

# SCRUTINY CO-ORDINATING COMMITTEE AGENDA



4 January 2013

at 1.00pm

in the Council Chamber, Civic Centre, Hartlepool

MEMBERS: SCRUTINY CO-ORDINATING COMMITTEE:

Councillors Ainslie, C Akers-Belcher, S Akers-Belcher, Beck, Cook, Fisher, Gibbon, Hall, James, Loynes, Payne, Richardson, Shields, Tempest, Wells and Wilcox.

1. **APOLOGIES FOR ABSENCE**
2. **TO RECEIVE ANY DECLARATIONS OF INTEREST BY MEMBERS**
3. **MINUTES**
  - 3.1 To confirm the minutes of the meetings held on 7 December 2012 (to follow)
4. **RESPONSES FROM THE COUNCIL, THE EXECUTIVE OR COMMITTEES OF THE COUNCIL TO REPORTS OF THE SCRUTINY COORDINATING COMMITTEE**

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

No items
6. **FORWARD PLAN**

No items

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

No items

**8. CONSIDERATION OF FINANCIAL MONITORING/CORPORATE REPORTS**

- 8.1 Quarter 2 – Strategic Financial Management Report 2012/13 – *Corporate Management Team*
- 8.2 Proposals for Inclusion in Council Plan 2013/14 - *Chief Executive and Director of Regeneration and Neighbourhoods*

**9. ITEMS FOR DISCUSSION**

- 9.1 Scrutiny Involvement in the Budget Consultation Process – Process Update – *Scrutiny Manager*

**10. CALL-IN REQUESTS**

No items

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

**ITEMS FOR INFORMATION**

- i) **Date of Next Meeting 18 January 2013, commencing at 10.00am in the Council Chamber**

# SCRUTINY CO-ORDINATING COMMITTEE

4th January, 2013



**Report of:** Corporate Management Team

**Subject:** QUARTER 2 – STRATEGIC FINANCIAL  
MANAGEMENT REPORT 2012/2013

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## SUMMARY

### 1. PURPOSE OF REPORT

1.1 The purposes of the report are:

- i) to provide details of the reserve review requested by Cabinet in September;
- ii) to provide details of progress against the Council's overall revenue budget for 2012/13 and the in year savings targets set by Cabinet;
- iii) to provide details of the Early Intervention Grant Outturn;
- iv) to provide details of progress of achievement of capital receipts against the target; and
- v) Quarter 2 Capital Programme Monitoring.

### 2. CONSIDERATION OF ISSUES

2.1 A separate report has not been prepared for your Committee as a comprehensive report was submitted to Cabinet on 19<sup>th</sup> November, 2012 (**Appendix 1**).

### 3. RECOMMENDATIONS

3.1 Members consider the report.

# CABINET REPORT

19th November 2012



**Report of:** Corporate Management Team

**Subject:** Quarter 2 - Strategic Financial Management Report

## 1. TYPE OF DECISION/APPLICABLE CATEGORY

Non Key Decision.

## 2. PURPOSE OF REPORT

2.1 The purposes of the report are:

- vi) to provide details of the reserve review requested by Cabinet in September;
- vii) to inform Cabinet of details of progress against the Council's overall revenue budget for 2012/13 and the in year savings targets set by Cabinet;
- viii) to inform Cabinet of details of the Early Intervention Grant Outturn;
- ix) To provide details of progress of achievement of capital receipts against the target; and
- x) Quarter 2 Capital Programme Monitoring.

## 3. BACKGROUND

3.1 The Medium Term Financial Strategy (MTFS) report in September highlighted the additional significant one off financial risks facing the Council over the next 4 years. These issues are in addition to ongoing budget deficits over the same period. A number of these issues will begin to impact from April 2013. Other issues have a longer lead time although these are still unavoidable commitments. These issues are summarised in the following table:

<b>Summary of Issues</b>	<b>£'000</b>
Proposed changes to formula grant	600
Changes to population figures	250
Business Rates Retention – Safety Net threshold risk and impact of power station	1,000
Forecast Redundancy and early retirement costs up to 2016/17	2,500
Provision for income shortfalls 2014/15	500
Provision for delayed implementation of planned 2013/14 and 2014/15 savings	500
<b>Total Additional Financial Risks</b>	<b>5,350</b>

- 3.2 In order to manage these financial risks and to avoid increasing the budget savings which will need to be made over the next 4 years a robust strategic approach needs to be implemented to manage and fund these risks. There are two components to this strategy.
- 3.3 The first component of the strategy was to undertake a further review of reserves and a target of between £2m and £2.5m was set.
- 3.4 The second component of the strategy set under spends targets for the current year for both corporate and departmental budgets.
- 3.5 An in-year savings target of £2m was recommended for corporate budgets and an in-year 2% savings target for overall departmental expenditure equating to £1.4m be allocated to individual departments as follows:

<b>Departmental Savings Target</b>	<b>£'000</b>
Child and Adult Services	800
Chief Executive's Department	180
Chief Executive's Department underspend allocated to fund ICT procurement costs	(80)
Regeneration and Neighbourhoods	500
<b>Total</b>	<b>1,400</b>

- 3.6 This report provides an update on progress against these targets.

#### **4. Review of Reserves**

- 4.1 Members will recall that a comprehensive review of reserves was carried out as part of the 2012/13 budget process and identified reserves which needed to be retained to manage previously identified risks and /or to fund known unavoidable commitments. Therefore, there is only limited scope for identifying further reductions in existing reserves.
- 4.2 The value of reserves at the 31st March was £49.988m. This includes reserves Held in Trust for schools which cannot be spent by the Council, Ring fenced Grants which can only be spent in accordance with the conditions of the grant, the Budget Support Fund which is committed against the 2012/13 MTFS and capital reserves earmarked to fund capital expenditure commitments rephased into 2012/13.
- 4.3 In addition, during the audit of the 2011/12 accounts the auditors identified two Earmarked Reserves which should have been accounted for as Provisions. This was not amended at audit as the auditor did not consider these to be significant, and it was agreed that this amendment would be actioned in the 2012/13 accounts and this reduces reserves by £1.273m.
- 4.4 When account is taken of the above amounts the net reserves available for review is £31.609m, as summarised below.

<b>Reconciliation</b>	<b>£'000</b>
Total Reserves 31.3.12	49,988
less Audit Adjustments - Transfer of Reserves to Provisions	(1,273)
	<b>48,715</b>
<u>Less Reserves Held in Trust/Committed</u>	
School Reserves	7,155
Ring Fenced Grants	1,971
Capital Reserves	6,775
Budget Support	710
Lotteries & Museums	495
<b>Total Reserves Available for Review</b>	<b>31,609</b>

4.5 Appendices A to D provide detailed schedules of the net reserves of £31.609m summarised above. These appendices provide an explanation of the risk individual reserves are earmarked to manage and the reason individual reserves need to be maintained. As previously reported reserves are held to manage a range of risks and many of these risks will occur in future years. It is therefore important to maintain these reserves to protect the Councils medium term financial position. These reserves can only be used once and when they are used any unfunded risks will need to be funded from the revenue budget.

4.6 The review of reserves is based on a detailed re-assessment of the risks individual reserves were originally earmarked for. This re-assessment of risk identifies which reserves need to be maintained, those that can be scaled back and those that are no longer needed. In total the re-assessment of risks has identified £2.280m of reserves which can be released to partly fund the forecast one-off strategic costs.

## 5 **2012/13 Forecast Outturn – Corporate Budgets**

5.1 The 2012/13 in year savings target for Corporate was set at £2m. Progress against this target is shown below:-

Savings Targets Set by Cabinet 03/09/2012 £'000		Range for Forecast In Year Savings 2012/13	
		From £'000	To £'000
2,000	Corporate ( Pay Award and Interest Saving)	2,000	2,000
0	Members Allowances	40	40
0	Corporate - Energy	150	300
<b>2,000</b>	<b>Corporate Total</b>	<b>2,190</b>	<b>2,340</b>

- 5.2 In relation to corporate budgets the in-year achievable savings includes the impact of the national decision not to have an April 2012 pay award. This position was not known when the 2012/13 budget was set and a prudent provision was included for a small pay award targeted at the lower paid, in line with the situation applying in other parts of the Public Sector. As this amount is now not needed there will be an in-year saving of around £0.9m. The ongoing benefit has already been reflected in the revised budget deficit figure for 2013/14.
- 5.3 In addition, it is expected that the Council should be able to continue to benefit from current interest rate structures by actively managing investments and borrowings. A comprehensive review of the Treasury Management Strategy is currently being undertaken. It is envisaged that this will identify an on-going saving of £1m, which can be taken in 2014/15.
- 5.4 Following the local elections in May and the subsequent appointment of Members to those positions which attract a special responsibility allowance (SRA), a projected saving of £0.040m is expected on Members allowances. This reflects the reduction in Cabinet Members from 7 to 3; reduction in Neighbourhood Chairs from 3 to 2 and 4 SRA's which are not currently being paid.
- 5.5 There is also expected to be a benefit from NEPO actions to secure lower gas and electric charges for 2012/13. However, this will depend on the weather conditions during the winter months.

## 6 2012/13 Forecast Outturn – Departmental

- 6.1 A comprehensive assessment of forecast in year savings has been completed for all areas against the savings targets set and approved by Cabinet on the 3<sup>rd</sup> September. This assessment is based on a detailed analysis of current expenditure levels, expected trends for the remainder of the year and information available at this time.
- 6.2 These forecasts reflect the continued action by departments to manage expenditure robustly to maximise financial flexibility and to assist the

achievement of the budget reductions which will be required in 2013/14. This includes keeping posts vacant to either enable permanent savings to be made, or to enable staff to be redeployed and avoiding other expenditure where this can be achieved without an adverse impact on services in the current year.

- 6.3 At this stage a range of forecast departmental outturns is anticipated which reflects potential seasonal factors over the remainder of the year. These forecasts are summarised below. The table shows a range of for forecast departmental outturns of £1.190m to £1.860m. The higher forecast reflects the highly unpredictable nature and cost of different services for disabled children with complex care needs, demographic pressures for Older People both in residential care and non-residential settings and the volatility of budgets areas which rely on income from fees and charges.

Savings Targets Set by Cabinet 03/09/2012  £'000	Department	Range for Projected In Year Savings for 2012/13	
		From £'000	To £'000
800	Child & Adult Services	490	810
100	Chief Executives Department	110	230
500	Regeneration & Neighbourhoods	590	820
<b>1,400</b>	<b>Corporate Total</b>	<b>1,190</b>	<b>1,860</b>

- 6.4 The forecast in year savings are supported by detailed Financial Management Statements by department which includes comments on material variances. These are set out in Appendices E to G.

#### 6.5 Creation of Departmental Reserves

The above outturn projection reflects the creation of the following reserves which need to be made to fund the phasing of income and expenditure between financial years.

Reserve	£'000
<u>Education Psychology</u> - Creation of reserve to cover funding for the service to the end of the academic year.	106
<u>Youth Offending Service</u> - The partnership budget includes Home Office Grant funding and Partner contributions, future funding is uncertain and it is proposed that the underspend is carried forward to 2013/14 to manage these risks.	62



Social Housing - Saving on borrowing costs from the Community Housing project. This permanent saving is earmarked from 2013/14 onwards to fund the borrowing costs associated with the expansion of the Empty Homes project approved by council on 18 <sup>th</sup> October, 2012.	80
<b>Creation of Reserves Total</b>	<b>248</b>

## 6.6 Summary of Reserve Review and Outturn Position

- 6.7 The previous paragraphs provided details of progress against the targets previously set for the reserve review and in year underspends. In total the management of these areas is forecast to achieve one off resources of between £5.345m and £6.165m, as summarised below:-

Targets Set by Cabinet 03/09/2012 £'000	Department	Range for Forecast In Year Savings 2012/13	
		From £'000	To £'000
2,500	Reserve Review	2,280	2,280
2,000	Corporate Budget	2,190	2,340
1,400	Departmental Budget	1,190	1,860
0	Empty Property Project *	(315)	(315)
<b>5,900</b>	<b>Grand Total</b>	<b>5,345</b>	<b>6,165</b>

\*In accordance with the Council resolution of 18<sup>th</sup> October 2012 part of the underspend may need to be earmarked to support this scheme.

- 6.8 As reported in September the additional financial risks facing the council at that time were estimated to be £5.35m. The one off resources forecast from the reserves review and robust management of 2012/13 budgets exceeds this amount. However, since the assessment of risk was undertaken in September additional risks have emerged as a result of changing Government policies, including potential changes affecting the Localisation of Council Tax Support, Council Tax Referendum thresholds and proposals to freeze Council Tax. Therefore, as reported previously it is recommended that the forecast uncommitted resources are not committed until the Government provide final details of these changes and also announce the 2013/14 Local Government Grant Settlement. This approach will provide one off financial flexibility to manage any unforeseen changes and ongoing uncertainty relating to Government policy changes.

## 7. Projected Grant Income to be Earmarked to fund 2013/14 Expenditure

- 7.1 As previously reported Department of Health and PCT budget arrangements have less year end flexibility to carry forward resources at the end of the financial year than local authorities. At a national level this often results in additional one-off funding from the Department of Health to councils being provided towards the year end. Similarly, the Council works closely with the local PCT to ensure resources allocated to the Hartlepool area are retained in

the town. To address these issues the Council carries forward this funding at the end of the financial year as an Earmarked Reserve to meet defined national and/or local spending priorities defined or agreed with the funders. This funding is for social care services that impact on health outcomes and has longer term benefits. The current estimate of the funding which will need to be carried forward as an Earmarked Reserve is £0.600m. The final amount is likely to be higher although the position will not be known until March 2013 when allocations are known.

- 7.2 Other grants may also be received in the current year to fund future year's expenditure. To date the known grants are Drug Action Team £0.100m and Street Innovation Fund £0.070m.

### **7.3 Early Intervention Grant**

- 7.4 The Government has recently announced national changes to the EIG, including the transfer of funding from the EIG into the Dedicated Schools Grant and the retention of EIG by Department for Education for central purposes. The impact of these changes on individual authorities will not be known until December 2012 when the Local Government Settlement and School Funding Settlement are known.

- 7.5 However, indicative figures provided by the Government indicate that Hartlepool's EIG will be reduced from £7.24 million in the current year to £6.09m in 2013/14; this is a reduction of £1.15 million, which equates to cut of 15% compared to a national reduction of 11%.

- 7.6 A favourable outturn variance within the Early Intervention Grant between £0.800m and £0.900m is expected. The main reasons are the staged implementation of the free nursery entitlement for 2 year olds offer and the delay in recruiting to vacant posts. It is proposed to create a Reserve at year end for any under spend to minimise the implementation and impact of future years funding reductions.

- 7.7 A detailed report on the effect of changes to the EIG is included in the MTFs report elsewhere on this agenda.

## **8. Statement of Accounts**

- 8.1 The Council is a complex organisation and the previous paragraphs provide an overview of the Council's financial position based on service and operational management arrangements. The management accounts provide financial accountability and transparency for different operational areas during the financial year. It also enables Members to make strategic financial decisions on individual operational areas to reflect specific funding requirements and service needs, as outlined in the previous paragraphs.

- 8.2 Where the Council is in receipt of specific grants but will not spend these in the current year the balances are transferred to earmarked reserves, current

projections indicate that £0.770m will be transferred as shown in the table below.

- 8.3 At the year end the statutory Financial Accounts consolidate this information to provide a summary of the overall financial position. The presentation of the statutory Financial Accounts follows defined international accounting practices which are designed to enable comparisons to be made between different councils.
- 8.4 These arrangements present financial information in a different way, although the underlying figures are the same. A reconciliation of the projected management accounts and statutory accounts is shown below:

Description	Contribution From		Total £'000
	General Fund In Year Budget Savings £'000	Specific Grants £'000	
Projected In Year Savings Corporate Budget	2,340	0	2,340
Projected In Year Savings Departmental Budget	1,860	0	1,860
Empty Property Project	(315)	0	(315)
<b>Contributions to Reserves</b>			
Education Psychology	106	0	106
Youth Offending Team	62	0	62
Major Repairs (Social Housing)	80	0	80
Early Intervention Grant (EIG)	0	900	900
Primary Care Trust (PCT)	0	600	600
Drug & Alcohol Team	0	100	100
Economic Regeneration	0	70	70
<b>Total Projection Contribution to Reserves</b>	<b>4,133</b>	<b>1,670</b>	<b>5,803</b>

\*

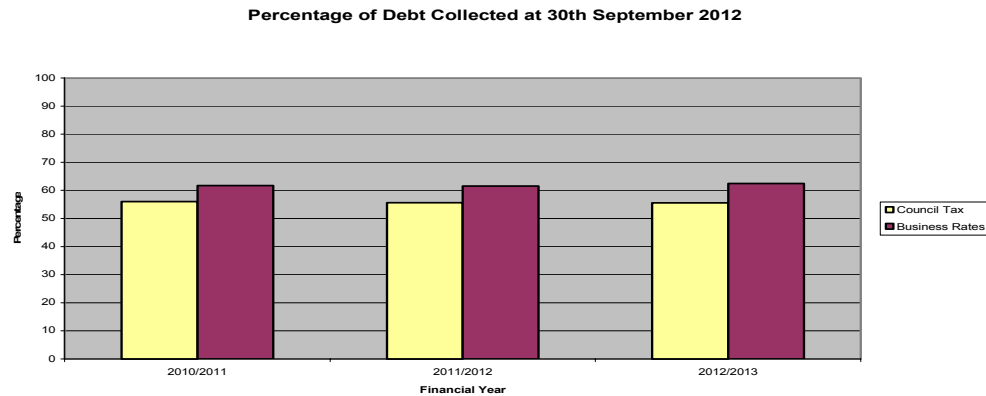
\* This is an estimated figure. Additional PCT allocations will not be known until late March 2013.

## 9. Key Balance Sheet Information

- 9.1 A Balance Sheet provides details of an organisation's assets and liabilities at a fixed point in time, for example, the end of the financial year or other fixed accounting periods. Traditionally local authorities have only produced a Balance Sheet on an annual basis. It is however appropriate to monitor the key cash balance sheet items on a more regular basis and these are summarised below:-

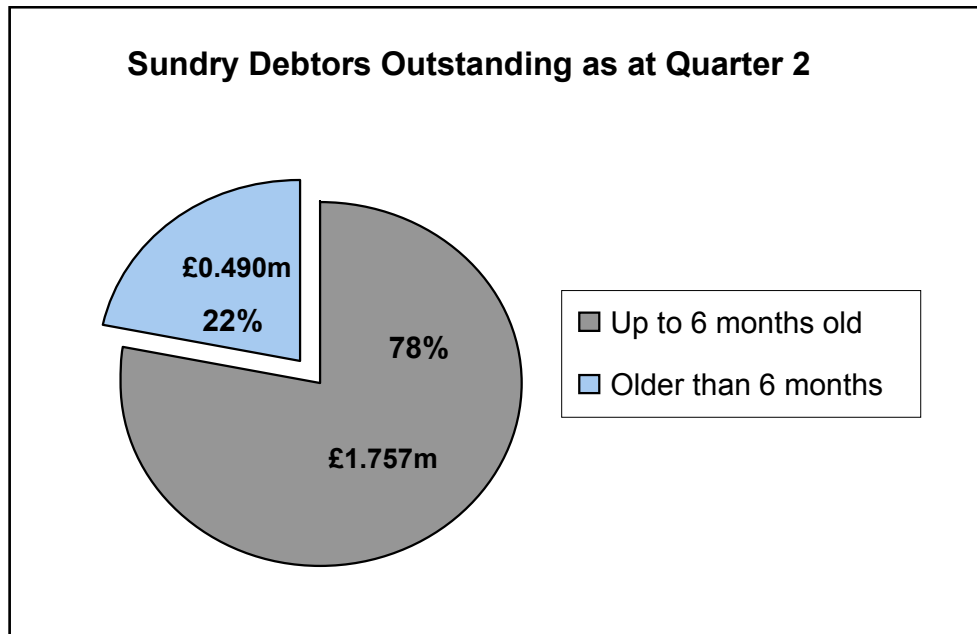
- 9.2 The Council's key debtors arise from the non-payment of Council tax. Business Rates and Sundry Debtors. These areas are therefore subject to detailed monitoring throughout the year. The position on Council Tax and Business

Rates are summarised below:-



9.3 The Council Tax collection rate is down slightly by 0.07% and the NNDR collection rate has increased slightly by 0.92% when compared to the same period last financial year.

The position in relation to Sundry Debtors is summarised below:-



Total Debtors at 30th September was £2.247m of this £1.757m (78%) relates to current debts which are less than 6 months old. The remaining debtors total £0.490m of this amount £0.446m (91%) are being either paid by instalments or subject to ongoing recovery action. Recovery action for the remaining 9% (£0.044m) has been exhausted and these may need to be written off as irrecoverable against the bad debt provision.

9.4 The Council’s borrowing requirement and investments are the most significant Balance Sheet items. Decisions in relation to the Council’s borrowing requirements and investments are taken in accordance with the approved

Treasury Management Strategy. No new long term borrowing has been undertaken since 31<sup>st</sup> March 2011 owing to prevailing interest rates. The Treasury Management Strategy has continued to net down investments and borrowings as this is the most cost effective strategy and reducing investment counter-party risk

## 10. **Progress Against Additional Capital Receipts Target**

10.1 A substantial amount of work has been undertaken to identify surplus land and property within the Council's portfolio. A capital receipts target of £4.5m was approved as part of the 2012/13 MTFs. As reported in February 2012 this amount is needed over the next 3 years towards funding one off strategic costs relating to :

- Redundancy and early retirement costs;
- Housing Market Renewal Costs;
- Land remediation costs; and
- Capital Investment requirements.

10.2 Members will recall the 2012/13 MTFs highlighted that achieving this level of capital receipts in the current climate will be challenging and need careful management. If capital receipts are not achieved as forecast, costs will need to be funded from Prudential Borrowing. This would result in an unbudgeted revenue cost.

10.3 The Director of Regeneration and Neighbourhoods indicated that though challenging there was demand from developers for development sites across Hartlepool. Therefore, the sites identified for disposal were considered attractive and should achieve the required capital receipts.

10.4 Land sales of £1.7m are anticipated to have been achieved by the end of 2012/13, including sales completed earlier than anticipated in 2011/12. In line with the agreed capital receipts strategy £0.8m of this funding has been used to purchase the ambulance station to facilitate the sale of a larger site and the purchase of the Focus Site in order to make possible the sale of Tanfield Road Nursery Site. This will maximise the value of the anticipated capital receipts. A further £0.2m is earmarked to fund the demolition of the Brierton School top site which is currently underway. Therefore it is anticipated that net capital receipts of £0.7m will be available by 31<sup>st</sup> March 2013 to fund previously identified commitments.

10.5 The capital receipts target for 2012/13 was previously set at £1.4m on the basis of forecast 2012/13 Housing Market Renewal (HMR) expenditure commitments. The latest assessment of the HMR Project indicates that costs will now be rephased into 2013/14 and as a result the capital receipts will not be needed until the next financial year.

10.6 The Council still needs to achieve the remaining net capital receipts target of £3.8m over the next two years to meet existing capital expenditure commitments. A number of capital receipts are currently progressing and are

anticipated to be completed in the early part of 2013/14. The achievement of capital receipts will continue to be managed carefully over the next two years.

## 11 Capital Monitoring 2012/13

11.1 The 2012/13 MTFS set out planned capital expenditure for the period 2012/13 to 2014/15. The overall in year capital budget has been updated to include expenditure rephased from 2011.12. This report provides details of the capital programme on a departmental basis.

11.2 Expenditure for all departments is summarised in the table below.

Department	2012/13	2012/13	2012/13	2013/14	2012/13
	Budget	Actual to 30/09/2012	Remaining Expenditure	Re-phased Expenditure	Variance from budget Adverse/ (Favourable)
	£'000	£'000	£'000	£'000	£'000
Adult & Community Services	1,563	289	1,368	0	94
Children's Services	12,248	1,784	6,553	3,911	0
Chief Executive	686	0	686	0	0
Corporate	2,297	468	1,829	0	0
Regeneration & Neighbourhoods	27,443	3,706	14,447	9,290	0
<b>Total Capital Expenditure</b>	<b>44,237</b>	<b>6,247</b>	<b>24,883</b>	<b>13,201</b>	<b>94</b>

11.3 The Table above shows actual expenditure to 30<sup>th</sup> September 2012 of £6.247m compared to the budget of £44.237m leaving £24.883m to be spent in 2012/13. Expenditure and resources of £13.201m will require rephasing into 2013/14.

11.4 The Table also currently shows an adverse variance of £0.094m on the Adult and Community Services departmental capital programme. This amount can be funded from the Social Care Transformation Capital Pot, which needs to be approved by the Adult and Public Health Portfolio Holder at the Portfolio meeting on the 28<sup>th</sup> November, 2012.

## 12. Conclusion

12.1 The Council is facing greater financial challenges over the next four years than it has faced since becoming a unitary authority in 1996, which reflects the following key issues:

- Continuing reductions in Government grants which it is anticipated will require savings of between £17m and £20m to be made over the next four years;

- Increased redundancy and early retirement over the 4 year period up to 2016/17 arising from the above budget deficits;
- Financial risks transferring to the Council from the localisation of business rates;
- Financial risks arising from the replacement of the national Council Tax Benefit Scheme, with a local Council Tax Support scheme and a 10% headline grant cut; and
- Achieving capital receipts of £4.5m by 2014/15 to fund one-off expenditure commitments including HMR and Early Retirement/Voluntary Redundancy costs.

12.2 The September MTFs also highlighted the additional one off financial risks facing the Council which were estimated to be £5.35m. A robust strategic approach was identified to manage and fund these issues. The one off resources forecast from the reserves review and robust management of 2012/13 budgets exceeds this amount. However, since the assessment of risk was undertaken in September additional risks have emerged as a result of changing Government policies, including potential changes affecting the Localisation of Council Tax Support, Council Tax Referendum thresholds and proposals to freeze Council Tax.

12.3 It would therefore be recommended that the forecast uncommitted resources are not committed until the Government provide final details of these changes and also announce the 2013/14 Local Government Grant Settlement. This approach will provide one off financial flexibility to manage any unforeseen changes and ongoing uncertainty relating to government policy changes. The position will need to be reviewed by Cabinet before finalising the detailed budget proposals to be referred to Council in February, 2013.

### **13. RECOMMENDATIONS**

13.1 It is recommended that Cabinet:

- i) Note the report;
- ii) Refer the report to Scrutiny Co-ordinating Committee

### **14. REASONS FOR RECOMMENDATIONS**

To enable Cabinet to monitor the strategy implemented to address additional financial risks over the next four years and monitor the Capital Programme.

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

Appendices E to G provide detailed financial information on the Departmental revenue budgets.

Appendices H to K provide detailed financial information on Departmental capital budgets.

**16. BACKGROUND PAPERS**

Medium Term Financial Strategy Report referred to Cabinet 3rd September 2012.

Medium Term Financial Strategy Report referred to Cabinet 4<sup>th</sup> October 2012

**17. CONTACT OFFICER**

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Chief Finance Officer

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**ANALYSIS OF RESERVES 2012 / 2013 -  
CHILD & ADULTS - CHILDREN'S**

## Appendix A

Reserve	Balance as at 1st April 2012	Reason for/purpose of the Reserve	2012/13 Total Reserves Released by CMT	2012/13 Value of Reserve to be Retained	Reason for Retention
	£'000		£'000	£'000	
Looked After Children	1,065	Contribution to the Safeguarding and Specialist Services for the development of Looked After Children in this volatile area.	0	1,065	Current budget pressure of £440k, numbers of looked after children increasing with increasingly complex placement requirements. Reserve will be required to meet pressure.
Early Intervention Grant Reserve	454	Specific reserves created to cover temporary commissioning officers to support implementation of early intervention strategy and prevent breaks in contracts. Longer term funding arrangements for early intervention uncertain, reserve to support sustainability of service.	0	454	Reserve to be used to minimise the implementation and impact of future years funding reductions.
Think Family	222	2010/11 balance of grant funding to be carried forward to assist with continuation of service following reductions in grant allocations as part of the Early Intervention Grant.	(50)	172	Reserve supporting pilot and delivery of care service and support foster care scheme to reduce numbers of children looked after.

Youth Offending Reserve	<b>166</b>	Ring-Fenced as YOS is a Partnership Budget. Created from planned underspends in previous years to fund YOS initiatives.	<b>0</b>	<b>166</b>	Partnership budget with contributions from other agencies. High level of uncertainty of future funding arrangements for service due to partners indicating they intend to reduce contribution and revised grant funding formula for 2013/14
Ring Fenced Grants	<b>163</b>	A number of ring-fenced grants were underspent in previous years; therefore this Reserve was created in order to carry the funding forward into future years.	<b>0</b>	<b>163</b>	Risk of withdrawal of funding from PCT for young people's substance misuse service, required to mitigate this risk and cover contract costs. To be retained for further year whilst changes are implemented in health.
BSF Implementation Costs	<b>362</b>	This is the revenue reserve to fund the revenue costs of the School Transformation Team.	<b>(266)</b>	<b>96</b>	Revenue reserve to fund revenue costs of Head of Service and team
Care Matters	<b>90</b>	Contribution to the Safeguarding and Specialist Services for the development of Looked After Children in this volatile area.	<b>0</b>	<b>90</b>	Required to support service development of newly developed services for looked after children including supported accommodation and children's home.
Raising Educational Achievement	<b>85</b>	Incorporates funding to ensure the most vulnerable young people are tracked and supported to remain in education.	<b>0</b>	<b>85</b>	Reserve supporting teenage pregnancy workers in youth service during 2012/13. Service restructure planned and posts will be integrated into mainstream budget.
Educational Psychologists	<b>32</b>	Created to support initiative at Springwell school during	<b>0</b>	<b>32</b>	Covering maternity leave and costs of delivery of autism training.

Local Safeguarding Children's Board (Partnership Funding)	30	Ring-Fenced Reserve - This is Partnership Funding with other bodies. Relates to underspends carried forward from previous years.	0	30	Partnership budget with contributions from other agencies. Budget pressure arisen due to requirement to have independent chair.
Workforce Development	25	Balance of grant funding to be carried forward to support staffing requirements in future years.	0	25	Will be used in 2012/13 to fund over establishment recruitment of 2 newly qualified social workers for 6 months.
Child Poverty Local Duties	21	Late Notification of Grant allocation to be carried forward to fund targeted family work	0	21	Required to provide child home safety equipment for families.
BSF Implementation Costs	18	This is the revenue reserve to fund the revenue costs of the School Transformation Team.	0	18	Revenue reserve to fund revenue costs of Head of Service and team.
Performance Data - YOS	5	Reserve was established in 2011/12 to support Youth Offending Service to aid delivery of Performance returns	0	5	additional capacity in management information team to support performance data for YOS, required to provide accurate and timely returns to YJB
Brierton/Dyke House BSF Costs	1	Created to fund the costs of transporting Dyke House pupils to the Brierton Site during the BSF redevelopment of Dyke House School.	(1)	0	No longer required project complete.
Youth Opportunity Grants	2	Specific Grant Awards given to the Young People for activities during 2011/12.	(2)	0	
Community Facilities in Schools - Children's Services Funding	100	£100k contribution towards the deficit at St John Vianney Children's Centre which is held as a contingency sum	(100)	0	Reserve created for contingency to support schools running at deficit, no call on this reserve and school balances are improved.

Positive Activities for Young People	77	Reserve established in 2010/11 to carry forward Grant funding to assist with continuation of service following reductions in grant allocations as part of the Early Intervention Grant.	(77)	0	Early intervention grant now managed to deliver services
Sustainable Travel/Post 16 Travel	33	Funding towards Post-16 travel previously funded by government grants.	(33)	0	Contingency budget has not been required.
Raising Educational Achievement	5	Incorporates funding to enhance the Educational achievement and experience through Playing for Success.	(5)	0	
<b>Total Reserves Child &amp; Adults - Children's</b>	<b>2,957</b>		<b>(534)</b>	<b>2,423</b>	

**ANALYSIS OF RESERVES 2012 / 2013 - CHILD & ADULTS - ADULTS**

<b>Reserve</b>	<b>Balance as at 1st April 2012</b>	<b>Reason for/purpose of the Reserve</b>	<b>2012/13 Total Reserves Released by CMT</b>	<b>2012/13 Value of Reserve to be Retained</b>	<b>Reason for Retention</b>
	<b>£'000</b>		<b>£'000</b>	<b>£'000</b>	
Adult Education	<b>450</b>	Created from LSC (Learning Skills Council) grant funding to address short and long term pressures from within the Adult Education service.	<b>0</b>	<b>450</b>	The balance that remains will be utilised to support Adult Education commitments.
Older People - SRR	<b>421</b>	Increased income received in 2010/11. To be used to fund demographic pressures on Older People.	<b>0</b>	<b>421</b>	Reserve to be deployed in 2012/13 to support the management of emerging pressures in older people's services.
Reablement Funding	<b>315</b>	PCT income received for reablement of service users.	<b>0</b>	<b>315</b>	PCT funding for social care was agreed to fund a three year programme, but timescales slipped due to delays in agreeing the plan and transferring the funding. The reserve will fund the final six months of the programme in 2014/15 plus any costs associated with exit strategy.

DOH - Social Care Integrated Support - Delayed Discharges	<b>305</b>	DOH monies received via PCT to be spent on support for vulnerable adults - to minimise the impact of discharges from hospital	<b>0</b>	<b>305</b>	Planned spend over three years on initiatives to manage winter pressures and reduce hospital admissions / delayed discharges.
PCT One-off Funding - Carers Funding	<b>120</b>	Reserve created from One-Off funding received from PCT close to financial year end to deliver priorities for Carers support	<b>0</b>	<b>120</b>	Reserve to be used over three year period to fund additional carers personal budgets / short breaks.
Seaton CC 'Management'	<b>108</b>	Balance carried forward from previous years. Some of this fund pertains to Children's Services. However, the amount is still being determined by the overseeing board.	<b>0</b>	<b>108</b>	Reserve fund for Seaton Carew facilities in relation development plan
Social Care Reform Grant	<b>106</b>	Reserve created from specific received grant in 2010/11. To be used to fund project slippage in 2011/12 and 2012/13.	<b>0</b>	<b>106</b>	This reserve is being deployed in 2012/13 to fund projects and fixed term posts where there has been slippage in previous years.
Mill House	<b>146</b>	The reserve arose from a rates rebate following a review of the leisure centre rateable values in 2006/07.	<b>(45)</b>	<b>101</b>	The £101k is targeted for utilisation at MHLC in 2012/13 with the balance being transferred to alternative corporate capital budgets, leading to a nil reserve balance within community services on this code.
Tall Ships Reserve	<b>96</b>	This reserve has been set aside to support the Tall Ships visit in 2010	<b>0</b>	<b>96</b>	closure of this account and payment of outstanding elements is expected within 2012/13

Supporting People Reserve	95	Reserve created from Grant underspend and earmarked for potential claw back. To be used to fund transition arrangements following SDO reductions.	0	95	As planned, this reserve is being used to support transitional arrangements following significant reductions in housing related support funding as part of the Business Transformation Programme.
PCT One-off Funding - Carers into Employment	60	Reserve created from One-Off funding received from PCT close to financial year end to deliver priorities around vulnerable people	0	60	Reserve is supporting two year post within Hartlepool Carers to support carers to access employment.
PCT One-off Funding - Hearing Loss Strategy	50	Reserve created from One-Off funding received from PCT close to financial year end to deliver priorities around Hearing Loss Strategy	0	50	Reserve will be used over two years to implement agreed priorities within the Hearing Loss Strategy.
Maritime Festival	35	To support the biannual festival	0	35	Carry forward of funding from previous years to contribute to the biannual maritime festival.
Public Health Phys Activity	29	Reserve created from PCT monies. Monies to be awarded by HBC in grants to the community and voluntary sector on behalf of the PCT.	0	29	PCT Funds allocated for community disbursement via the Community Activity Network (CAN) targeted towards sports activity.
Bowling Club Rental	25	Reserve created to fund rental charges that were waived for Bowling Club	0	25	This is an accountancy procedure to account for the lease rental 'holiday' granted to the HIBC by Portfolio Holder for Finance.
Archaeology Projects	22	Reserve to be used for specific archaeology projects following SDO reductions.	0	22	This relates to service income carryover to allow project income to sustain the service.
Tobacco Control	13	Reserve created to carry forward grant funding which covers a 2 year period.	0	13	Reserve will be deployed in 2012/13 to fund the remaining element of the two year project.

Grayfields Pitch Improvements	13	Reserve created to complete the pitch improvements at Grayfields.	0	13	Bid being prepared for Grayfields pitch improvements, this is match funding.
PCT Public Health Grant Funding	10	Balance of Public Health funding provided by the PCT for the Community Activities Network to distribute as grants to Sport & Physical Activity service providers for new sport & physical activity initiatives.	0	10	PCT Funds allocated for community disbursement via the Community Activity Network (CAN) targeted towards sports activity.
Sports Activities - various	9	Underspend on grants for sports & health activities	0	9	This has been spent as part contribution to new play infrastructure equipment at Summerhill.
PCT Local Development Plan Funding	6	Balance of PCT Local Development Plan funding being used as match funding for the Sport England grant received in December 2011 as part to a cycling programme that is to run until December 2012	0	6	PCT Funds allocated for community disbursement via the Community Activity Network (CAN) targeted towards sports activity.
Archaeology - Monograph Series	1	Creation of reserve to ensure completion of project and ensure no loss of external funding for the overall project.	0	1	This will be spent by Sept 2012 as current publication is published.
Mental Health Capacity Act specific grants	21	Reserve created from a mixture of PCT/grant funding.	(21)	0	
DOH Grant Stroke Care	13	Reserve created from specific grant.	(13)	0	
CSDP Contribution to capital	68	Reserve created from revenue to increase capital reserve for Adaptations for Disabled people.	(68)	0	
PCT One-off Funding	27	Reserve created from One-Off funding received from PCT close to financial year end to deliver priorities around vulnerable people	(27)	0	



<b>Total Departmental Reserves - Adults</b>	<b>2,564</b>		<b>(174)</b>	<b>2,391</b>	
<b>Total Reserves Child &amp; Adult Services</b>	<b>5,522</b>		<b>(708)</b>	<b>4,814</b>	

**ANALYSIS OF RESERVES 2012 / 2013 -  
CHIEF EXECUTIVES DEPARTMENT**

Appendix B

Reserve	Balance as at 1st April 2012	Reason for/purpose of the Reserve	2012/13 Total Reserves Released by CMT	2012/13 Value of Reserve to be Retained	Reason for Retention
	£'000		£'000	£'000	
Chief Executive's Department Ring Fenced Grants	137	Created from ring-fenced grant funding to fund specific expenditure commitments	(32)	104	Funding relates to Workplace Health Improvements
Finance - IT Investment	62	Created to fund a number of IT projects integral to the Corporate IT changes across the Authority	0	62	To fund a number of IT projects integral to the Corporate IT changes across the Authority
Corporate Strategy - ICT System Development	60	Created to fund temporary development resources for enhancements of current ICT systems such as e-bookings and EDRMS and costs attributable to the rationalisation of systems to achieve savings from the provision of ICT.	(5)	56	To be utilised to offset system development costs and associated costs of system upgrades and version release not encompassed elsewhere
Corporate Strategy - ICT Contract Review	50	Created to fund potential costs in relation to the re-procurement and or change of arrangements in respect of the Councils current ICT arrangements.	0	50	To be utilised to offset the costs of the ICT reprocurement.
Financial Inclusion	50	Created to fund the Financial Inclusion Programme	(12)	38	To support Financial Inclusion initiatives.
Finance R & B	45	Created to fund cost of IT equipment / services.	(25)	20	I-world e-revenues module for self service.
Finance - Corporate Finance	52	Created to fund temporary appointments to cover maternity leaves during 2011/12 & 2012/13	(32)	20	Temporary appointments to cover maternity leave

Finance R & B - Atlas Project	20	Created to fund the additional funding required to match DWP Atlas grant received to complete project.	0	20	To complete Atlas project and match grant received.
People Framework Development	18	Created to enable department to manage budget over more than one year.	0	18	To support School Buy Back Income in 2012-13.
Finance R & B - Internal Bailiff Development	17	Created to fund costs associated with Internal Bailiff Development	0	17	Internal Bailiff Development
Finance - IT Developments R&B	20	Created to fund IT development costs to cope with new DWP Security requirements and further Kirona scripting changes.	(4)	16	DWP Security requirements.
Contact Centre	15	Created to fund software integrations including Corporate Workflow and upgrade Queue Management System.	0	15	Created to fund software integrations including Corporate Workflow and upgrade Queue Management System business cases currently being developed and may be reviewed later in the year.
Registrars	15	Created for redecoration of new marriage/ceremonies room at the Borough Hall and some software integrations/upgrades.	0	15	Required for redecoration costs as alternative venues identified for income generation
Corporate Strategy - Performance Management	15	Created to enable department to manage budget over more than one year.	(2)	13	To be utilised to support residents survey.
Corporate Strategy - Working from Home Surplus	13	Created to manage the costs of home working key fobs between financial years.	0	13	Required to managed variable costs over more than one year
Corporate Strategy - Enhancing Council Profile	15	Created to fund temporary costs in development and establishing arrangements for enhancing and maintaining the Councils profile including social networking, public relations and other associated elements.	(2)	13	To be utilised for social networking and other council profile issues and resident perception survey
Finance R & B - Corporate Booking System	10	Created to fund Development work linked to the Corporate Booking System.	0	10	To support future development costs.

Finance R & B - Software Projects	10	Created for funding towards BACS and DD's Software Project Developments.	0	10	Software Projects for example Real Time Information to HMRC
Corporate Strategy - Corporate Consultation	16	Created to enable department to manage budget over more than one year.	(7)	9	To be utilised as part of corporate consultation and to enable budget reduction to be managed over more than 1 year.
Finance R & B - FSM System	4	Created to fund costs of FSM System	0	4	Support and maintenance
Resource Investment - HR	3	Created to enable department to manage budget over more than one year.	0	3	Completion of the Personnel File Project.
Contact Centre	38	Created to enable department to manage budget over more than one year.	(38)	0	
Registrars	10	Created for improvements to the Registrars building	(10)	0	
Financial Inclusion	44		(44)	0	
Legal Registration and Members	24	Created to fund temporary additional staffing within the Legal Section. Also, additional costs in postage for the renewal of Personal Identifiers for Electoral Registration which must be completed every five years.	(24)	0	
Finance R & B - Council Tax Rebate Development	15	Created for funding towards Council Tax Rebate Scheme Software Development.	(15)	0	
Finance R & B - Payment Card Industry	5	Created to fund Payment Card Industry security review.	(5)	0	
Finance R & B - Integration Import	5	Created for funding toward ICT Integration Import for Department of Work and Pension deductions from DWP Welfare Benefits to Council Tax System.	(5)	0	
<b>Total Reserves - Chief Executives Department</b>	<b>787</b>		<b>(262)</b>	<b>525</b>	

**ANALYSIS OF RESERVES 2012 / 2013 - CORPORATE**

Appendix C

<b>Reserve</b>	<b>Balance as at 1st April 2012</b>	<b>Reason for/purpose of the Reserve</b>	<b>2012/13 Total Reserves Released by CMT</b>	<b>2012/13 Value of Reserve to be Retained</b>	<b>Reason for Retention</b>
	<b>£'000</b>		<b>£'000</b>	<b>£'000</b>	
Strategic One Off Costs	<b>7,927</b>	This reserve has been created to partly fund strategic one off costs identified in the 2012/13 MTFS of £14m, covering redundancy/earlier retirement costs, Housing Market Renewal Commitments, Land Remediation costs and 2012/13 Council Capital Fund. A significant element of these costs (£4.5m) will be funded from capital receipts which need to be achieved in 2012/13 and the following 2 years. Further details are provided in note 1 to this table.	0	<b>7,927</b>	Committed to fund risks identified in MTFS. See Note 1 to this table.
General Fund	<b>4,338</b>	The General Fund Balance of £4.338m held at 31st March 2012 consists of the minimum uncommitted recommended balance of £3.462m, which is held to meet unforeseen commitments not funded from Earmarked Revenue Reserves and additional monies which the Council determined should be held within this reserve of £0.876m.	0	<b>4,338</b>	

		As part of the 2011/12 outturn and the decisions taken as part of the 2012/13 budget full Council approval is needed to release these additional monies. These monies were funded from the following contributions: Release of uncommitted Job Evaluation Provision £0.545m, 2011/12 Final Outturn £0.306m and Right to Buy Income 2011/12 £0.025m.			
Insurance Fund	<b>3,990</b>	The Insurance Fund has been established to provide for all payments that fall within the policy excess claims. Most policies provided by the Council are subject to an excess.	(200)	<b>3,790</b>	A comprehensive review of this reserve has been carried to reflect the impact of the Court of Appeal ruling on the estimated cost of settling existing insurance claims. On this basis a small amount of the fund can be released and the balance needs retaining for forecast liabilities.
Strategic Risk Reserve	<b>2,677</b>	This risk reserve was set up to cover income shortfalls in car parking, land registry charges and the shopping centre, one-off equal pay and a shortfall in salary abatement targets.	(500)	<b>2,177</b>	Release of £0.5m is only possible as a result of the salary turnover target being removed from the 2013/14 base budget to eliminate this ongoing risk. The residual balance is fully committed to fund potential one-off Equal Pay claims.
Transitional Support to Offset Council Tax Cuts	<b>1,197</b>	This reserve will be used to support the risks of managing the implementation of a local Council Tax Support schemes in 2013/14. .	0	<b>1,197</b>	This reserve will be used to support the risks of managing the implementation of a local Council Tax Support schemes in 2013/14. .

Support 12/13 Loss of Council Tax Freeze Grant	<b>727</b>	This reserve was created to mitigate the loss if the 2012/13 Council Tax Freeze Grant.	0	<b>727</b>	The MTFs report of 4.10.12 recommended that in view of the change in budget deficits for the next 2 years and the proposed savings programme that this reserve is rephased to support the budgets in 2013/14 and 2014/15.
Supporting Family Poverty	<b>319</b>	Reserve established in 2011/12 to support the reduction of Child poverty. Any use of this reserve requires Council approval.	0	<b>319</b>	It is proposed to use £0.142m of this reserve to temporarily offset EIG grant cuts. The MTFs update report elsewhere on this agenda covers this issue in more detail.
Building / Development Control Income Shortfall	<b>260</b>	This reserve was created to cover income shortfalls owing to the weakness in the economy.	0	<b>260</b>	Committed in 2012/13.
Future Project Investigation Costs	<b>250</b>	This reserve was originally held to investigate future benefits of projects which would have on-going revenue savings.	0	<b>250</b>	Retained to fund one-off costs of business cases which require one-off pump priming to achieve permanent budget savings from 2014/15, as no such projects have been identified for 2013/14.
Carbon Reduction	<b>231</b>	The Carbon Reduction Commitment is a mandatory scheme aimed at improving energy efficiency and cutting emissions in large public and private sector organisation, this reserve is set aside to fund the payment of Carbon Allowances in 2012/13, 2013/14 and 2014/15.	0	<b>231</b>	Fully committed to be spent over the next 3 financial years.

Business Transformation	<b>209</b>	These funds were set aside for implementation costs of the Business Transformation Programme and will now be used to fund costs associated with the 3 borough collaboration project which aims to deliver ongoing savings of £2.297m ( £1.597m People and £0.700m Corporate) as reported to Cabinet in the MTFS on 4.10.12.	0	<b>209</b>	Fully committed to fund HBC share of one-off costs of achieving 3 Borough Collaboration Project savings and any costs associated with the development of robust proposals.
Members Ward Issues	<b>182</b>	Used to fund ward issues for Members.	0	<b>182</b>	Committed in 2012/13, with any residual balance carried forward to 2013/14..
Pension actuarial reserve	<b>122</b>	This reserve was created to manage pension costs over a 3 year period of the current actuarial valuation, which covers the period up to 2014/15.	0	<b>122</b>	This reserve was created to manage the pension costs over a 3 year period of actuarial valuation.
Mayoral Referendum Reserve	<b>70</b>	To fund one off costs of holding a referendum.	0	<b>70</b>	Committed in 2012/13.
Concessionary Fare	<b>60</b>	This reserve covers the tri-annual cost of replacing concessionary fares passes.	0	<b>60</b>	Committed in 2012/13.
Works in Default Empty Homes	<b>50</b>	This reserve was created to fund works in Default Empty Homes.	0	<b>50</b>	Committed in 2012/13.
Training for Staff on Redeployment Register	<b>50</b>	To fund costs of retraining staff on the redeployment register as agreed by Council 23.02.12.	0	<b>50</b>	To fund retraining costs of staff on the redeployment register.
Core Strategy Inquiry	<b>55</b>	To support the future costs of undertaking the Local Plan review which occurs every 3 to 5 years.	(22)	<b>33</b>	Residual balance committed for next Local Plan review.
Seaton Carew Youth Club	<b>30</b>	Funding to keep the Youth Centre open for an additional year whilst options are progressed.	0	<b>30</b>	Committed in 2012/13.
NDC Fund	<b>8</b>	Reserve established from NDC under spend and will be transferred to the NDC Trust.	0	<b>8</b>	Funding to be held for one year to fund potential residual NDC capital costs.



Salary Sacrifice	6	This reserve was created in 2010/11 to Pension Savings generated by the Salary Sacrifice for Cars scheme to fund future pensions liabilities	0	6	Needed to fund future pension liabilities.
Area Based Grant	36	ABG carried forward to fund ongoing project costs. This funding is no longer required.	(36)	0	
Civic Chain Reserve	12	As part of the 2011/12 MTFS Council agreed the use of this reserve to fund the running costs of the 3 community centres identified for closure. This is the balance which was not required.	(12)	0	
Holiday Pay Reserve	43	Working time regulations require employers to pay casual workers holiday pay. There is a risk that the Council will be required to fund holiday back pay claims to October 2007. This reserve was set aside to fund potential costs in 2012/13, which have been less than anticipated.	(43)	0	
<b>Total Reserves - Corporate</b>	<b>22,849</b>		<b>(813)</b>	<b>22,036</b>	

**Note 1 - One off Strategic Costs Reserve**

<u>Expenditure Commitments</u>	<u>£'000</u>
Redundancy and Early Retirement Costs	7,500
Housing Market Renewal	4,500
Land Remediation Costs	1,000
Council Capital Fund	1,000
Total forecast expenditure commitments	14,000
<u>Less Available Funding transferred into One off Strategic Costs Reserve</u>	
Review of Reserves	5,944
2011/12 Forecast Outturn	1,980
Capital receipts already achieved	1,500
Total available funding	9,424
Unfunded forecast expenditure commitments to be funded from future capital receipts.	4,576
Total Available and Forecast funding	14,000
<u>Current balance of One off Strategic Costs Reserve</u>	
Total available funding	9,424
Land Remediation Costs transferred to Provision (accounting re-classification issue as reported to Audit Committee 21.09.12)	(634)
Revised Expenditure Commitments	8,790
Cost of Redundancy / Early Retirement 2011/12	(863)
Balance in Reserve as at 1.04.12	7,927

**ANALYSIS OF RESERVES 2012 / 2013**  
**- REGENERATION &**  
**NEIGHBOURHOODS**

Appendix D

Reserve	Balance as at 1st April 2012	Reason for/purpose of the Reserve	2012/13 Total Reserves Released by CMT	2012/13 Value of Reserve to be Retained	Reason for Retention
	£'000		£'000	£'000	
Cemetery & Crematoria/Stranton, Tanfield Rd Nursery	324	Contribution towards the Stranton Cremator & Tanfield Rd Nursery, Capital Project. This scheme includes the replacement of the Cremators and improvements to amenities and retail facilities.	(49)	275	Committed scheme underway.
Seaside Grant	200	Funding set aside to fund expenditure commitments on a Capital Project	0	200	Earmarked for the Seaton Master Plan.
Selective Licensing	259	Income generated from fees required to fund the scheme over a 5 year period.	(66)	193	Committed to deliver the scheme over the 5 years. Reserve funds Salary costs in 2012/13 & 2013/14.
Business Grants	106	Funding transferred from existing reserves to support Business Grants in 2012/13.	0	106	Need identified.
Trading Account Reserves - Engineering Consultancy	100	Reserve created to manage Trading Activities over more than one year. This is earmarked to fund potential income shortfalls in future years or potential bad debts in this area.	0	100	Risk on Trading Activities will not be covered and will impact on the Revenue position without allowing time to manage the available resources and activity levels.

Trading Account Reserves - Fleet	100	Reserve created from a surplus on the Fleet account in 11/12. This is needed to cover future repairs and maintenance costs over the whole life of the fleet so that annual charges to clients can remain static over the lifetime of the vehicle.	0	100	Surplus generated is merely a timing issue and will be needed to cover future costs associated with an older fleet.
Major Regeneration Projects	99	Major Regeneration schemes - Originally earmarked for Church Square but on hold for now.	0	99	On hold until a decision is made.
Conservation Grants	75	Funding transferred from existing reserves to support Conservation Grants in 2012/13.	0	75	Need identified.
Community Safety LPSA Reward Grant Reserve	132	Local Public Service Agreement Phase 2 reward grant for committed projects approved by Safer Hartlepool Partnership - Domestic Violence.	(61)	71	Grant administered and controlled by SHP and is committed.
Jobs & The Economy	161	Funding earmarked to match fund other Grant Funded Schemes e.g Flexible Support Fund and Leaving Care. (Supporting C & A priorities).	(101)	60	Funding committed to support specific Grant Funded Projects.
Public Health Grant - Housing	55	Public Health Grant awarded in 11/12 to invest in improvements to housing to increase the quality of homes in the town.	0	55	Specific Grant Funding and outputs need to be reported to the NHS Hartlepool in 2012/13.
Connect to Work	138	Ring fenced grant earmarked for the Connect to Work programme which is over more than one year. (Supporting C & A priorities).	(85)	53	Committed to fund placements on the Connected to Work Programme.
Winter Maintenance	50	Further enhancement of Community "Snow Patrol" initiatives and maintenance work required for the Saltbarn distribution unit.	0	50	Committed to meet needs of the service.

Furniture Project	50	To implement the findings of the scrutiny review into reduction of child poverty and increasing access to affordable credit.	0	50	Awaiting the results of the tender exercise to recommend options.
Trading Account Reserves - Passenger Transport	45	Reserve created to manage the risk of income shortfalls in future years in a developing trading area of private hire.	0	45	This is a new service area which is still in development stage and the reserve is needed to manage the service over more than one year.
Community Grants Pool	41	Reserve created year on year from the underspend on the Community Grants Pool budget as this expenditure is 'ring-fenced' by Members for contributing towards the community.	0	41	The carry over of unspent Community pool funds to the next financial year. This requires grants Committee/Cabinet authorisation and was transferred to Regen & Neighbourhoods 1st April
Trading Account Reserves - Plant Replacement	40	Reserve created to fund the costs associated with Plant Equipment over more than one year e.g. repairs and maintenance or replacement costs.	0	40	Without this reserve there will not be sufficient funding to replace the plant on a rolling programme over years.
Baden Street	40	Balance required to fully implement phase 1 of the scheme approved by Members.	0	40	Not possible to reduce the scheme. To scale back the scheme at this stage would not have the desired effect on reducing antisocial behaviour and would not address the issue of inadequate management of privately rented housing stock.
Support for CADCAM Liability	39	Reserve to cover CADCAM liability which exists until 14/15.	0	39	Insufficient budget provision to cover annual liability.
Troubled Families	39	Specific funding allocated to fund the Team Around Household project which is part of the Troubled	0	39	Specific Grant funding - committed in 2012/13.

		Families Plan.			
Social Housing New Build - Major Repairs	35	Ring-fenced reserve created from rental income which represents a Major Repairs Fund. This funding is set aside to fund repairs over the lifetime of the housing stock.	0	35	Ring fenced to fund future repair costs in accordance with the approved business case for this project.
Digital City	30	To cover Hartlepool's contribution towards the operation of the Digital City Business Initiative for three years. This will assist in the development of a sub regional sustainable specialist business support programme.	0	30	Contribution is likely to be needed in 2014/15 but no other funding is available to cover this.
Housing Strategic Studies	26	To support the future cost of undertaking Housing Strategic Studies and the Local Plan Review which occurs every 3-5 years.	0	26	Insufficient budget provision to cover the cost every 3-5 years.
Community Safety (LSSG)	23	Specific funding carried forward. Community Safety Grant (LSSG) administered and controlled by the Safer Hartlepool Partnership and earmarked to fund Victim Support Work in 2012/13.	0	23	Specific Grant funding - committed in 2012/13 to fund the employment of a support worker.
Building Maintenance Remedial	22	Traditionally all building projects require remedial work following their completion and this is a quarter of the figure spent last year.	0	22	Spent already in 2012/13.
Village Green Hearings etc	20	Reserve earmarked to fund various risks including the cost of village green hearings in 2012/13 and the loss of income from Industrial Estates.	0	20	No other funding available to cover these one-off costs.
H & S Training	20	Legislative requirements for operational staff to be trained to HSE set standards	0	20	Committed - no other funding available.

Speed Cameras	16	Relates to the funding ring fenced for the Tees Valley Camera Partnership.	0	16	Ring fenced Funding.
Neighbourhood Community Development Projects	10	Community Development Work in 2012/13 (£5k in each area).	0	10	Committed in 2012/13.
DC Restructure	9	Earmarked to fund Graduate Planner in 2012/13.	0	9	Spent already in 2012/13.
Econ Regeneration Strategy	6	Committed to fund Business Grants in 2012/13.	0	6	Committed.
CSCS Test	8	Earmarked to support development/continuation of Jobsmart Test Centre.	(4)	4	Spent already in 2012/13.
Neighbourhood Mgmt Public Health Grant	1	Public Health Grant balance carried forward to publicise the Cold Weather Plan projects.	0	1	No other funding available to cover this cost.
Equine Enforcement	10	An increasing problem of unregulated tethering of horses on Council land.	(10)	0	
Neighbourhood Management - NDC	27	NDC funding to continue scheme.	(27)	0	
Neighbourhood Management - Cohesion	5	Reserves allocated to complete project in 2011/12.	(5)	0	
Community Safety - N'Hood Man/Forums	46	Various Projects within Neighbourhood Management incl Local Volunteering, Target Hardening etc.	(46)	0	
Earmarked Grant Funding	14	Funding for the Graffiti Project.	(14)	0	
Licensing	12	Fee income in advance required to fund the running costs of the Licensing Section.	(12)	0	
Property Services Invest to Save	18	Funding allocated to cover Invest to Save projects.	(18)	0	
<b>Total Reserves - Regeneration &amp; Neighbourhoods</b>	<b>2,451</b>		<b>(498)</b>	<b>1,953</b>	

## SCRUTINY COORDINATING COMMITTEE

Date: 4 January 2013



**Report of:** Chief Executive and Director of Regeneration and Neighbourhoods Department

**Subject:** PROPOSALS FOR INCLUSION IN COUNCIL PLAN 2013/14

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### 1. PURPOSE OF REPORT

1.1 To provide the opportunity for the Scrutiny Coordinating Committee to consider the proposals for inclusion in the 2013/14 Council Plan that fall under the remit of the Committee.

### 2. BACKGROUND

2.1 For 2013/14 a review of the Outcome Framework has been undertaken to ensure that it still accurately reflects the key outcomes that the Council and Partners have identified as being important for the future of the Borough. A revised outcome framework, to be implemented from April 2013, was reported to Scrutiny Coordinating Committee on 19 October 2012 and Cabinet on 29 October 2012.

2.2 As in previous years detailed proposals are being considered by each of the Scrutiny Forums in January. A further report will be prepared for Scrutiny Coordinating Committee on 18 January 2013 detailing the comments/observations of each of the Scrutiny Forums to enable a joint response to be prepared for Cabinet.

2.3 As discussed at the Scrutiny Coordinating Committee on 19 October 2012, from 2013/14 the three Departmental Plans will be brought together to form the Council Plan which will set out collectively how the key priorities/outcomes that the Council have identified will be delivered. This is a different approach to previous years and therefore there will be no separate Corporate Plan. This will eliminate the unnecessary duplication and reporting of actions that was an unintended consequence of drawing the old Corporate Plan actions and indicators from the three Departmental Plans, without losing the focus that having separate Departmental Plans brings to the overall process.



- 2.4 The Council Plan is still a working document and as such there are areas where information could change. Where this does occur the information will be included in the final draft of the Plan that is to be considered by Scrutiny Coordinating Committee on 8 March 2013, by Cabinet on 18 March 2013 and by Council on 11 April 2013.

### 3. PROPOSALS

- 3.1 The Chief Executive will deliver a short presentation at the meeting detailing the key challenges that the Council faces over the next year, and beyond, and setting out proposals, from the Chief Executives Departmental Plan, for how these will be addressed. The presentation will also include a small number of actions that have been proposed for inclusion in the Regeneration and Neighbourhoods Departmental Plan 2013/14 that fall under the remit of Scrutiny Coordinating Committee.
- 3.2 The main focus of the presentation will be on the outcomes that have been included in the Outcome Framework and how these will be delivered in 2013/14. The Chief Executive will take each outcome in turn, explaining how each outcome will address the challenges faced by the Council. After each outcome Members will be given the opportunity to comment on the proposals before the Chief Executive moves the presentation onto the next outcome.
- 3.3 The Outcomes that fall under the remit of Scrutiny Coordinating Committee, and will therefore be included in the presentation are: -
- Outcome 4: Hartlepool has increased economic inclusion of adults is tackling financial exclusion and has fewer children experiencing the effects of poverty;
  - Outcome 9: Improve health by reducing inequalities and improving access to services;
  - Outcome 15: Communities have improved confidence and feel more cohesive and safe;
  - Outcome 27: Improve the efficiency and effectiveness of the organisation;
  - Outcome 28: Deliver effective customer focussed services, meeting the needs of diverse groups and maintaining customer satisfaction;
  - Outcome 29: Maintain effective governance arrangements for core business and key partnerships;
  - Outcome 30: Maintain effective Performance, Finance and Risk Management Arrangements;
  - Outcome 31: Maintain the profile and reputation of the Council;
  - Outcome 32: Deliver effective Member and Workforce arrangements, maximising the efficiency of the Council's Democratic function;
  - Outcome 33: Ensure the effective implementation of significant government policy changes (New outcome for 2013/14).

- 3.4 **Appendix A** provides detail on the proposed actions identified to deliver the outcomes that fall under the remit of the Scrutiny Coordinating Committee. Officers from across the Council have also been identifying the Performance Indicators (PIs) that will be monitored throughout the year to measure progress and these are also included in the appendix.
- 3.5 As in 2012/13, it is not possible at this stage to include year end outturn and future targets as these are not yet available. It is normal practice to use a number of criteria when setting targets, such as current performance, budget information and other external factors such as Government policy changes. Therefore it is normal for targets to be set around year end when more information is known. Where available, this information will be included in the proposals reported to Scrutiny Coordinating Committee in March 2013.

#### 4. **NEXT STEPS**

- 4.1 The remainder of the Council Plan proposals will be discussed at the relevant Scrutiny Forums between 10 January and 17 January 2013. Comments and observations from those Scrutiny Forums will be added to those received at today's meeting and included in the overall presentation to Scrutiny Coordinating Committee on 18 January 2013. Due to the short length of time between the Scrutiny Forums and the Scrutiny Coordinating Committee meeting on the 18<sup>th</sup> January it will not be possible to provide a detailed response to the comments and observations made at the Scrutiny Forums at the SCC meeting.
- 4.2 The final draft of the Council Plan, which will include a detailed response to the comments and observations from the Scrutiny Forums in January, will then be considered by Scrutiny Coordinating Committee on 8 March 2013 and Cabinet on 18 March 2013 before being taken for formal agreement by Council at its meeting on 11 April 2013.
- 4.3 Progress towards achieving the actions and targets included in the Council Plan will be monitored throughout 2013/14 by officers across the Council and progress reported quarterly to Elected Members.

#### 5. **RECOMMENDATIONS**

- 5.1 It is recommended that Scrutiny Coordinating Committee: -
- considers the proposed outcome templates (Appendix A) for inclusion in the 2013/14 Council Plan;
  - formulates any comments and observations to be included in the overall presentation to the meeting of the Scrutiny Coordinating Committee on 18 January 2013.

**Contact Officer:** - Andrew Atkin  
Assistant Chief Executive  
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E-mail: Andrew.Atkin@Hartlepool.gov.uk

## Chief Executives Departmental Plan 2013/14 – Action Plan

SECTION 1 OUTCOME DETAILS			
<b>Outcome:</b>	4. Hartlepool has increased economic inclusion of adults and is tackling financial exclusion	<b>Theme:</b>	Jobs and the Economy

<b>Lead Dept:</b>	Chief Executives	<b>Other Contributors:</b>	
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SECTION 2 ACTIONS		
Action	Due Date	Assignee
Implement and review Discretionary Council Tax Support Framework	December 2013	Julie Pullman
Respond to Welfare Reform changes by engaging and supporting affected households	March 2014	Julie Pullman
Implement a programme of Benefits and Free School Meals take up initiatives	March 2014	Julie Pullman
Develop referral channels for adults to access financial advice services and financial products	March 2014	John Morton
Implement and Review Communication and Customer Handling Strategies linked to new Local Council Tax Support Scheme	September 2013	John Morton

SECTION 3 PERFORMANCE INDICATORS & TARGETS				
Code	Indicator	Assignee	Targeted or Monitor	Collection Period
CEDFIP026	Number of Credit Union accounts opened by adults.	John Morton	Target	Financial Year

SECTION 4 RISKS
No Risks identified

**SECTION 1 OUTCOME DETAILS**

<b>Outcome:</b>	9. Improve health by reducing inequalities and improving access to services	<b>Theme:</b>	Health and Wellbeing
<b>Lead Dept:</b>	Child and Adults	<b>Other Contributors:</b>	Chief Executives

**SECTION 2 ACTIONS**

Action	Due Date	Assignee
Co-ordinate town wide workplace health promotion campaigns involving partner organisations and other businesses.	March 2014	Stuart Langston

**SECTION 3 PERFORMANCE INDICATORS & TARGETS**

<b>No Performance indicators identified.</b>
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**SECTION 4 RISKS**

<b>No Risks identified</b>
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**SECTION 1 OUTCOME DETAILS**

<b>Outcome:</b>	15. Communities have improved confidence and feel more cohesive and safe	<b>Theme:</b>	Community Safety
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<b>Lead Dept:</b>	Regeneration and Neighbourhoods	<b>Other Contributors:</b>	Child and Adults & Chief Execs
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**SECTION 2 ACTIONS**

Action	Due Date	Assignee
Assist the implementation of the Safer Hartlepool Partnership Communications Action Plan to improve public reassurance	March 2014	Alastair Rae

**SECTION 3 PERFORMANCE INDICATORS & TARGETS**

No Performance Indicators identified
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**SECTION 4 RISKS**

No Risks identified
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**SECTION 1 OUTCOME DETAILS**

<b>Outcome:</b>	25. Local People have a greater voice and influence over local decision making	<b>Theme:</b>	Strengthening Communities
<b>Lead Dept:</b>	Regeneration and Neighbourhoods	<b>Other Contributors:</b>	Chief Executives

**SECTION 2 ACTIONS**

Action	Due Date	Assignee
Support the delivery of Face the Public Events by the Strategic Partners Group and Theme Groups	March 2014	Catherine Grimwood

**SECTION 3 PERFORMANCE INDICATORS & TARGETS**

No Performance Indicators identified
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**SECTION 4 RISKS**

No Risks identified
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SECTION 1 OUTCOME DETAILS			
<b>Outcome:</b>	27. Improve the efficiency and effectiveness of the organisation	<b>Theme:</b>	Organisational Development
<b>Lead Dept:</b>	Chief Executives	<b>Other Contributors:</b>	Regeneration and Neighbourhoods

SECTION 2 ACTIONS		
Action	Due Date	Assignee
Develop and implement the workforce plan to support the Councils corporate efficiency programme	March 2014	Rachel Clark
Review and update Medium Term Financial Strategy (MTFS)	March 2014	Chris Little
Determine and implement a revised programme to deliver the savings required in light of MTFS and budget settlement for 2013/14 and 2014/15.	March 2014	Andrew Atkin / Chris Little
Develop proposals for consideration by members in respect of collaboration for Corporate Services.	December 2013	Andrew Atkin / Chris Little
Review contract arrangements for the corporate performance management system.	March 2014	Catherine Grimwood
Review of Corporate ICT Strategy to ensure it continues to support Corporate Objectives including opportunities to use ICT to generate efficiency savings across the Authority	March 2014	Joan Chapman
Delivery of key projects identified in ICT Strategy	March 2014	Joan Chapman
Improve awareness of information security requirements and individual responsibilities through training and online communication	March 2014	Paul Diaz
Implement HR Insight corporate toolset to improve employee establishment and organisational data	June 2013	Kevin Shears
Implement HR Insight Leave Management module	December 2013	Kevin Shears
Financially model Local Council Tax Support Scheme costs and underlying assumptions	September 2013	John Morton
*Review the Council's Commissioning and Procurement Strategy	March 2014	David Hart
*Deliver the accommodation strategy including the vacation of Bryan Hanson House	March 2014	Dale Clark
*Deliver capital receipts in line with programme	March 2014	Dale Clark

<b>SECTION 3 PERFORMANCE INDICATORS &amp; TARGETS</b>				
<b>Code</b>	<b>Indicator</b>	<b>Assignee</b>	<b>Targeted or Monitor</b>	<b>Collection Period (eg Financial / academic)</b>
CEDCS P042	Actual savings from efficiency and savings Programme (Outcome 26)	Andrew Atkin / Chris Little	Targeted	Financial Year
ICT PI 4	Percentage of ICT incidents resolved within agreed service levels	John Bulman	Targeted	Financial Year
ICT SI 3	Unavailability of ICT services to users	John Bulman	Targeted	Financial Year
CEDCS P017	Number of website hits – unique visitors	Paul Diaz	Targeted	Financial Year
CEDFIP001	Percentage of Invoices paid in 30 days	Kevin Shears	Targeted	Financial Year
TBC	Percentage of Local Supplier Invoices paid in 10 days	Kevin Shears	Targeted	Financial Year
CEDFIP002	Percentage of Council Tax Collected	Roy Horseman	Targeted	Financial Year
CEDFIP003	Percentage of NNDR Collected	Roy Horseman	Targeted	Financial Year

<b>SECTION 4 RISKS</b>		
<b>Code</b>	<b>Risk</b>	<b>Assignee</b>
CED R073	Maintain skill and knowledge of appropriate employees across the Council in relation to PM, risk, consultation, complaints and data quality procedures through the Business transformation Process	Catherine Grimwood
CED R089	Experiencing failure or lack of access to Critical ICT systems (Actively Managed)	Andrew Atkin
CED R091	Failure to have corporately adequate arrangements in place to manage and deliver the budget strategy and the savings programme	Andrew Atkin; Chris Little
CED R042	The Council is targeted by individuals / organisations in order to launder money from criminal activity	Chris Little
CED R043	Treasury management decisions on borrowing and investment fail to optimise benefit for council	Chris Little
CED	Poor workforce planning and development may lead to poor service delivery / behaviour by employees	Wally Stagg



R053		
CE R054	A major health and safety accident or incident may occur as a result of employees actions or inactions	Stuart Langston
CE R056	Failure of external occupational health etc suppliers / providers to consistently provide services, leading to HR not delivering services to departments.	Stuart Langston
CE R057	Failure to achieve external income leading to budget reductions resulting in a reduction of staff.	Wally Stagg
CE R068	Failure to carry out a statutory process	Peter Devlin
CE R069	Failure to support the HR aspects of the savings programme leading to a detrimental impact on services	Rachel Clark, Gillian Laight, Wally Stagg, Alison Swann
CE R072	The Council becomes a target for fraudulent activities	Noel Adamson
CE R083	Failure to provide council services during emergency conditions	John Morton
*RND R085	Failure to achieve the Council's Capital Receipts target because of the difficult economic climate and market conditions	Dale Clarke
*RND R047	Failure to execute procurement activities within the guidelines leading to challenges to contract award decisions.	David Hart

Note: Actions and Risks marked \* are included in the Regeneration and Neighbourhoods Departmental Plan proposals.

**SECTION 1 OUTCOME DETAILS**

<b>Outcome:</b>	28. Deliver effective customer focussed services, meeting the needs of diverse groups and maintaining customer satisfaction	<b>Theme:</b>	Organisational Development
<b>Lead Dept:</b>	Chief Executives	<b>Other Contributors:</b>	Regeneration and Neighbourhoods

**SECTION 2 ACTIONS**

<b>Action</b>	<b>Due Date</b>	<b>Assignee</b>
Replace contact centre telephony solution	March 2014	Christine Armstrong
Enhance booking system capabilities	March 2014	Christine Armstrong
Improve on-line facilities for customers	March 2014	Christine Armstrong
Deliver contact centre roll-in and service development programme	March 2014	Christine Armstrong
Ensure that the Council has procedures in place to meet the requirements of the Equality Act 2010 by co-ordinating activities across departments to meet the items included in the Equality & Diversity Action Plan	March 2014	Christine Armstrong
Coordinate corporate complaints process and responses to Local Government Ombudsman complaints	March 2014	Catherine Grimwood
Provide training and support to ensure appropriate consultation mechanisms are employed by council employees	March 2014	Catherine Grimwood
Complete Viewpoint surveys 40, 41 and 42	March 2014	Catherine Grimwood
Promote and disseminate the results of the Hartlepool Household Survey	October 2013	Catherine Grimwood
Review DWP Funded Discretionary Housing Payment Policy Framework	September 2013	Julie Pullman
Develop Engagement Strategy for DWP Universal Credit Roll out	September 2013	Julie Pullman

SECTION 3 PERFORMANCE INDICATORS & TARGETS				
Code	Indicator	Assignee	Targeted or Monitor	Collection Period
	Average wait in seconds for telephone calls to be answered	Julie Howard	Targeted	Financial Year
	Average wait in minutes for face to face customers without an appointment	Julie Howard	Targeted	Financial Year
	% of Contact Centre emails handled the same day	Julie Howard	Targeted	Financial Year
	% of Contact Centre enquires handled at the first point of contact	Julie Howard	Targeted	Financial Year
	% of customers satisfied with Contact Centre service delivery	Julie Howard	Targeted	Financial Year
CEDCS P062	Total Complaints investigated by LGO Investigative Team (including Reports Issued)	David Hunt	Monitored	Financial Year
CEDCS P063	Number of Complaint Reports Issued by LGO Investigative Team	David Hunt	Monitored	Financial Year
COMPLAINTS P3	Total Number of Corporate Complaints Upheld or Partly Upheld	David Hunt	Monitored	Financial Year
TBC	Average number of ViewPoint Questionnaire responses	Lisa Anderson	Monitored	Financial Year
TBC	Percentage of ViewPoint Questionnaire responses made online	Lisa Anderson	Monitored	Financial Year
CEDFI P004	Average time to process new Housing Benefit / Council Tax Support claims	Julie Pullman	Targeted	Financial Year
CEDFI P005	Average time to process Housing Benefit / Council Tax Support changes in circumstances	Julie Pullman	Targeted	Financial Year

SECTION 4 RISKS		
Code	Risk	Assignee
CED R059	Failure to integrate equality into all aspects of the Council's work leading to non compliance with legislation and Council aims (Actively Managed)	Andrew Atkin
CED R052	Failure of Contact Centre to improve service delivery	Christine Armstrong
CED R028	Failure to provide Statutory Registration duties (including IT system)	Christine Armstrong

**SECTION 1 OUTCOME DETAILS**

<b>Outcome:</b>	29. Maintain effective governance arrangements for core business and key partnerships	<b>Theme:</b>	Organisational Development
<b>Lead Dept:</b>	Chief Executives	<b>Other Contributors:</b>	Regeneration and Neighbourhoods

**SECTION 2 ACTIONS**

Action	Due Date	Assignee
Provide full opinion on Governance arrangements to Audit Committee	May 2014	Noel Adamson
Support of the development and updating of the constitution	March 2014	Peter Devlin/ Amanda Whitaker
Support of Council's Governance structure	March 2014	Amanda Whitaker
Implement findings of Peer Review Action Plan	TBA	Corporate Management Team
Enhance monitoring arrangements for Registration Service performance management framework	March 2014	Christine Armstrong
Evaluate the effectiveness of partnership arrangements in the Borough including the Strategic Partners Group and Theme Groups and ensure that appropriate governance arrangements are in place.	December 2013	Catherine Grimwood
Award new ICT contract	October 2013	Joan Chapman
Ensure lawfulness and fairness of decisions	March 2014	Peter Devlin
Maintain and promote Councils whistle blowing policy	March 2014	Peter Devlin
Promote and maintain high standards of conduct by members and co-opted members	March 2014	Peter Devlin

**SECTION 3 PERFORMANCE INDICATORS & TARGETS**

Code	Indicator	Assignee	Targeted or Monitor	Collection Period
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Reg1(i)	% births registered within 42 days	Elaine Cook	Monitored	Financial Year
Reg1(ii)	% still-births registered within 42 days	Elaine Cook	Monitored	Financial Year
Reg1(iii)	% deaths registered within 7 days, excluding registrations following post mortems and inquests	Elaine Cook	Monitored	Financial Year
Reg1(iv)	% deaths after post mortem registered within 7 days	Elaine Cook	Monitored	Financial Year
Reg2.A.1(i)	% birth registration/declaration appointments offered within 7 days	Elaine Cook	Monitored	Financial Year
Reg2.A.1(ii)	% still-birth registration/declaration appointments offered within 2 working days	Elaine Cook	Monitored	Financial Year
Reg2.A.1(iii)	% death registration/declaration appointments offered within 2 working days	Elaine Cook	Monitored	Financial Year
Reg2.A.1(iv)	% notice of marriage/civil partnership appointments offered within 7 days	Elaine Cook	Monitored	Financial Year
Reg2.A.2	% of registration customers seen within 10 minutes of appointment time	Elaine Cook	Monitored	Financial Year
Reg3	% registration certificate applications processed within 7 days of receipt	Elaine Cook	Monitored	Financial Year
Reg4	% of satisfied customers for registration service	Elaine Cook	Monitored	Financial Year
Reg5	Number of formal complaints received (actual and as % of all registrations)	Elaine Cook	Monitored	Financial Year

SECTION 4 RISKS		
Code	Risk	Assignee
CED R037	Failure to embed risk management framework leads to service/governance failures resulting in reputation/financial loss	Catherine Grimwood
CED R094	Failure to deliver a new ICT contract	Andrew Atkin
CED R095	Failure to have in place effective governance arrangements	Andrew Atkin; Peter Devlin
CED R007	Decision making meetings not taking place due to a loss of council facilities or serious problems preventing Councillors / staff attending	Amanda Whitaker
CED R060	Failure to deliver an effective Corporate Legal Service	Alyson Carmen
CED R079	Full opinion on governance arrangements not provided	Noel Adamson

SECTION 1 OUTCOME DETAILS			
<b>Outcome:</b>	30. Maintain effective Performance, Finance and Risk Management Arrangements	<b>Theme:</b>	Organisational Development

<b>Lead Dept:</b>	Chief Executives	<b>Other Contributors:</b>	
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SECTION 2 ACTIONS		
Action	Due Date	Assignee
Implement reclassification and valuation of highways assets	December 2013	Chris Little
Produce statement of accounts	June 2014	Chris Little
Review 2013/14 service planning approach and make recommendations to improve service planning for 2014/15	October 2012	Catherine Grimwood
Agree and implement service planning framework for 2014/15	May 2014	Catherine Grimwood
Coordinate quarterly performance and risk reporting for 2013/14 to ensure well informed decision making and accountability of Executive and senior managers	May 2014	Catherine Grimwood
Undertake performance indicator review to ensure adherence to data quality policy	March 2013	Catherine Grimwood

SECTION 3 PERFORMANCE INDICATORS & TARGETS
No Performance Indicators identified

SECTION 4 RISKS		
Code	Risk	Assignee
CED R031	Performance management arrangement fails to operate as intended resulting in unanticipated service/governance failure within the Council / Partnership	Catherine Grimwood
CED R063	Lack of data quality for performance information results in poor decision making and worsening performance	Catherine Grimwood
CED R076	Partnership structures no longer fit for purpose resulting in relationship breakdown between Hartlepool Borough Council and key partners.	Catherine Grimwood
CED R096	Lack of data quality of consultation conducted results in poor decision making and worsening performance	Catherine Grimwood
CED R080	Statutory deadlines for the production of the Councils accounts may not be met	Chris Little

SECTION 1 OUTCOME DETAILS			
<b>Outcome:</b>	31. Maintain the profile and reputation of the Council	<b>Theme:</b>	Organisational Development

<b>Lead Dept:</b>	Chief Executives	<b>Other Contributors:</b>	
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SECTION 2 ACTIONS		
Action	Due Date	Assignee
Produce 4 editions of the community magazine, Hartbeat, on a zero budget	March 2014	Alastair Rae
Ensure that appropriate mechanisms are in place to ensure effective communication in relation to new public health responsibilities	April 2013	Alastair Rae
Ensure that effective mechanisms are in place to explain the budget pressures facing the Council	June 2013	Alastair Rae
Continue to develop social networking and new media opportunities to promote the work and services of the Council	March 2014	Alastair Rae
Seize opportunities to promote Hartlepool Council and the town in general on a national and international platform	March 2014	Alastair Rae
Ensure that the public relations income generation target is met	March 2014	Alastair Rae

SECTION 3 PERFORMANCE INDICATORS & TARGETS				
Code	Indicator	Assignee	Targeted or Monitor	Collection Period
	The percentage of readers who read some or most of the content of Hartbeat	Alastair Rae	Monitor	Triennial
	Increase the number of 'followers' and 'likes' on Twitter and Facebook	Alastair Rae	Monitor	Financial Year

SECTION 4 RISKS		
Code	Risk	Assignee
CED R005	The failure to maintain a positive/excellent reputation.	Alastair Rae
CED R092	The risk of ineffective delivery of PR representation when the Council PR Team is representing more than one organisation	Alastair Rae

CED R051	Failure to comply with legislation leading to unlawful acts, loss of morale, poor industrial relations and / or accidents to employees resulting in industrial, criminal or civil action against the Council.	Wally Stagg
CED R055	Significant breach of confidentiality and / or personal data security creating poor industrial relations and morale leading to criminal and / or civil proceedings and adverse publicity	Rachel Clark
CED R062	The risk of a breach of conduct by elected members / co-opted members	Peter Devlin



SECTION 1 OUTCOME DETAILS			
<b>Outcome:</b>	32. Deliver effective Member and Workforce arrangements, maximising the efficiency of the Council's Democratic function	<b>Theme:</b>	Organisational Development

<b>Lead Dept:</b>	Chief Executives	<b>Other Contributors:</b>	
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SECTION 2 ACTIONS		
Action	Due Date	Assignee
Review Workforce Strategy	March 2014	Wally Stagg
Improve the control of significant health and safety risks to ensure that they are identified and that they are appropriately managed.	March 2014	Stuart Langston
Develop and implement the Council's annual health promotion plan.	March 2014	Stuart Langston
Implement the Equal Pay Audit action plan (Year 1)	March 2014	Wally Stagg
Respond to the JNC for Local Governments Review of its Job Evaluation Scheme	March 2014	Wally Stagg
Support of the development and updating of the constitution, to reflect the changes to policy and the Law	March 2014	Peter Devlin
Provide legal advice and support to officers and members	March 2014	Peter Devlin
Support of School Admission and Exclusion Appeal Hearings	March 2014	Amanda Whitaker
Maintain and develop the Overview and Scrutiny function	March 2014	Joan Stevens
Compile and deliver the Scrutiny Work Programme for 2013/14	March 2014	Joan Stevens
Monitor recommendations made across all Overview and Scrutiny Committees and report progress to Scrutiny Coordinating Committee – July 2013 and Jan 2014	March 2014	Joan Stevens
Prepare and deliver the Overview and Scrutiny Annual Report (2012/13)	March 2014	Joan Stevens

SECTION 3 PERFORMANCE INDICATORS & TARGETS				
Code	Indicator	Assignee	Targeted or Monitor	Collection Period
CEDCS P012	Percentage of draft Minutes of Non executive meetings produced within 10 days of the meeting	Amanda Whitaker	Targeted	Financial Year
CEDCS P013	Percentage of draft Minutes of Executive meetings produced within 3 days of the meeting	Amanda Whitaker	Targeted	Financial Year
CEDCS Feeder 01	Number of Non Executive Meetings requiring minutes	Amanda Whitaker	Monitor	Financial Year
CEDCS Feeder 03	Number of Executive meetings requiring minutes	Amanda Whitaker	Monitor	Financial Year
CEDCS P014	Percentage of Minutes of Executive meetings published within 4 days of the meeting	Amanda Whitaker	Monitor	Financial Year

SECTION 4 RISKS		
Code	Risk	Assignee
New	That a material safety breach of health and safety legislation is identified by the HSE resulting in a significant Fee for Intervention (FFI) being applied.	Stuart Langston
CED R088	Future and current equal pay claims including settlement of, or adverse findings in ET of existing equal pay claims	Wally Stagg
CED R061	Electoral problems / failures / legal challenges lead to Mayor / Councillors not being elected to Council	Peter Devlin

SECTION 1 OUTCOME DETAILS			
<b>Outcome:</b>	33. Ensure the effective implementation of significant government policy changes	<b>Theme:</b>	Organisational Development

<b>Lead Dept:</b>	Chief Executives	<b>Other Contributors:</b>	
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SECTION 2 ACTIONS		
Action	Due Date	Assignee
Review implementation of Open Data White paper requirements	October 2013	Catherine Grimwood
Implement and monitor Local Welfare Support Scheme (Local Social Fund responsibility)	December 2013	John Morton
Implement and monitor Local Council Tax Support scheme	September 2013	John Morton
Implement Government Auto Enrolment Pension Reforms	June 2013	Kevin Shears
Implement PAYE Real Time Information programme	April 2013	Kevin Shears
Develop implementation strategies for Pension Changes 2014	March 2014	Kevin Shears
Implement Council Tax exemptions / discounts technical changes	March 2014	Roy Horseman
Implement statutory acts of compliance with regards to new and emerging legislation including commencement provisions and secondary legislation of the Localism Act 2011, Police Reform and Social Responsibility Act 2011, Protection of Freedom Act 2012 and the Health and Social Care Act 2012.	March 2014	Peter Devlin

SECTION 3 PERFORMANCE INDICATORS & TARGETS
No Performance Indicators identified

SECTION 4 RISKS
No Risks identified

## SCRUTINY CO-ORDINATING COMMITTEE

4 January 2013



**Report of:** Scrutiny Manager

**Subject:** SCRUTINY INVOLVEMENT IN THE BUDGET  
CONSULTATION PROCESS – PROCESS UPDATE

### 1. PURPOSE OF REPORT

1.1 To update Members in relation to:

- i) An amendment to the process for Scrutiny involvement in the second round of the budget consultation process for the establishment of the Medium Term Financial Strategy (MtfS) 2013/14 to 2016/17; and
- ii) The New Homes Bonus.

### 2. PROCESS FOR SCRUTINY INVOLVEMENT IN THE BUDGET SETTING PROCESS FOR 2013/14

2.1 The Scrutiny Co-ordinating Committee at its meeting on the 15 June approved the process and timetable for scrutiny involvement in the budget setting process for 2013/14.

2.2 Members will be aware of the delay in the expected date of receipt of the Council's budget settlement figure from central government, now expected to be the 19 December 2012. In light of the potential need for additional work in response to the settlement, the Chair of the Scrutiny Co-ordinating Committee has discussed with the Chief Executive the need to amend the agreed scrutiny consultation process in January.

2.3 It has subsequently been agreed that rather than the each individual Forum considering respective departmental budget areas, the Scrutiny Co-ordinating Committee will now consider the whole MTFS budget in detail at one meeting. In order to facilitate this, the Scrutiny Co-ordinating Committee meeting diaried for the 24 January 2013 has been extended to commence at 12noon (expected time of completion being 4.00pm).

### 3. NEW HOMES BONUS UPDATE

- 3.1 The Scrutiny Co-ordinating Committee at its meeting on the 27 January 2012, requested the provision of annual updates in relation to the income achieved through the government's New Homes Bonus (NHB).
- 3.2 In providing the requested update, the Chief Finance Officer has confirmed that the Medium Term Financial Strategy has included a forecast NHB allocation for 2013/14 of £1.048m. This income is allocated to partly mitigate the impact of the cuts in the main Formula Grant and therefore reduce the budget cuts the Council will need to make to set a balanced budget for 2013/14. The Government announced details of the national and local allocations for New Homes Bonus (NHB) for 2013/14 on 10<sup>th</sup> December 2012. Hartlepool has been allocated £1.188m, which is £0.14m more than forecast in the Medium Term Financial Strategy. Depending on the actual cut in the main Formula Grant, which was not known when this report was prepared, this additional income may help reduce next years budget deficit. Conversely, this amount may need to be allocated to offset the impact of the actual cut in the main Formula Grant if this is more than forecast.

New Homes Bonus payments commenced in 2011/12 and are funded from the national Local Government Grant settlement. Therefore, NHB is not new funding and is simply existing funding allocated to individual councils on the basis of housing growth, rather than an assessment of need if this funding was allocated through the main Formula grant. The payment of NHB needs to be considered in the context of the reductions in Core Formula Grant which have been implemented since 2010/11. In 2010/11 Hartlepool received Core Formula Grant of £58.148m (restated to reflect grant changes implemented in 2011/12), compared to £42.955m forecast for 2013/14, a reduction of £15.193m, or 26%. Therefore, for Hartlepool the 2013/14 NHB allocation of £1.188m replaces a small proportion of the ongoing cut to the main Formula Grant.

### 4. RECOMMENDATION

- 4.1 That Members note the report and seek clarification on any issues as required.

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### BACKGROUND PAPERS

No background papers were used in the preparation of this report.