 Furthermore, owing to the volatility in the banking sector and the relatively low value of contracts there continues to be very limited market interest in local authority banking. Experience in other authorities suggests only one or two other banks are currently actively seeking new contracts with councils. Hopefully, this position will change over the next twelve to eighteen months.

## **5. RECOMMENDATIONS**

5.1 It is recommended that the Portfolio Holder authorises the Chief Finance Officer to enter into negotiations with the Co-operative Bank to continue to provide banking services for a further year from 1<sup>st</sup> April, 2013 and to conclude these negotiations if the cost is within the budget provision for this service. If the contract cost will exceed the budget provision a further report will be submitted before the negotiations are concluded.

## **6. REASONS FOR RECOMMENDATIONS**

To ensure the continuation of banking services until 31<sup>st</sup> March 2014.

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

None.

## **8. BACKGROUND PAPERS**

None.

## **9. CONTACT OFFICER**

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## **FINANCE & CORPORATE SERVICES PORTFOLIO**

**Report to Portfolio Holder  
12<sup>th</sup> September 2012**



**Report of:** Human Resources Business Partners

**Subject:** EMPLOYEE ATTENDANCE 2012/13 –  
1<sup>st</sup> QUARTER

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### **1. TYPE OF DECISION/APPLICABLE CATEGORY**

Non Key Decision.

### **2. PURPOSE OF REPORT**

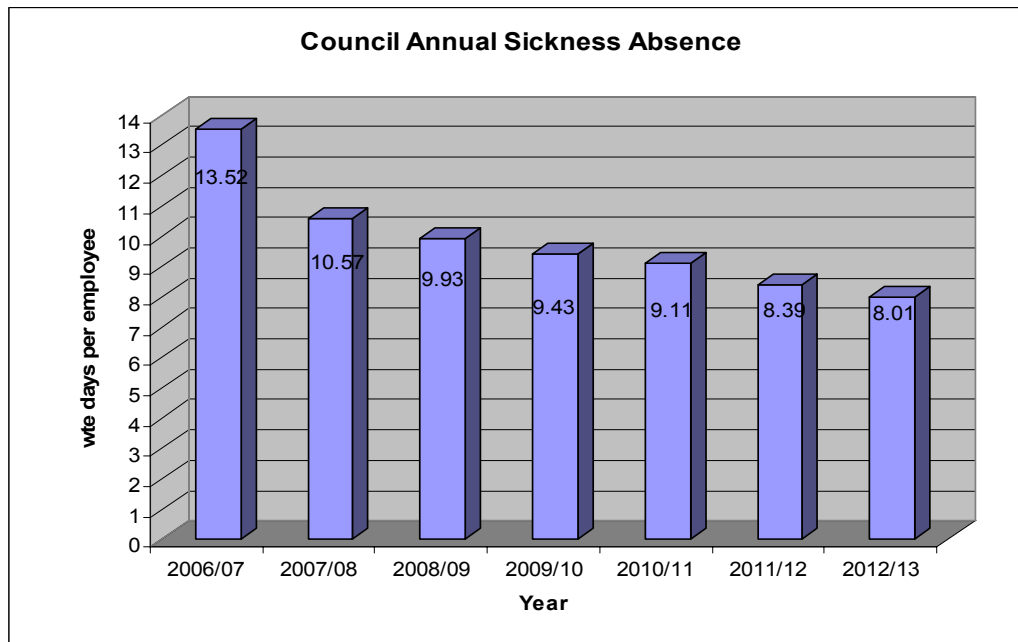
- 2.1 To update the Portfolio Holder on performance up to the first quarter of 2012/13 and actions taken, or planned, in relation to employee absence.

### **3. BACKGROUND**

- 3.1 The extent to which employees are absent from work due to illness has a direct impact on the quality, level and cost of the provision of services. As such the Council have included this as a Local Performance Indicator (HRPI 5A) – The number of working days/shifts lost due to sickness absence in its group of Corporate Health Performance Indicators.

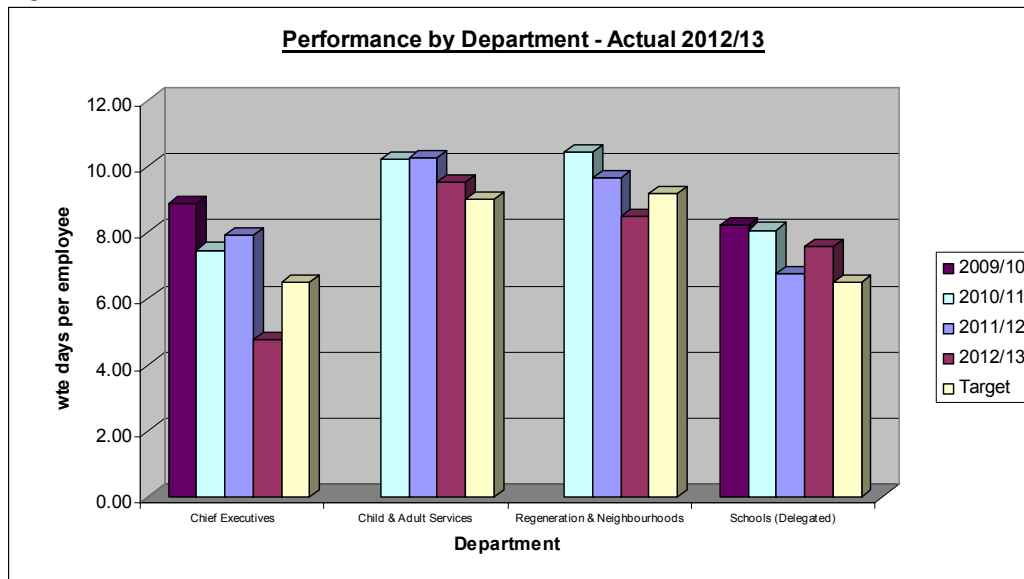
### **4. THE COUNCIL'S PERFORMANCE FOR THE 1<sup>st</sup> QUARTER OF 2012/13**

- 4.1 The target figure for 2012/13 for the Council is 7.70 days absence per wte employee (whole time equivalent). The actual sickness rate at the end of the 1<sup>st</sup> quarter shows we are slightly above target at 8.01 days per wte per employee per annum as illustrated in Figure 1 below. The Council continues to focus on sickness absence management to ensure the Council achieves its target of 7.70 wte average sickness per employee for the 2012/13 year.

**Figure 1**

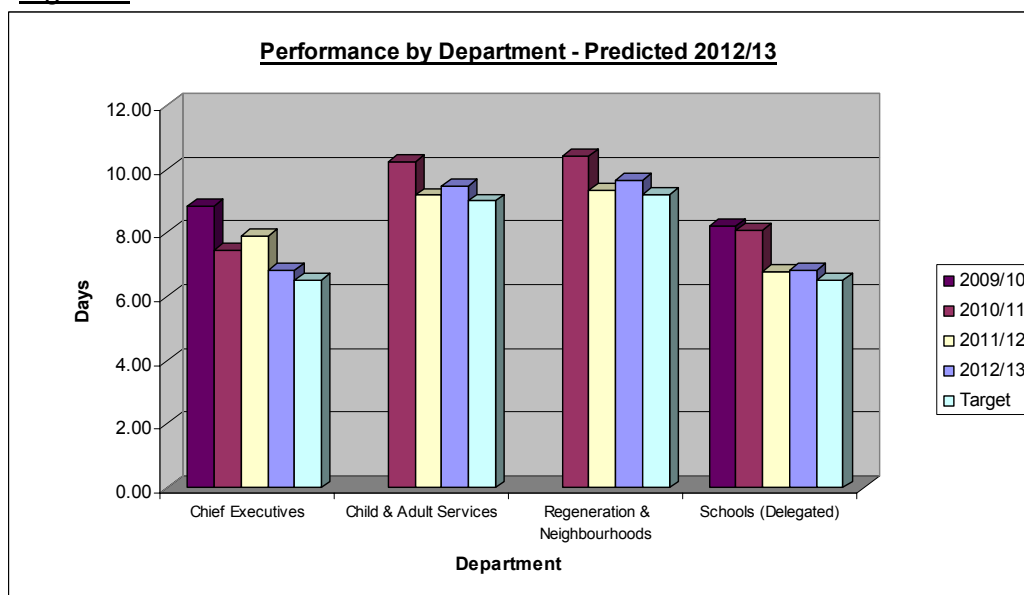
4.2 Figure 2 below illustrates the actual performance for each Department and Schools as at 30<sup>th</sup> June 2012. This can be compared to performance over the last three years for Chief Executives and Schools. The data for Child & Adult Services and Regeneration & Neighbourhoods shows the last two years rates due to the corporate restructure that formed the new Departments and therefore the lack of comparable data for 2009/10. The final column shows the 2012/13 annual target set by each Department and Schools.

The figure identifies that there is an overall downward trend in sickness absence rates across all compared with the last three years. It shows, at this stage in the year, the Council are slightly over the challenging target set for this year but expect through robust sickness absence management over the remaining months will meet its overall sickness absence target for the year. The current levels of sickness absence are still showing an improvement on the rates from 2011/12.

**Figure 2**

4.3 Figure 3 below identifies the end of year prediction figures for each Department and Schools as at 30<sup>th</sup> June 2012 and forecasts the performance as at 31 March 2013. This can be compared to the actual performance over the last three years. The final column shows the approved 2012/13 annual target for each Department, and Schools.

These figures illustrate that a decrease in sickness rates is needed for Departments and Schools to meet their targets set for 2012/13 as the current predicted levels of sickness are higher.

**Figure 3**

#### 4.4 Long, Medium and Short Term Sickness Absence Analysis

Figure 4 below shows a breakdown of long, medium or short term sickness absence in the Council for the past 6 years and up to 30<sup>th</sup> June 2012 for the 2012/13 year. The final column shows the impact this had on the overall Council sickness absence figure.

In 2012 there is a decline in long, medium and short term sickness absence which accounts for the overall downward trend for the Council. The Council ensures it targets resources to the management of long terms sickness absence cases which accounts for the majority of sickness. Overall this shows a year on year improvement in the management of sickness absence for the Council to date.

**Figure 4** Council Long Medium and Short Terms Sickness 1<sup>st</sup> Quarter Analysis 2012/13

Long term               = 20 days plus  
Medium term         = 5 to 20 days  
Short term             = under 5 days

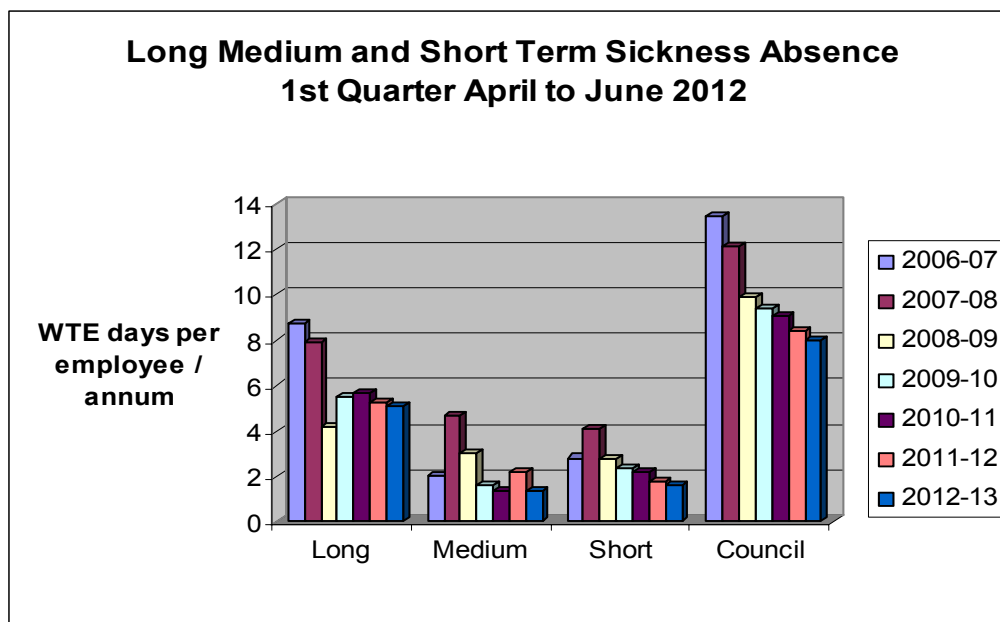
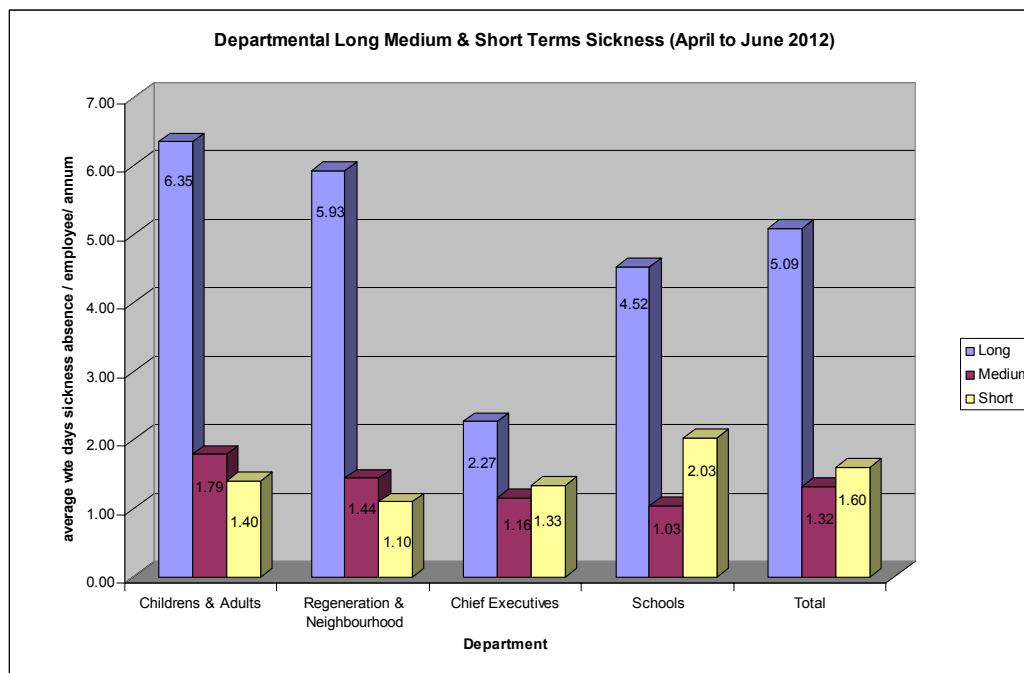


Figure 5: Departmental Long, Medium and Short Term Sickness 2012/13 (April to June 2012 figures)



As we can see from the information in Figure 5, long term sickness absence continues to account for the majority of the Council's sickness absence. As expected, the highest rates of long term cases are found in Child & Adult Services and Regeneration & Neighbourhood Departments and this will be where resources will be focused in the coming months.

#### 4.5 Corporate Actions for 2012/13

A number of actions are ongoing for 2012/13 and they are expected to help in achieving sickness targets in the future. These are set out below and it should be noted that many are long term strategic actions so they will remain valid over time.

##### Policy Actions

- Continued review of the Council's Wellbeing Strategy to promote the health, safety and general wellbeing of the Council's employees. The Council continues to be very active for the healthy workforce from fast track physiotherapy, wellbeing sessions, weight management groups, non-smoking groups, health checks, and the introduction of the cycle salary sacrifice scheme
- Continue to proactively promote and market Occupational Health Services and employee support initiatives to positively increase

the options for employees who fall ill and in turn, impact on the sickness absence rates

- Ongoing development of the Council's commitment to managing stress at work as part of a wider Mental Health strategy across the Council
- Continuous review of the Council's sickness absence policy and management arrangements
- Explore withholding or deducting an employee's annual pay spine increments for poor sickness absence records
- Review and development of statistics and monitoring information as a result of the plans for the implementation of a computerised Human Resources Information System (Resource Link)
- Continue to promote flexible working measures, including home working, may impact on the rates in the future
- Maintain the close partnership with trade unions to work together to manage sickness absence in the Council

#### Departmental Actions / HR Business Team Actions

- Continued attendance of HR Business Officers to senior departmental and management team meetings updating them of sickness cases and management performance for sickness absence management
- Monitoring of sickness at lower trigger points of 3 sickness occasions / 10<sup>th</sup> day of sickness in previous 12 months
- Continued provision of absence management tool kit for line managers
- Continued provision of Sickness Absence Management training for all managers developed and facilitated by the HR Business Team
- Focus on early intervention home visits for those employees likely to be suffering from medium / longer term illness to ensure contact is made at the earliest opportunity to offer support and if appropriate to discuss a return to work plan or referrals triggered where appropriate
- Director / Assistant Director reinforcement of key messages to managers and employees for effective sickness absence management of cases and the need for early notification to HR Business Teams of potential long term sickness cases

## **5. RECOMMENDATIONS**

That employee absence in the first quarter of 2012/13 and actions taken, or planned, are noted.

## **6. BACKGROUND PAPERS**

None

**7. CONTACT OFFICER**

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## **FINANCE AND CORPORATE SERVICES PORTFOLIO**

Report To Portfolio Holder  
12<sup>th</sup> September 2012



**Report of:** Assistant Director (Resources)

**Subject:** RATING APPEALS UPDATE

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### **1. TYPE OF DECISION/APPLICABLE CATEGORY**

1.1 Non key decision, information only.

### **2. PURPOSE OF REPORT**

2.1 To update Portfolio Holder on the progress of rating appeals.

### **3. BACKGROUND**

3.1 In December 2009, Sanderson Weatherall were appointed as rating advisers to the Council with a remit to review and make appeals on all Council occupied property in both the 2005 and 2010 rating lists.

3.2 Sanderson Weatherall commenced work immediately and a previous report in December 2010 detailed the savings made to that date, both one-off savings from the 2005 List and mainly ongoing savings from the 2010 List.

3.3 Appeals on the 2005 List have now been finalised but are going in relation to the 2010 List.

### **4. FINANCIAL CONSIDERATIONS**

4.1 The work carried out by Sanderson Weatherall has resulted in substantial refunds and ongoing savings. These are summarised below.



- In 2010/2011 there was £196,000 total net one-off savings achieved primarily relating to appeals against the 2005 list. As approved in the 2010/2011 outturn strategy it was agreed that this amount would be earmarked to fund costs arising from the Government's Carbon Reduction Commitment (CRC) Scheme to be used to fund costs in 2011/12 and 2012/13.
  - In 2011/12 there was a further £110,000 total net one-off savings achieved from a combination of appeals against the 2005 and 2010 list. As previously approved, and to ensure sufficient funding to cover expenditure commitments in 2011/12 and 2012/13 this amount was transferred to the CRC reserve.
  - In addition to the above one-off savings the appeals against the 2010 list have achieved ongoing budget savings totalling £32,000. These have been counted against the 2012/13 Business Transformation target and have been included as part of the 2012/13 budget strategy.
- 4.2 In addition to the direct financial benefit to the Council detailed above, Sanderson Weatherall has also secured rating reductions and one-off benefits to schools. In 2010/11 and 2011/12 the one-off savings relating to schools totalled £167,000.

## **5. EQUALITY AND DIVERSITY CONSIDERATIONS**

- 5.1 There are no equality or diversity implications.

## **6. SECTION 17 OF THE CRIME AND DISORDER ACT 1998 CONSIDERATIONS**

- 6.1 There are no implications under Section 17.

## **7. RECOMMENDATIONS**

- 7.1 Report is for information only.

## **8. BACKGROUND PAPERS**

- 8.1 There are no background papers to this report.

**9. CONTACT OFFICER**

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