

REGENERATION AND PLANNING SERVICES SCRUTINY FORUM AGENDA



8th November 2012

at 3.00 pm

in Committee Room B

MEMBERS: REGENERATION AND PLANNING SERVICES SCRUTINY FORUM:

Councillors Ainslie, Cranney, Dawkins, Hall, Payne and Wells

- 1. APOLOGIES FOR ABSENCE**
- 2. TO RECEIVE ANY DECLARATIONS OF INTEREST BY MEMBERS**
- 3. MINUTES**
 - 3.1 Minutes of the meeting held on 11 October 2012
- 4. RESPONSES FROM THE COUNCIL, THE EXECUTIVE OR COMMITTEES OF THE COUNCIL TO FINAL REPORTS OF THIS FORUM**

No items
- 5. CONSIDERATION OF REQUEST FOR SCRUTINY REVIEWS REFERRED VIA SCRUTINY CO-ORDINATING COMMITTEE**

No items



6. **CONSIDERATION OF PROGRESS REPORTS / BUDGET AND POLICY
FRAMEWORK DOCUMENTS**

- 6.1 Regeneration and Planning Services: Medium Term Financial Strategy
(MTFS) 2013/14 to 2016/17 – Initial Consultation Proposals – *Scrutiny
Support Officer*

7. **ITEMS FOR DISCUSSION**

No items

8. **ISSUES IDENTIFIED FROM FORWARD PLAN**

No items

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

ITEMS FOR INFORMATION

- i) **Date of Next Meeting 13th December 2012, commencing at 3.00pm in
Committee Room B**



REGENERATION AND PLANNING SERVICES SCRUTINY FORUM

MINUTES

11 OCTOBER 2012

The meeting commenced at 3.00 pm in the Civic Centre, Hartlepool

Present:

Councillor Ged Hall (In the Chair)

Councillors: Jim Ainslie, Kevin Cranney and Robbie Payne.

Also Present: Councillor Paul Beck.

Iain Wright MP
Kaye Rideout and Callum McPherson, Advanta
Lucy Fox, Triage Central
Paul Smissen, Ingeus

Officers: Damien Wilson, Assistant Director, Regeneration and Planning
Antony Steinberg, Economic Regeneration Manager
Patrick Wilson, Employment Development Officer
James Walsh, Scrutiny Support Officer
David Cosgrove, Democratic Services Team

22. Apologies for Absence

Apologies for absence were received from Councillor Keith Dawkins.

23. Declarations of interest by Members

None.

24. Minutes of the meeting held on 13 September 2012

Confirmed.

25. Responses from the Council, the Executive or Committees of the Council to Final Reports of this Forum

No items.

26. Consideration of request for scrutiny reviews referred via Scrutiny Co-ordinating Committee

No items.

27. Quarterly Housing Services Report *(Assistant Director (Regeneration & Planning))*

The Assistant Director, Regeneration and Planning gave the forum a detailed update on the progress across key areas of the Housing Service relating to empty homes, enforcement activity, Selective Licensing, Disabled Facilities Grants, housing allocations and housing advice and homelessness prevention during the first quarter of 2012/12.

The Assistant Director specifically highlighted the implementation of the Empty Property Purchase Scheme as approved by Cabinet in March 2012. An application was submitted to the HCA Clusters of Empty Homes Fund with the intention of furthering this scheme. The Council was successful in securing this funding and secured £2.6 million from the HCA to be match funded by the Council. The scheme will result in the acquisition of 100 empty homes over 2 years. Refurbishment works will be completed by Facilities Management and Housing Hartlepool will manage the properties into the future. The properties will be let at an affordable rent. Within Quarter 1 of 2012/13, 5 properties had been acquired through this scheme and refurbishment works on these properties commenced in September 2012.

The Assistant Director also indicated that enforcement action was much more proactive, targeted at empty and untidy buildings, but also statutory checks that were required, such as gas safety and electrical certificates. This was being enforced rigorously with the landlords of 53 properties being pursued to ensure compliance in the first quarter.

The Chair questioned the extension of the selective licensing areas, particularly in relation to the consultation that was undertaken, as it was clear from the new regulations that local authorities needed to ensure the process had been completed properly to ensure that a designation would not be open to legal challenge. The Assistant Director commented that during the recent reorganisation of Housing Services, one of the checks undertaken was to ensure that the current designation was legally compliant. The process to extend the designation to other areas would need to be based on evidence that the current designation had proved successful for any proposed extension to be recommended for approval. This was one of the reasons behind the decision not to extend the designated area 18 months ago.

The Assistant Director commented that selective licensing could not be hailed as the solution to all the social ills. Neighbourhood Policing had had an impact that residents were also noting. Feedback from residents was encouraging as they recognised that the work was having an effect. Collating

a comprehensive evidence base to show that the scheme had worked would back up any proposed extension.

There was concern in the meeting at the potential effects that could be experienced through the changes to benefits from next April were also discussed. There was an expectation that the numbers of people, particularly young people coming forward for advice could increase significantly.

The potential of bringing the Housing Services Team back into the Civic Centre was raised by Members. It was acknowledged that having a single point of contact with benefits advice could be beneficial but there were issues related to the lease of the current premises that needed to be considered. Members raised a couple of specific cases with the Assistant Director which he indicated that he would follow up outside of the forum.

The Chair in concluding the debate commented that there would be some severe pressures placed on elected Members in the forthcoming months through the changes to the benefits system.

Recommended

That the report be noted.

28. Scrutiny Investigation into the JSNA topic of Employment - Evidence from the Town's MP (*Scrutiny Support Officer*)

Iain Wright, Member of Parliament for Hartlepool was in attendance at the meeting and addressed the Forum on the issues of employment and under-employment. The MP commented that one of the main issues for Hartlepool was the size of its economy which was significantly smaller than the North east and UK averages, as was economic activity. Youth unemployment rates were significantly high with many young people caught in the 'Catch 22' of not being able to get a job because of a lack of experience and not being able to get experience because they can't get a job.

The MP indicated that long-term unemployment was also a major issue and the town also had a disproportionate reliance on large employers such as the Council and the NHS. There was, however, huge potential in the town and the new 'old' large-scale engineering industries, such as green energy had the means to change the future for employment in the town.

The MP did feel that there needed to be much work done in encouraging the growth of small businesses in the town. The MP suggested that schemes as diverse as entrepreneurs going into primary and secondary schools and free or low cost start up units needed to be considered by the Council. The Council had a first class economic development team which the MP considered should be protected in the forthcoming budget cuts. As shadow Business Minister, Iain Wright considered that the advice and resources available to new businesses in particular were very disparate and a 'one-stop shop' approach should be considered as a way forward.

The MP also expressed his views against the government's programmes to move people off benefits and indicated that a large proportion of his workload was centred around benefit issues. The MP commented on the development of voluntary sector service providers and also social enterprises and mutuals which he considered to be a positive part of 'the big society'. He did not fully endorse though, the social enterprise operated by the Fire Brigade.

The Chair commented that all the scrutiny investigations this year were linked by the JSNA (Joint Strategic Needs Assessment) and Members were looking at the inter-connectivity of services with a view to avoiding working in 'silos'. Health and employment were two issues that were closely linked; people simply tended to feel better if they were in permanent employment. The MP did comment that he had looked at the JSNA documents on-line and was disappointed that these pages had not been updated and were bereft of any statistical evidence that would support the recognised importance of employment in helping improve health inequalities.

Members drew the MP's opinion on social enterprise and women in enterprise. The MP indicated that the voluntary sector had a vital part to play in delivering support and they were often the groups on the ground close to those in need and also trusted by those people. In essence you do get more 'bang for your buck' with the voluntary sector.

In relation to women involved in enterprise, the MP indicated that the statistics revealed more women were starting up businesses than men, though there was no explanation as to why. With modern technology and only a small amount of assistance women appeared to be able to develop small businesses quite quickly and profitably. There was still an expectation that businesses must always succeed first time, unlike the American approach. Too many considered that a business failure was a reason to stop rather than part of a learning curve towards success.

The meeting briefly discussed the possible measures that may have to be taken by a future government and also the problems surrounding banks and lending to companies. Issues around education and training for the long-term benefit of the economy were discussed with Members expressing concern at the lack of vocational skills training and the over-reliance on a university education. The Assistant Director, Regeneration and Planning commented on the banking issues indicating that he was aware of good businesses being adversely affected by decisions made within banks hierarchy.

Members questioned how many businesses were being adversely affected by big companies deliberately paying bills late and damaging smaller businesses cash flow. It was noted that the Council had a policy of paying all its bills within seven days to ease just this problem. The MP commented that it could be the measure of a good business how it dealt with its suppliers and if paid its bills on time.

The representative from Avanta commented that they had assisted the start

up of nine small businesses last month. They would look to, with the Council's support, going into schools to assist in the preparation of young people for the world of work. In relation to women in business, Avanta had noted that there were many advantages for women starting their own business as it was much easier to work around child care arrangements for example.

The Chair thanked the Member of Parliament and all those that had contributed to an interesting debate.

Recommended

That comments raised during the debate be noted.

29. Department for Work and Pensions' (DWP) Work Programme - Update on Progress *(Scrutiny Support Officer)*

The Chair welcomed the representatives from Avanta, Triage Central and Ingeus to the meeting. The Scrutiny Support Officer reported that in Hartlepool the Prime Contractors for the DWP Work Programme were Avanta Enterprise Ltd and Ingeus UK Ltd, with the local subcontractor being Triage Central Ltd, whose role it was to "support, training, work preparation and job opportunities" and "to help people in receipt of benefits progress back and into work."

The representative from Avanta added to the DWP definition indicating that as well as supporting people back into work, they were also tasked with supporting them for the first two full years at work as well. The contract was not about simple numbers of people through a door; there were set parameters for Avanta to meet. Services were tailored to the individual and if specialised services were needed, then they would be brought in. The aim was to provide as many people as possible with sustained employment.

The representative from Ingeus indicated that the company had a contract with the DWP to provide services in Tyne and Wear and provided services in Hartlepool through its sub contractor Triage Central. In a similar fashion to Avanta it was indicated that services to the unemployed were very much tailored to the individual and most definitely not a one size fits all approach.

A Member expressed the view that there had been excellent services provided by the voluntary sector prior to the new DWP contracts. Local groups has supported the Avanta bid for the contract but had not received any sub contract work despite having over twenty years experience of providing similar services to their local communities. The Avanta representative commented that they had looked to work with local groups but none submitted any expressions of interest through their website. The prime providers indicated that they were happy to widen their supplier base and work with local groups and questioned how that could be best achieved. It was suggested that the local authority should play a role in seeking to support such arrangements.

Members questioned the ongoing support provided by the prime providers to those who did find employment. The provider companies indicated that they

supported people for up to the first two years of their employment to ensure they fully transitioned from unemployment into work. Members commented that they understood that people could be offered employment up to 90 minutes travel away from where they lived and questioned how they would support people in such situations where they could see a sizeable proportion of their take home pay being taken up by travelling expenses.

The representative from Ingeus indicated that support was given to those with travel issues through, for example, liaising with community transport providers or even as far as helping people move to a closer community. People had, through their work, gained work in Redcar and had moved from Newcastle to facilitate that employment.

The Employment Development Officer commented that there were around 180 young people currently unemployed over five years. Work was ongoing with schools and colleges in the town to target potential groups that may become NEET (not in education, employment or training). There was the issue of almost competing with each other when approaching employers in the town seeking potential employment or training opportunities. A more coordinated approach may assist all involved in seeking employment for the unemployed. Members supported the comments and indicated such an approach may protect those seeking employment from the more unscrupulous employers that simply took 'supported' trainee after trainee.

The Chair indicated his support for the local authority and the prime providers working in a more collaborative approach as all were seeking the same outcomes. The structure did, however, to an outsider look somewhat confusing with prime providers and sub contractors. The representative from Ingeus commented that he did feel there was some scope for working together and acknowledged that there may be some scepticism surrounding the contracts. The providers were simply trying to prepare people as best they could for employment for employers with vacancies and then ensuring that employment didn't collapse in the first two years for the lack of simple support. All the prime providers indicated that they would welcome Members visiting to observe the work that they undertook.

It was highlighted that the people that came to the providers had already been through the job centre system and had been unemployed for 12 months. There was no cherry-picking of clients, they providers had to seek employment for all that came to them. All the prime provider representatives offered an open invitation to the forum to come to see the work they undertook with the long term unemployed. The representatives indicated that they were open to being held to account for the work they undertook. The government already expected that 45% of all those referred to them would not gain full-time employment; their aim was to prove that expectation wrong.

When questioned on the specifics of their contracts, the representatives indicated that the value of their contracts were specified on their websites but did not share that information with the meeting. They did, however, indicate that a first data release was imminent on the service provided to date.

The Chair thanked the representatives for their attendance at the meeting and sharing their views with the forum and hoped that they would look to further collaborative work with the council as discussed.

Recommended

That the report and the discussions be noted.

30. The Executive's Forward Plan (*Scrutiny Support Officer*)

The Scrutiny Support Officer submitted details of the key decisions contained within the Executive's Forward Plan (October 2012 – January 2013) relating to the Regeneration and Planning Services Scrutiny Forum. Members commented that while not wishing to see a formal report in relation to the Innovation Fund, they did wish to receive an update circulated to them prior to the next meeting.

Recommended

That the report be noted.

The meeting concluded at 5.20 p.m.

CHAIR

REGENERATION AND PLANNING SERVICES SCRUTINY FORUM

8 November 2012



Report of: Scrutiny Support Officer

Subject: REGENERATION AND PLANNING SERVICES:
MEDIUM TERM FINANCIAL STRATEGY (MTFS)
2013/14 TO 2016/17 - INITIAL CONSULTATION
PROPOSALS

1. PURPOSE OF REPORT

- 1.1 To provide the opportunity, as part of the consultation process in relation to the development of the Council's Medium Term Financial Strategy (MTFS) for 2013/14 to 2016/17, for the Regeneration and Planning Services Scrutiny Forum to consider initial proposals in relation to those service areas of the Regeneration and Neighbourhoods Services Department's budget that fall within its remit.

2. BACKGROUND INFORMATION

- 2.1 At the meeting of the Scrutiny Co-ordinating Committee held on 19 October 2012 it was agreed that, as in previous years, consideration of the budget proposals would be split to enable each standing Scrutiny Forum to look in detail at the service areas that fall within their remit. Any comments / observations to then be fed back to the Scrutiny Co-ordinating Committee on the 7 December 2012, to enable a formal response to be presented to Cabinet on 17 December 2012.
- 2.2 As a starting point for the 2013/14 budget process, Cabinet on the 4 October 2012 considered a detailed report in relation to the development of the Council's Medium Term Financial Strategy (MTFS) for 2013/14 to 2016/17 and approved details of the consultation process and timetable for consideration of the Executives proposals. In addition to this, it was also brought to the Cabinet's attention that, over and above dealing with core budget issues, the Local Authority will also have to address:-
- the impact of significant national changes in the funding system for Local Authorities which the Government are introducing from April 2013, covering Council Tax Benefit Reform and the re-localisation of business rates. Furthermore, the Council needs to address financial risks arising from these changes.

- 2.3 Overview and Scrutiny involvement in the consultation process commenced at the Scrutiny Co-ordinating Committee meeting on the 19 October 2012, at which consideration was given to the report received by Cabinet on the 4 October 2012. The Committee looked in detail at the report and discussed at length the ongoing budget deficit, approving the submission of the initial proposals contained within the report to the relevant Standing Scrutiny Forums for further detailed consideration.
- 2.4 In accordance with the wishes of the Scrutiny Co-ordinating Committee, the Regeneration and Planning Services Scrutiny Forum is today being asked to look in detail at the initial proposals in relation to those service areas within the Regeneration and Neighbourhood Services Department that fall within its remit. Details of these initial proposals are contained within the following appendices:-
- Appendix A** – Budget Pressures; and
Appendix B – Saving Proposals.
- 2.5 Where individual budget items were identified to be considered as part of a Forums work programme, greater detail in relation to the proposed savings may have been presented at an earlier meeting of the Forum.
- 2.6 To assist Members of this Scrutiny Forum in the consideration of the initial proposals, arrangements have been made for the Assistant Director of Regeneration and Planning to be in attendance and an invitation to this meeting has also been extended to the relevant Portfolio Holder(s) (attendance subject to availability).

3. RECOMMENDATIONS

- 3.1 It is recommended that the Regeneration and Planning Services Scrutiny Forum:-
- a) as part of the Budget and Policy Framework initial consultation proposals for 2013/2014, consider the pressures and saving proposals relating to the regeneration and planning services areas of service provision within the Regeneration and Neighbourhoods Services Department; and
 - b) formulates any comments and observations in relation to each to be presented by the Chair of this Scrutiny Forum to the meeting of the Scrutiny Co-ordinating Committee to be held on 7 December 2012 to enable a formal response to be presented to the Cabinet on 17 December 2012.

Contact Officer:- James Walsh – Scrutiny Support Officer
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BACKGROUND PAPERS

- (i) Report of the Corporate Management Team entitled 'Medium Term Financial Strategy (MTFS) 2013/2014 To 2016/2017' presented to Cabinet on 4 October 2012
- (ii) Minutes from Cabinet 4 October 2012
- (iii) Report of the Corporate Management Team entitled 'Medium Term Financial Strategy (MTFS) 2013/2014 To 2016/2017 – Initial Consultation Proposals' presented to Scrutiny Co-ordinating Committee on 19 October 2012

SCHEDULE OF 2013/14 PRESSURES

Description of pressure	Value of pressure £'000
<u>Income pressures</u> - these issues relate the 2.5% inflation increase included in the MTFS forecast which is not expected to be achieved for areas previously identified as shortfalls in the 2012/13 budget and addressed as budget pressures covering	
<u>a) Shopping Centre income inflation</u> Income depends on occupancy of shop units and it is not expected that the Council's share of rental income will increase in the current economic climate	24
<u>Loss of LPSA funding</u> The Independent Domestic Violence Advisor (£20k) and Men's Perpetrator Programme (£15k) are services included in the Domestic Violence specification, which has recently been commissioned. The Victims Services Officer (£20k) is linked to Neighbourhood teams and covers all crime categories.	55
Total Potential Pressure Identified	79

Regeneration and Planning Services Savings Proposals**Appendix B**

Scheme	Potential Saving 13/14	Potential Saving 14/15	Risk	Impact
Collaboration				
Changes in services and options in respect of reduced staffing and costs	50	110	M	The savings are largely dependent upon collaboration within Corporate Services and a smaller amount in Place. Savings through joint procurement exercises will be reliant upon how we can work jointly, the market place and gaining benefits from economies of scale. There may be impact on internal staff and the local economy. 13 / 14 savings rely upon potential "tactical / quick wins" from collaboration which will be challenging
Other Savings				
Restructuring operational changes and income generation in Regeneration and Planning	200	100	M	The impacts of achieving savings of this magnitude is that services will start to fail and statutory functions will not be delivered to the appropriate level. These include public health, planning and housing related statutory functions in addition there is a risk that no income will be generated.
Procurement, property and Support Services - Restructuring, improved contracting , property rationalisation and income generation	175	180	M	The savings rely upon income generation in relation to maintaining existing services / workflow with reduced resources and bringing in additional income from external clients such as Housing Hartlepool and Health and capital works through the Empty Homes project. Schools are a major client in respect of capital works and revenue income therefore the reform of school funding and levels of future capital investment pose risks to the fee earning requirements of non-budgeted areas.
TOTAL POTENTIAL SAVINGS	425	390		