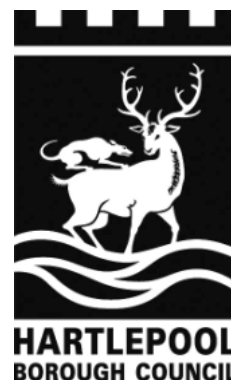


# FINANCE AND POLICY COMMITTEE AGENDA



**Friday 18 October 2013**

**at 9.30 am**

**in the Council Chamber, Civic Centre, Hartlepool**

**MEMBERS: FINANCE AND POLICY COMMITTEE**

Councillors C Akers-Belcher, Cook, Dawkins, Jackson, James, A Lilley, Martin-Wells, Payne, Richardson, Simmons and Thompson

**1. APOLOGIES FOR ABSENCE**

**2. TO RECEIVE ANY DECLARATIONS OF INTEREST BY MEMBERS**

**3. MINUTES**

- 3.1 To receive the minutes of the meeting of the Finance and Policy Committee held on 4 October 2013 (*previously circulated*).

**4. BUDGET AND POLICY FRAMEWORK ITEMS**

None.

**5. KEY DECISIONS**

- 5.1 Disposal of Surplus Assets - Capital Receipts Programme – *Director of Regeneration and Neighbourhoods and Chief Finance Officer*
- 5.2 Leasing of Land to a Wind Turbine Developer for the Erection of Wind Turbines on Land at Brenda Road - *Director of Regeneration and Neighbourhoods*
- 5.3 Community Pool Programme Allocation 2014/15 – *Director of Regeneration and Neighbourhoods*



- 5.4 Savings Proposals for Early Intervention Services – *Assistant Director, Children's Services*

**6. OTHER ITEMS REQUIRING DECISION**

- 6.1 Service Planning 2014/15 – *Corporate Management Team*  
6.2 Access to Payday Lenders Websites Blocked on all Council Computers – *Assistant Chief Executive*  
6.3 Impact of a Hartlepool Living Wage on Commissioning Arrangements – *Director of Regeneration and Neighbourhoods, Director of Child and Adult Services and Assistant Chief Executive*  
6.4 Reviewing the Corporate Complaints, Comments and Compliments Policy – *Assistant Chief Executive*  
6.5 Strategic Financial Management Report – as at 31<sup>st</sup> August 2013 – *Corporate Management Team*

**7. ITEMS FOR INFORMATION**

- 7.1 Corporate Procurement Quarterly Report on Contracts – *Director of Regeneration and Neighbourhoods*  
7.2 Presentation – Cold Kills – *Director of Public Health*

**8. ANY OTHER BUSINESS WHICH THE CHAIR CONSIDERS URGENT**

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

**EXEMPT ITEMS**

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

**10. OTHER ITEMS REQUIRING DECISION**

- 10.1 Hartlepool Maritime Experience – Catering Marketing Opportunity – *Director of Regeneration and Neighbourhoods (para 3)*

**ITEMS FOR INFORMATION**

**Date of next meeting – Friday 8 November 2013 at 9.30am in the Council Chamber, Civic Centre, Hartlepool**



## FINANCE AND POLICY COMMITTEE

18<sup>th</sup> October 2013



**Report of:** Director of Regeneration & Neighbourhoods & Chief Finance Officer

**Subject:** DISPOSAL OF SURPLUS ASSETS – CAPITAL RECEIPTS PROGRAMME

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### 1. TYPE OF DECISION/APPLICABLE CATEGORY

- 1.1 Key Decision (test (i) and (ii) apply). Forward Plan Reference No. RN13/09.

### 2. PURPOSE OF REPORT

- 2.1 To advise Committee of the progress to date in relation to the achievement of Capital Receipts, and advise on the programme and options to secure the approved Capital Receipts target of £6.5 million by 2015/16.

### 3. BACKGROUND

- 3.1 As part of the 2012/13 Medium Term Financial Strategy a financial plan was developed to address the Government's withdrawal of grant funding to complete the Housing Market Renewal (HMR) projects. Whilst, the Government provided some transitional funding to assist authorities manage the withdrawal of this funding the Council still needs to identify funding of £4.5m from other sources to complete these schemes. The 2012/13 MTFS report recommended setting a capital receipts target of £4.5m to achieve this funding. At that time it was envisaged that these capital receipts would be achieved over a two or three year period and would match forecast annual HMR expenditure commitments as follows:
- 2012/13 £1.4m
  - 2013/14 £2.7m
  - 2014/15 £0.4m
- 3.2 The 2012/13 MTFS report advised Council that achieving the capital receipts target would be challenging and need careful management. The report also advised Members that if capital receipts are not

achieved as forecast costs may then need to be funded from Prudential Borrowing, either on a short-term or long term basis.

- 3.3 The target was increased to £6.5m as part of the 2013/14 MTFS to fund developments at the Brierton Site.
- 3.4 The 2013/14 MTFS also highlighted the risks of achieving these capital receipts and the impact if capital receipts are less than forecast and prudential borrowing needs to be used to bridge any shortfall. Use of Prudential borrowing would result in an unbudgeted revenue pressure.
- 3.5 This report provides an update on the phasing of the capital expenditure commitments in relation for the HMR scheme and the Brierton developments, and the phasing of forecast capital receipts.
- 3.6 The report does not cover the recently approved purchase of Jacksons Landing, although Members are reminded that this proposal includes a fall back position to achieve additional capital receipts of £1.5m to repay the Growing Places loan if alternative funding is not achieved for the development of this site. As previously reported the fall back option would increase the overall level of capital receipts to be achieved over the next two to three years.
- 3.7 Similarly, the report does not cover the capital receipts in relation Seaton Carew developments as these resources are not earmarked towards achieving the Council's capital receipts targets. However, this development is also relevant in the context of the overall housing developments planned across the town over the next few years, and the impact further land sales by the Council may saturate the market.

#### **4. PHASING OF EXPENDITURE COMMITMENTS**

##### **4.1 Brierton Scheme**

- 4.2 A comprehensive report on the Brierton site was presented to the Committee on 23<sup>rd</sup> August 2013 and identified that the latest estimate of the costs to be funded from capital receipts is £1.916m, which is £84,000 less than the approved budget. The report emphasised that there are still financial risks associated with this scheme and recommended that the budget is retained until works commence and costs become more certain. It is anticipated the costs of this scheme will be incurred in the current financial year.
- 4.3 It was provisionally agreed at the Committee meeting on 23<sup>rd</sup> August to use any surplus capital receipts from the disposals of the EDC, Golden Flatts sites and the Brierton site to be used to fund parking facilities adjacent to the end of the groves at Macaulay Road. In addition, the

option of these works being undertaken in one year as opposed to a phased basis be explored and the various options presented to the Committee for consideration. Work on this option is still progressing and will be reported to a future meeting.

#### 4.4 HMR Projects

4.5 A detailed assessment of the phasing of these costs has been completed and indicates the costs will be incurred later than previously anticipated. There are a number of reasons for these costs being rephased including staff resources being dedicated to resolving the Perth/Hurworth HMR scheme, work undertaken to deliver the empty properties scheme and the longer timescale to agree property purchases.

4.6 This is beneficial in terms of when capital receipts will need to be achieved as HMR expenditure commitments will now be phased over 4 years as follows:

- 2012/13 £0.110m
- 2013/14 £2.340m
- 2014/15 £0.920m
- 2015/16 £1.130m
- Total £4.500m

#### 4.7 Summary position of expenditure commitments

4.8 In summary the latest forecast of expenditure commitments for Brierton and HMR costs to be funded from capital receipts over the period 2013/14 to 2015/16 is as follows:

	2013/14 £'m	2014/15 £'m	2015/16 £'m	Total £'m
Brierton	1.916			1.916
HMR	2.340	0.920	1.130	4.390
Total	4.256	0.920	1.130	6.306

## 5. PHASING OF CAPITAL RECEIPTS

5.1 A substantial amount of work has been undertaken to identify surplus land and property within the Councils portfolio as a result of active property review and business transformation work programmes. As a result, a full schedule of key surplus assets and projected disposal dates are set out in Confidential Appendix 1 **(This item contains exempt information under Schedule 12A Local Government Act 1972 (as amended by the Local Government (Access to Information) (Variation) Order 2006) namely, (para 3) information**

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

- 5.2 To ensure that values are maximised all residential sites are marketed with a development brief and sold subject to planning consent being obtained. Where appropriate the Council submit planning applications directly for changes of use. These measures ensure that bids submitted by interested parties reflect the added value of a change of use whilst providing flexibility for developers to prepare their own schemes where appropriate. This enables a range of proposals to be presented to the Council for consideration as part of the selection process.
- 5.3 Although the property market remains difficult capital receipts of £1.697m have been generated up to 31<sup>st</sup> March 2013. However, in accordance with business cases approved by Members £1.211m has been either reinvested in replacement/current operational properties such as Focus/Tanfield or used to purchase 'investment properties' including the former ambulance station at Briarfields to achieve higher future capital receipts. As such the balance of receipts against the £6.5m target as at the end of 31<sup>st</sup> March 2013 was £0.486m.
- 5.4 An ambitious programme of additional sales (as set out in Confidential Appendix 1 **(This item contains exempt information under Schedule 12A Local Government Act 1972 (as amended by the Local Government (Access to Information) (Variation) Order 2006) namely, (para 3) information relating to the financial or business affairs of any particular person (including the authority holding that information)** for the period of 2013-15 has been identified to achieve the target of £6.5 million. The programme is dependent on the sale of a number of large residential development sites these being the highest value surplus assets within the portfolio.
- 5.5 During 2013/14 receipts of £1.785m are projected of which £0.922m has been received to date. Assuming the forecast 2013/14 capital receipts are achieved the Council still needs to achieve capital receipts of £4.229m, as summarised below:

	£'m
Capital Receipts Target (excludes Jacksons Landing project which is being managed separately)	6.500
Less net capital receipts received up to 31.03.13 (paragraph 3.3)	(0.486)
Less forecast capital receipts to be received 2013/14	(1.785)
Capital Receipts still be achieved	4.229

- 5.6 There are a number of risk factors associated with the achievement of the target and these are explained for each site in Confidential Appendix 1 **(This item contains exempt information under Schedule 12A Local Government Act 1972 (as amended by the Local Government (Access to Information) (Variation) Order 2006) namely, (para 3) information relating to the financial or business affairs of any particular person (including the authority holding that information).** Additional sales have been programmed as a contingency measure to ensure the risk of not achieving the target is minimised. If all these sales could be achieved the capital receipts target may be exceeded, although this is extremely unlikely in the current climate.
- 5.7 Furthermore, as the receipts are dependent on the sale of residential development sites it is important not to saturate the market creating oversupply and depressing prices. Although recent RICS data suggests the residential property market is showing signs of recovery largely due to Government measures to stimulate the market through the Funding for Lending and Help to Buy schemes the North East market is still fragile with sales data showing a year on year reduction in values to quarter 3 in 2013 of -3.3%.
- 5.8 Looking ahead, it appears that prices across the country may increase provided interest rates remains low and access to finance remains. Market commentator's predictions suggest potential increases outside of London of between 2 and 4% per annum over the next 5 years. However, for planning purposes it would not be prudent to anticipate land values increasing until sites are marketed and actual tenders are received. At that stage officers can assess if tenders reflect the actual value of land applying at the time.
- 5.9 Within Hartlepool there are outstanding planning permissions of 1500 residential units equating to approximately a 5 year supply based on projected build rates. As such there is already substantial competition in the market. Although a number of these are smaller sites which are less attractive to the volume builders, there is limited overall demand even taking account of an improving market.
- 5.10 Recently the sale of land at Tanfield Road has completed, contracts have been exchanged on Foggy Furze and an acceptable tender received for the land at the Education Development Centre on Seaton Lane in total all three sites extend in total to 11 acres.
- 5.11 Outstanding sales projected for 2014/15 are identified & referenced in Confidential Appendix 1 **(This item contains exempt information under Schedule 12A Local Government Act 1972 (as amended by the Local Government (Access to Information) (Variation) Order 2006) namely, (para 3) information relating to the financial or**

**business affairs of any particular person (including the authority holding that information)** and include 6 acres at site C, 3.52 acres at site E and 7.5 acres at site F which is a significant amount of land to bring to the market within a 2 year time frame particularly as the sites at sites C, D & E are competing for the same volume housing market segment. The Estates and Asset Manager considers it is unlikely that demand would exist for both sites F & C if both these sites are marketed next year. Furthermore in a rising market it would be prudent to retain some of the sites beyond 2014/15 both to allow prices to recover and development on the other sites to progress before bringing the land to market.

- 5.12 Site E represents a prime site suitable for executive housing, and although demand currently exists, price levels will be restricted due to market conditions. As such although there would be demand for the land and it could be sold successfully in the current market, it would be financially beneficial to retain the site for another 2-3 years to enable land values to increase before sale.
- 5.13 It is proposed that rather than saturate the market and to ensure the Council maximises financial return from the sale of land that the sale of site D is progressed in accordance with the tender received and that site C is marketed for sale in 2013/14. The transfer of land to Vela for the construction of affordable houses on part of site C has taken place and construction will commence in the near future. This will be an opportune time to commence marketing of the remainder of the site as confidence will improve once Vela are on site. This will provide an early indication in market interest for the site.
- 5.14 The Estate & Asset Manager is working with the successful tenderer for site D to ensure development proposals are acceptable in planning terms with a view to encouraging an early planning application for the site with a target date for exchange of contracts in January/February 2014. Clearly there is greater risk associated with this sale.
- 5.15 It is recommended that both the land at sites E & F are not marketed until 2015/16 or 2016/17 depending on market conditions to ensure returns are maximised. As a contingency however should site C not sell for an acceptable price then this will be withdrawn and Site F will be marketed.
- 5.16 Based on receipt projections the above would lead to a shortfall in the capital receipts target identified in the MTFS of between £860,000 (if sites E & F are not sold) & £2,655,000 (if sites C, E & F) which would need to be funded by Prudential Borrowing. There would then be an unbudgeted revenue costs from the use Prudential Borrowing. The value and timing of the revenues costs will be also be affected by the



phasing of capital expenditure and this issue is addressed in the next section.

## 6. LINKAGE BETWEEN CAPITAL EXPENDITURE COMMITMENTS AND FORECAST CAPITAL RECEIPTS

6.1 Previous reports highlighted the risk of achieving capital receipts to match the phasing of capital expenditure commitments and the need to manage these issues carefully. These are complex areas to manage and circumstances have changes since the initial strategy was developed. Two risks have been identified, the first relates to capital receipts being achieved later than anticipated and the second that actual capital receipts are less than the £6.5 million target. These issues are addressed in the following paragraphs.

### 6.2 Phasing Risk

- 6.3 In terms of generating capital receipts these are taking longer to achieve than anticipated, although its is still expected that the overall target should be achieved. At the end of 2013/14 it is forecast that net capital receipts of £2.271m will have been achieved, compared to a previous forecast at this stage of £4.1m.
- 6.4 Capital expenditure commitments continue to be closely monitored and as detailed earlier in the report these costs will be incurred latter than previously anticipated, particularly in relation to the HMR project.
- 6.5 However, the rephasing of capital expenditure will not be sufficient to offset the delay in achieving capital receipts in 2013/14 and it is currently forecast that there will be a temporary funding shortfall in 2013/14 of **£2.095m**, pending the receipt of forecast capital receipts in 2014/15, as summarised below:

	2013/14 £'m	2014/15 £'m	2015/16 £'m	Total £'m
Forecast capital expenditure commitments	4.256	0.920	1.130	6.306
Less Capital Receipts:				
- Received 2012/13 (net of £0.11m used in 2012/13 for HMR costs)	(0.376)			(0.376)
- Received 2013/14	(0.922)			(0.922)
- Forecast 2013/14	(0.863)			(0.863)
- Forecast 2014/15	0	(3.285)		(3.285)
2014/15 Capital		0.270	(0.270)	0

Receipts carried forward to 2015/16				
<b>(Forecast funding shortfall to be funded from temporary Prudential Borrowing)/Repayment of Prudential borrowing</b>	<b>(2.095)</b>	<b>2.095</b>	<b>0</b>	<b>0</b>
Shortfall in funding	0	0	0.860	0.860

- 6.6 In 2013/14 the forecast shortfall of £2.095m will need to be funded from temporary Prudential Borrowing, which it is envisaged will be repaid in 2014/15 when further capital receipts are received. The use of temporary Prudential Borrowing will have an unbudgeted revenue cost in 2013/14 and 2014/15. In 2013/14 this will be an interest cost on the use of Prudential Borrowing which can be funded from the Council's Centralised Estimates budget (i.e. budget for annual Prudential Borrowing repayments, interest on long terms borrowing and net interest on day to day cash flow).
- 6.7 In 2014/15 there will be a continuing interest costs which will depend on interest rates prevailing at the time and the timing of capital receipts. For planning purposes it is anticipated at this stage that this cost can be accommodated within the 2014/15 Centralised Estimates budget. In 2014/15 there will also be a revenue cost in relation to the statutory Minimum Revenue Provision (MRP) from using Prudential Borrowing in 2013/14, which will be funded from the capital receipts received in 2014/15.
- 6.8 The forecast shortfall in 2015/16 of £0.860m could increase to £2.655m if the receipt for site C is not achieved and an alternative capital receipt cannot be achieved. The financial implications of this risk are covered in the next section.
- 6.9 **Risk of achieving the Capital Receipts of £6.5m**
- 6.10 Whilst, the previous paragraphs indicate that overall capital receipts target should be achieved this is dependant upon the sale of one or more major housing sites and therefore cannot be guaranteed.
- 6.11 As detailed in paragraph 5.8 there is a potential risk of a shortfall in the capital receipts target identified in the MTFs of between £860,000 (if sites E & F are not sold) and £2,655,000 (if sites C, E & F not sold) by 2015/16, which would need to be funded by Prudential Borrowing. There would then be an unbudgeted revenue costs from the use Prudential Borrowing.

- 6.12 At this stage this is not an issue for the 2014/15 budget. However, progress in achieving the overall capital receipts target will need to be closely monitored to ensure this does not become an issue for 2015/16. The following table highlights the unbudgeted revenue pressures for the potential capital receipts shortfalls:

Capital Receipts Shortfall	£860,000	£2,655,000
Unbudgeted Revenue Pressure 2015/16 (based on forecast interest rates)	£70,000	£215,000

- 6.13 As the actual position on the phasing of capital expenditure and the phasing of capital receipts becomes more certain in 2014/15 and 2015/16 it may be necessary to earmark revenue resources to temporarily fund the forecast Prudential Borrowing costs, pending the delayed achieved of capital receipts. This strategy would avoid an unbudgeted revenue pressures in 2015/16 which is already anticipated to be the most challenging financial year the Council has faced as a unitary authority. It is therefore essential that the planned capital receipts targets are achieved.

## 7. CONCLUSION

- 7.1 The report highlights the continuing requirement to achieve capital receipts of £6.5m to fund approved capital expenditure commitments.
- 7.2 By the end of the current financial year it is anticipated capital receipts of approximately £2.3m will have been achieved, leaving £4.2m to be achieved to fund forecast expenditure commitments.
- 7.3 It is anticipated that owing to the different phasing of capital expenditure commitments and the phasing of capital receipts there will be a temporary funding shortfall in 2013/14 of £2.095m. This will need to be funded from Prudential Borrowing and the report outlines how the resulting revenue costs in 2013/14 and 2014/15 can be funded. Fortunately this can be done within existing resources.
- 7.4 The report indicates that it will be extremely challenging to achieve the capital receipts targets and there remains a risk that this target takes longer to achieve than forecast, which would result in an unbudgeted pressure in 2015/16. There is also a risk that the target is not achieved at all, which would result in a permanent budget pressure.
- 7.5 Owing to the strategic financial importance of achieving the capital receipts target progress in achieving the target will be included in the normal quarterly financial management reports submitted the Policy and Resources Committee during the year. These arrangements will

ensure any corrective action can be taken at an early stage to protect the Council's overall financial position.

## **8. LEGAL IMPLICATIONS**

- 8.1 Legal implications relating to ensuring the legal title to the sites being disposed of are resolved at an early stage is fundamental to ensuring sales proceed without delay.

## **9. EQUALITY & DIVERSITY CONSIDERATIONS**

- 9.1 There are no equality & diversity issues.

## **10. ASSET MANAGEMENT CONSIDERATIONS**

- 10.1 The attention of the Committee is drawn to the Asset Management element of the Medium Term Financial Strategy. The decision by Cabinet in January 2009 requires a commercial, proactive approach to be taken on Asset Management issues, the proceeds of these transactions being a contribution to the Medium Term Financial Strategy (MTFS).
- 10.2 The decision to adopt a commercial approach to asset management requires the Council to realise the full value of any properties or property rights that it disposes of and maximises the capital receipts to meet targets within the MTFS.

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

- 11.1 Section 17 implications will be dealt with through the design planning and construction phases of the projects.

## **12. RECOMMENDATIONS**

- 12.1 It is recommended that Members
- i) Note the report;
  - ii) Approve the proposal to market site C & complete the sale of site D to achieve capital receipts in 2014/15;

- iii) Approve the proposal to delay marketing sites E and F until future years depending on market conditions.
- iv) Approve the proposal that if the tenders for site C do not realise an acceptable value that either the sales of site E & F be brought forward.
- v) To acknowledge the prudence of recommendations (ii) and (iii) in managing the release of land to the market to avoid oversupply and maximise returns in a rising market;
- vi) To note that by adopting the above strategy it is anticipated that the Council will need to manage Capital Receipts shortfall in 2013/14 of £2.095m pending the achievement of capital receipts in 2014/15. It is anticipated the resulting temporary revenue costs in 2013/14 and 2014/15 of using Prudential Borrowing can be accommodated within existing budgets;
- vii) Council approval to the increase the 2013/14 Prudential Borrowing limits by £2.095m be sort as part of the 2014/15 budget proposals in February 2013;
- viii) To note that by adopting the above strategy it is anticipated that the Council will need to manage Capital Receipts shortfall in 2015/16 of £0.860m pending the achievement of capital receipts in 2016/17. It may be necessary to earmark revenue resources to temporarily fund the forecast Prudential Borrowing costs when the position is more certain to avoid an unbudgeted revenue pressures in 2015/16.

### **13. REASONS FOR THE RECOMMENDATIONS**

- 13.1 To ensure that Members are aware of the financial implications of disposing of development sites in volume when demand is currently limited but where signs of market recovery exist.

### **14. CONTACT OFFICER**

- 14.1 Denise Ogden  
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- 5.4 Savings Proposals for Early Intervention Services – *Assistant Director, Children's Services*

## **6. OTHER ITEMS REQUIRING DECISION**

- 6.1 Service Planning 2014/15 – *Corporate Management Team*  
6.2 Access to Payday Lenders Websites Blocked on all Council Computers – *Assistant Chief Executive*  
6.3 Impact of a Hartlepool Living Wage on Commissioning Arrangements – *Director of Regeneration and Neighbourhoods, Director of Child and Adult Services and Assistant Chief Executive*  
6.4 Reviewing the Corporate Complaints, Comments and Compliments Policy – *Assistant Chief Executive*  
6.5 Strategic Financial Management Report – as at 31<sup>st</sup> August 2013 – *Corporate Management Team*

## **7. ITEMS FOR INFORMATION**

- 7.1 Corporate Procurement Quarterly Report on Contracts – *Director of Regeneration and Neighbourhoods*  
7.2 Presentation – Cold Kills – *Director of Public Health*

## **8. ANY OTHER BUSINESS WHICH THE CHAIR CONSIDERS URGENT**

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

### **EXEMPT ITEMS**

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## **10. OTHER ITEMS REQUIRING DECISION**

- 10.1 Hartlepool Maritime Experience – Catering Marketing Opportunity – *Director of Regeneration and Neighbourhoods (para 3)*

### **ITEMS FOR INFORMATION**

**Date of next meeting – Friday 8 November 2013 at 9.30am in the Council Chamber, Civic Centre, Hartlepool**



# FINANCE AND POLICY COMMITTEE

18<sup>th</sup> October 2013



**Report of:** Director of Regeneration and Neighbourhoods

**Subject:** LEASING OF LAND TO A WIND TURBINE  
DEVELOPER FOR THE ERECTION OF WIND  
TURBINES ON LAND AT BRENDA RD

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## 1. TYPE OF DECISION/APPLICABLE CATEGORY

1.1 Key Decision (test (i) and (ii)) Forward Plan Reference No. 18/12

## 2. PURPOSE OF REPORT

2.1 To report on the tenders received for lease of land at Brenda Rd for Wind Turbine installation and operation.

## 3. BACKGROUND

3.1 Following a Members decision of October 2012, Council owned land at Brenda Rd adjoining TaTa Steel shown hatched red on the plan at **Appendix 1** was marketed to let as a wind turbine site. Tenders closed on 12<sup>th</sup> July 2013. Six Tenders were received from a number of renewable energy companies and these are detailed in **Confidential Appendix 2 (This item contains exempt information under Schedule 12A Local Government Act 1972 (as amended by the Local Government (Access to Information) (Variation) Order 2006) namely, (para 3) information relating to the financial or business affairs of any particular person (including the authority holding that information).**

3.2 Due to the complexities of wind turbine planning the assessment of the tenders has not been straightforward. The proposals range from the construction of one relatively small 0.5 MW turbine with a tip height of about 77 meters to a much larger 7.5 MW turbine with a tip height of almost 200 meters, and some proposals are for several turbines. The rental income being offered by the various tenderors also varies very widely and not in a direct



relationship with the size of the schemes, although some of the larger ones proposed do have the potential for greater levels of income.

- 3.3 The potential siting and size of wind turbines is influenced by a wide range of constraints and issues, including the relationship with other land uses in the vicinity, mobile phone communications (which can be disrupted by large turbines), airport radar, grid connection availability, noise, shadow flicker, visual intrusion, access and ecology. Whilst the site in question is relatively large and located in an industrial area quite distant from housing, it is affected by, for instance, the radar requirements of Durham Tees Valley Airport and the location in the area of a number of important wildlife sites some of which are internationally important for migrating birds. The assessment of the deliverability of the various proposals is therefore quite complex, but it is clearly important to select a scheme which is likely to be acceptable in planning terms.
- 3.4 The tenders have been formally evaluated in accordance with the tender document and the results of this are set out in **Confidential Appendix 3 (This item contains exempt information under Schedule 12A Local Government Act 1972 (as amended by the Local Government (Access to Information) (Variation) Order 2006) namely, (para 3) information relating to the financial or business affairs of any particular person (including the authority holding that information).**
- 3.5 In general the larger the turbine the greater the financial return to the Council and the Community Fund. As such the proposals included in tenders 3 and 6 **Confidential Appendix 3. (This item contains exempt information under Schedule 12A Local Government Act 1972 (as amended by the Local Government (Access to Information) (Variation) Order 2006) namely, (para 3) information relating to the financial or business affairs of any particular person (including the authority holding that information).** score most highly in the evaluation criteria. The issue of deliverability in planning and environmental terms however is more difficult and there are greater risks.
- 3.6 The tenders received offer a variety of financial packages and timescales for implementation as set out in **Confidential Appendix 2 (This item contains exempt information under Schedule 12A Local Government Act 1972 (as amended by the Local Government (Access to Information) (Variation) Order 2006) namely, (para 3) information relating to the financial or business affairs of any particular person (including the authority holding that information)).** The tenders include a range of either fixed or rent plus increases based on installed capacity. Some bids also include potential for the Council to acquire the electricity from the turbine at a reduced rate which would add to the Councils green credentials and significantly reduce our electricity bill, however this approach did not form part of the tender brief.

#### 4. PROPOSALS

- 4.1 Based on the evaluation criteria included in the tender document tender 6 scored the highest **Confidential Appendix 3 (This item contains exempt information under Schedule 12A Local Government Act 1972 (as amended by the Local Government (Access to Information) (Variation) Order 2006) namely, (para 3) information relating to the financial or business affairs of any particular person (including the authority holding that information).** The tender evaluation has been undertaken on the basis of a 2.5MW turbine. Although the tenderer has an ambition to construct up to a 7.5MW turbine, which would lead to even greater financial returns to the Council based on the minimum proposal this tender provides the highest financial return and one of the fastest implementation timescales.
- 4.2 It is proposed to proceed with Tenderer No. 6 and agree a proposed form of development, exclusivity agreement and lease.

#### 5. RISK IMPLICATIONS

- 5.1 There is a substantial risk involved in the project due to the difficulty of assessing the planning viability at this stage. If the proposed turbine is not granted planning permission or does not prove viable for other reasons, clearly no income will be received. Alternatively, only a smaller scheme will prove possible, with a commensurate reduction in projected income.
- 5.2 However, this is inherent in this type of development and all the costs of site investigation, wind monitoring, planning applications, consultation and construction costs will be borne by the developer; the only significant expense that the Council is likely to have to bear will be the officer time involved in the negotiations, which is covered from existing budgets.
- 5.3 The viability of wind turbine schemes also depends on the statutory environment in terms of Renewable Obligation Certificates; these are the mechanism by which generators of renewable energy receive payments from electricity generation companies in addition to the sale price of the electricity generated. The current scheme is open to new projects until 2017.

#### 6. FINANCIAL CONSIDERATIONS

- 6.1 All tenders are subject to a considerable amount of detailed assessment and planning work being undertaken and as such the eventual success and scale of the scheme cannot be guaranteed. However, the successful tenderor has submitted a fixed rent proposal for a 2.5 MW turbine in the tender and also an alternative arrangement based on a percentage of revenue. A summary of the financial proposals are included in confidential appendix 2. However should a larger turbine receive planning approval then rental payments would increase proportionately to the size.

- 6.2 The successful completion of the proposed development will provide a new income stream for a 25 year period, which it is anticipated will commence in 2015/16. The income will help reduce the significant budget deficit facing the Council in 2015/16 which will be the most difficult financial year the Council will ever have faced.
- 6.3 There will also be a separate contribution towards a Community Benefit Fund.
- 6.4 All the development costs will be borne at risk by the developer. On completion of the construction and commissioning of the turbine, income will start to be received.

## **7. ASSET MANAGEMENT CONSIDERATIONS**

- 7.1 The attention of Members is drawn to the Asset Management element of the Medium Term Financial Strategy. The decision by Cabinet in January 2009 requires a commercial, proactive approach to be taken on Asset Management issues.
- 7.2 The decision to adopt a commercial approach to asset management requires the Council to realise the full value of any properties or property rights that it disposes of.

## **8. EQUALITY AND DIVERSITY CONSIDERATIONS**

- 8.1 There are no equality or diversity implications to this report.

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

- 9.1 There are no Section 18 implications to this report.

## **10. RECOMMENDATIONS**

- 10.1 It is recommended that Members
- i) approve the acceptance of tender number 6 in confidential appendix 2 and consent be granted for detailed negotiations to be undertaken to agree Exclusivity & Option Agreements;
  - ii) Note that once Planning Permission has been obtained a lease will be granted for the construction and operation of a wind turbine scheme at the site;

- iii) Note that once Planning Permission has been obtained and a scheme implemented the Council will achieve a new income stream for a 25 year period, which it is anticipated will commence in 2015/16. The income will help reduce the significant budget deficit facing the Council in 2015/16 which will be the most difficult financial year the Council will ever have faced.
- iv) Note that once Planning Permission has been obtained and a scheme implemented the Council will achieve a separate contribution towards a Community Benefit Fund.

## **11. REASONS FOR RECOMMENDATIONS**

- 11.1 Marketing of the site has resulted in the submission of a number of competitive and considered tenders from a variety of wind turbine developers. The recommended tenderor has offered the highest rental bid and provided a satisfactory tender response in relation to the other relevant factors.

## **12. BACKGROUND PAPERS**

- 12.1 There are no background papers to this report.

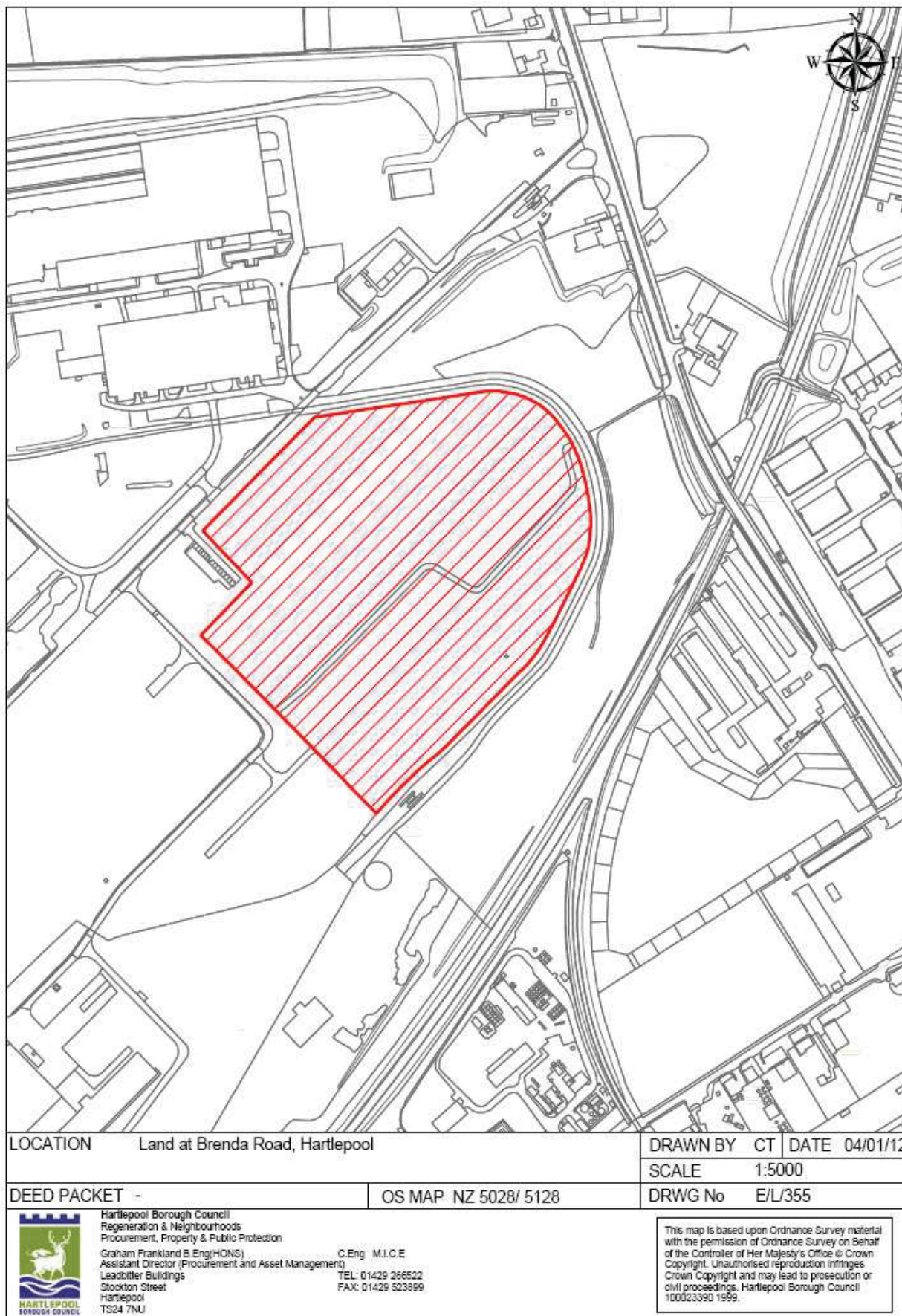
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## APPENDIX 1





# FINANCE AND POLICY COMMITTEE

18<sup>th</sup> October 2013



**Report of:** Director of Regeneration and Neighbourhoods

**Subject:** COMMUNITY POOL PROGRAMME ALLOCATION  
2014/15

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## 1. TYPE OF DECISION/APPLICABLE CATEGORY

1.1 Key Decision test i and ii applies. Forward Plan Reference No. RN20/13

## 2. PURPOSE OF REPORT

2.1 To present proposal and seek approval from Finance and Policy Committee on the allocation of the Community Pool Programme Allocation for 2014/15.

## 3. BACKGROUND

3.1 Following a complete review of the Community Pool Programme in 2011/12 and agreement from Cabinet on 21<sup>st</sup> November 2011 the programme for 2012/13 and 2013/14 has been allocated through five specific categories detailed below:

- Category 1 – The provision of universal welfare benefits and advice;
- Category 2 – The provision of universal credit union support;
- Category 3 – Capacity and resource building in the Voluntary and Community Sector (VCS);
- Category 4 – The provision of town-wide specialist and support services;
- Category 5 – The provision of development / investment and emergency grants.

3.2 In 2012/13 a formal procurement tendering process was undertaken to award categories 1, 2 and 3 via contracts, the remaining budget was allocated to grants through categories 4 and 5, the value of this was approximately £150,000. The overall budget for Community Pool in 2012/13 was £403,000, this supported the delivery of the three contracts, supported 9 VCS groups with core funding costs (Category 4), supported 3 VCS organisations to deal with emergency situations and enabled a VCS organisation to undertake a development and investment project.

- 3.3 A number of revisions were implemented to the delivery of the Community Pool Programme 2013/14 to reflect lessons learnt in delivering the programme in the previous year, these were agreed by Cabinet on 7<sup>th</sup> January 2013. The overall budget allocation for this financial year has been in line with the previous year and following positive outcomes closely monitored by performance management frameworks, the 3 contracts were extended in line with the conditions of the original contract awarded. In addition to the continued support of the 3 contract, 11 VCS organisations have been supported with grants towards core costs and 2 grants have been allocated through Category 5 to date. There is a remaining unallocated budget for Category 5 as applications are accepted throughout the year.
- 3.4 Given the extreme financial pressure that the Local Authority is currently facing all budgets are currently under review. The Community Pool budget has been identified as a proposed saving area and it was agreed at Finance and Policy Committee on 23<sup>rd</sup> August 2013, that a further report would be presented outlining the allocation proposal against a reduced Community Pool budget of £220,000.

#### 4. PROPOSALS

- 4.1 Table 1, details the proposed allocated budget to categories of the Community Pool for the programme delivery in 2014/15, in line with the budget allocation suggested (outlined in section 3.4). Sections 4.2 to 4.6 of this report outline in more detail the changes that are proposed to the current allocation of Community Pool in order to deliver the programme with the reduced available budget.

**TABLE 1: Community Pool Proposed Budget Allocation 2014/15**

Category	Purpose	Existing Procurement Method	Proposed 2014-15 Budget (£)	Proposed Procurement Method
Category 1	The provision of universal welfare benefits and advice	Contract	110,000	Contract
Category 2	The provision of universal credit union support	Contract	35,000	Grant
Category 3	Capacity and resource building in the Voluntary and Community Sector (VCS)	Contract	0	N/A
Category 4	The provision of town-wide specialist and support services	Grants	75,000	Grants
Category 5	The provision of development / investment and emergency grants.	Grants	0	N/A
		Total	220,000	



#### 4.2 Services to be commissioned via contracts in 2014-15

Category 1 – The provision of universal welfare benefits and advice; this service is currently delivered by West View Advice and Resource Centre, who were successful in securing the contract in April 2012. The original term of the contract was 12 months; this was continued for an additional 12 months in line with the terms of the original contract following positive monitoring through performance management framework in place. It should be noted that this existing agreement can not be extended beyond the current term. The provision of this service remains a priority given the ongoing multitude of changes to the Welfare Benefits system and the imminent introduction of Universal Credit. The proposed level of budget for 2014-15 is in line with the current budget allocated to the contract.

#### 4.3 Services to be commissioned via grants in 2014-15

Category 2 – The provision of universal credit union support. The level of funding proposed to support the Credit Union provision in Hartlepool in 2014-15 is a reduction on the level of the current contract with Hartlepool Credit Union. The aim of this service is to increase the financial inclusion of residents of Hartlepool by providing sound financial advice, debt management techniques, and legislative guidance at venues that are accessible across the town, in addition to offering affordable financial services to residents. The products and practical solutions provided through this service complement the advice service which will continue to be delivered through Category 1. This service has been contracted for the last two years, Hartlepool Credit Union are the only provider that is able to deliver this service given the specialist nature of the service specification. It is therefore proposed that the most appropriate way to commission this service is through a grant (proposed level outlined in Table 1) with set conditions and output targets that will be monitored regularly.

4.4 Category 4 - The provision of town-wide specialist and support services. This element of the Community Pool programme has made grants available for VCS organisations to apply for contributions towards the core running costs. Successful grant recipients are required to meet a set criteria and demonstrate how they fit in with key aims of the Community Pool, clearly reflecting the aspirations, aims, objectives and priorities of the Council's Community Strategy, Child Poverty Strategy, Voluntary and Community Sector Strategy as well as the work of the Financial Inclusion Partnership. The proposal for the continuation of the grant programme is to focus the criteria around organisations that specifically deliver services linked to family poverty; and it is proposed that this could be measurable against the Action Plan of the Child Poverty Strategy.

4.5 The suggested budget allocation to these grants is £75,000; this is approximately 50% of the allocation to Category 4 in 2012/13 and 2013/14. A maximum grant amount of £15,000 was implemented in 2013/14 with the intention of enabling the support of more VCS groups through the funding programme; this was achieved with 2 additional grants allocated this year. To maximise the benefit of this limited budget, a further reduction in the maximum grant available could be considered, for example reducing the level of individual grants available to

£10,000 would equate to 8 grants (up to 7 receiving the maximum grant available) being allocated in 2014/15.

- 4.6 Following the reconfiguration of the Community Pool allocation as outlined above the following categories of the Community Pool would cease in 2014/15:
- Category 3 – Capacity and resource building in the Voluntary and Community
  - Category 5 – The provision of development / investment and emergency grants.

## 5. ISSUES FOR CONSIDERATION

- 5.1 The level of reduction proposed to the Community Pool programme will have an impact on the organisations currently supported. All funding arrangements currently in place are due to end on 31<sup>st</sup> March 2014 and therefore all organisations currently supported from the programme through contracts and grants are aware of the cessation of the current arrangements. Council Officers have been notifying VCS organisations through monitoring and performance management meetings that all budgets are under review in response to the budget pressures that the Council is currently facing and it has been reiterated to VCS groups that there are no guarantees on future funding availability through the Community Pool programme. There are however examples of VCS organisations who have received support year on year through the Community Pool, within the current programme and through the previous format (prior to the review). Impact assessments have been prepared for Categories 2-5, where changes to the allocation of budget has been identified; these are attached as appendices. The key areas of impact are outlined in Sections 5.2 – 5.9.
- 5.2 Category 2 – Discussions with Hartlepool Credit Union at performance management and monitoring meeting suggest that the organisation are positioning themselves to become more sustainable and have/are in the process of developing a number of projects to help them achieve this. From the information provided to monitoring officers, a reduction in the level of support to Hartlepool Credit Union would be manageable from the organisation's perspective. The terms of the service would require negotiation given the proposed reduction in the level of support and change to a grant from existing contract arrangements. Monitoring of the service would continue and terms and conditions will be clearly outlined in the offer letter.
- 5.3 Category 3 – This service has been contracted to HVDA in 2012/13 and 2013/14, the aim of the service is to support and develop the VCS across the Borough and to simplify the Council's relationship with the VCS. The organisation support the VCS in Hartlepool and funding from the current Community Pool programme directly supports the service provision outlined in **Appendix 1**. The funding directly contributes towards the Information Officer Post, delivery of training programme to the sector (sub-contracted to SkillShare), administration salaries and core costs, contributing to the wider running of the service. Potential impacts of the cessation of Community Pool support include:
- HVDA are the conduit to sharing information with the VCS, they manage a database for the sector, which is part of the existing contract.

- Reduction in training and capacity building courses available to the VCS.
  - HVDA offer a strategic and independent voice for the sector.
  - Contract directly linked to delivering against the objectives and undertakings of the Voluntary and Community Sector Strategy and risk of breaching commitments within this strategy if service is removed.
  - Reduction in support to VCS groups requiring advice and guidance.
  - Reduction in resources allocated towards capacity building of organisations in the sector.
- 5.4 The Manager of HVDA has met with the Chief Executive and Director of Regeneration & Neighbourhoods to discuss the potential impacts of the 50% reduction to the Community Pool. A response from HVDA is attached as **Appendix 2**.
- 5.5 Category 4 – This Category has been significantly oversubscribed for the last 2 years with a budget of approximately £150,000 per annum. The reduction in the available budget, reduction in the maximum level of grant available and refocus to services linked to family poverty will result in a smaller number of VCS groups being supported by the Community Pool for core costs. Careful consideration was given to the introduction of a maximum grant level in 2013/14, with maximising the benefit to number of groups supported being measured against the impact that can be achieved with the level of grant being offered. The average grant through Category 4 in 2012/13 was £16,836.53, compared to an average grant on £13,462.45 following the introduction of maximum grant level in 2013/14. A further reduction in the maximum grant available will require VCS organisations to seek a higher percentage of match funding to sustain services.
- 5.6 These changes could potentially result in an increase in the number of requests from VCS groups to assist them to look for funding to continue their services. This support is currently sought directly from HVDA or HBC's Community Regeneration and Development Team. Grants are allocated through a competitive commissioning process, the change in criteria may result in some VCS organisations no longer being eligible to apply to the Community Pool for this support, and this could result in some organisations being at risk of closure, **Appendix 3** shows the allocation of Category 4 grants in 2013/14 and demonstrates the diverse nature and remit of the VCS organisations currently supported through this programme.
- 5.7 Category 5 – no budget has been allocated to Category 5 through the budget proposals. Currently Category 5 offers two grants of up to £5,000. These are for Development and Investment Grants, providing an opportunity for VCS groups to develop their organisation focusing towards longer term sustainability and Emergency Grants, which support VCS groups in immediate risk of closure. There will be no facility to offer this kind of support through the proposed 2014/15 allocations.
- 5.8 In addition to the outlined budget in Table 1, there is currently unallocated funding in the budget for Category 5 grants for 2013/14, applications can be accepted at anytime and will be submitted for consideration for approval as received. As there is no proposed allocation to Category 5 in 2013/14, it is proposed that any

remaining unallocated budget at the end of the financial year is used to continue grants available through Categories 5A and 5B in 2014-15. There is the possibility that the budget may be fully allocated by the end of the year, budget availability will be known in March 2014.

- 5.9 As identified in Section 3.2, there will be a requirement to re-tender the contract for the provision of universal welfare benefits and advice for 2014/15. To minimise the impact to service users the procurement process will commence imminently following the approval of the Community Pool allocation by Finance and Policy Committee, this will allow for continuity of service should the successful provider be different from the current provider.

## 6. RISK IMPLICATIONS

- 6.1 Detailed in Sections 6.2 to 6.4 are the risk implications in revising the current Community Pool programme allocations under the proposed reduced budget of £220,000.
- 6.2 Category 2- The proposal is to reduce the current level of funding by approximately 50% and to commission with the current provider via a grant for the reasons detailed in 4.3. Whilst the organisation has detailed through contract monitoring that they are positioning themselves to mitigate against the impact of a reduction in Local Authority funding with the development of their service through other opportunities, there is the risk that the reduction in the level of the funding available could correlate with a reduction in service. Given this reduction, officers will meet with the service provider to ensure that clear and measurable outputs and outcomes are agreed, these will be set out clearly in the terms of the grant agreement and monitored through regular meetings. It is however anticipated that outputs and outcomes directly attributed to Local Authority investment would be reduced.
- 6.3 Category 3 – The proposal to cease funding for the contract to directly provide capacity / resource building has potential risk implications for the relationship between the Local Authority and VCS organisations in Hartlepool. The aim of the contract which is currently in place is for the *'successful provider will play a lead role in enabling sound collaborative and partnership working between the Council and the VCS, which takes into consideration all levels of the VCS including larger service delivery organisations, along with smaller community groups and individual volunteers within the community'*. The detail of the current delivery and potential impacts are presented in 5.3. In addition to the impact that the cessation of the contract will have on the Voluntary and Community Sector, it is a likely outcome of the reduction of grants available to the sector through the proposed Community Pool allocations that additional pressure will be placed upon providers for support and advice as an increasing number of organisations are in search of funding to sustain their service as outlined in 5.5 and 5.6.
- 6.4 Category 4 – The addition of the focus to family poverty could potentially exclude some organisations from being eligible to apply to the Community Pool for grant funding. This could be mitigated through awareness raising with the Voluntary

and Community Sector organisations following the decisions on the allocation of Community Pool funding for 2014/15. In addition, there will be less funding available for core costs on a local level in the VCS, potentially resulting in additional pressures on the VCS and Local Authority as referenced in 5.6, as more VCS organisations approach the same external funding providers for support. There is also the risk that some organisations will be unable to source funding, potentially resulting in a reduction in VCS organisations delivering services in Hartlepool. With the level of funding available, at least 3 less organisations will be supported through this funding programme than in 2013/14.

- 6.5 Category 5 – The allocation of any grants through this Category 5 in 2014/15 is dependent on there being an underspend in 2013/14; the continuation of Category 5 will be determined in March 2014. The nature of the emergency grant allocated through Category 5B currently presents a greater risk for the Council with regard to expenditure. Additional checks and balances were implemented in 2013/14 and the process remains under constant review as part of the management of the fund to ensure that improvements can be made and Council funds are expended in line with the purpose of the grant criteria.
- 6.6 For the continued delivery of contracts and grants through the Community Pool programme the risk implication for Hartlepool Borough Council is minimised as there are checks and monitoring as part of the performance management and verification processes which protect expenditure by ensuring that agreed outcomes are being met and services delivered.

## **7. FINANCIAL CONSIDERATIONS**

- 7.1 The proposed saving demonstrated through the Community Pool allocation will contribute directly to the Council's Medium Term Financial Strategy.
- 7.2 To safeguard the Council's investment and minimise risk, it is recommended that where grant aid is approved, the frequency of payments should be determined on a case by case basis dependent on the level of grant and purpose of the funding. In all cases it is proposed that an element of the grant funding is paid in advance to support the projects.
- 7.3 Thorough monitoring and performance management processes are in place for the delivery of contracts and grants to ensure that the projects are performing as expected. The frequency of monitoring and performance management will be determined on a case by case basis, the detail of which will be set out in individual offer letters ensuring that organisations are aware of monitoring requirements from the outset of the project. Contracts will be monitored quarterly; details of the scope of this will be included in any tender specification and subsequent contract conditions.
- 7.4 The overall savings proposals considered by the Finance and Policy Committee on 2 August 2013 totalled £4.376m and substantially funded the forecast 2014/15 budget gap. If this saving is not implemented in 2014/15 alternative savings will need to be identified.

## **8. LEGAL CONSIDERATIONS**

- 8.1 There are no known direct legal implications at this stage in relation to Community Pool.

## **9. PROCUREMENT CONSIDERATION**

- 9.1 Set procurement processes are required to be undertaken in order to commission services via the Community Pool. Timescales have already been discussed with the Corporate Procurement Team to ensure that upon agreement of the Community Pool allocation by Finance and Policy Committee, commissioning of the categories can commence to guarantee commencement of services by 1<sup>st</sup> April 2014.
- 9.2 A further report will be presented to Finance and Policy Committee, outlining how the Community Pool Programme will be delivered following approval of the allocations.

## **10. EQUALITY AND DIVERSITY CONSIDERATIONS**

- 10.1 Impact assessments have been prepared for the categories within the Community Pool, where there are proposed changes identified within this report. These are attached as **Appendix 4**.

## **11. SECTION 17 OF THE CRIME & DISORDER ACT 1998 CONSIDERATIONS**

- 11.1 There are no Section 17 implications to this report.

## **12. STAFF CONSIDERATIONS**

- 12.1 There are no known staff implications at this stage in relation to Community Pool.

## **13. RECOMMENDATIONS**

- 13.1 Finance and Policy Committee are requested to note the content of the report and progress of the Community Pool Programme to date.
- 13.2 Finance and Policy Committee are requested to consider the following for approval:
1. The proposed allocation of budget as set out in Table 1.
  2. Changing the Category 2 (Credit Union Support) from a contract to a grant.
  3. Maximum level of grants available reduced to £10,000 for Category 4.
  4. Change the criteria of Category 4 grants to link directly to the Child Poverty Strategy action plan.

5. Allocation of any underspend in Category 5 from the 2013/14 budget should be allocated to Category 5 (A and B) in 2014/15.

- 13.3 Seek guidance from Finance and Policy Committee on whether the criteria for Category 4 grants should link to any other strategies in relation to Family Poverty.

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

- 14.1 Report requested by Finance and Policy Committee on 23<sup>rd</sup> August 2013.

#### **15. BACKGROUND PAPERS**

- 14.1 (i). Item 5.1 from Cabinet on 21<sup>st</sup> November 2011.  
(ii). Minutes from Cabinet on 21<sup>st</sup> November 2011.  
(iii). Item 6.1 from Cabinet on 6<sup>th</sup> February 2012.  
(iv). Minutes from Cabinet on 6<sup>th</sup> February 2012.  
(v). Item 5.1 from Cabinet on 20<sup>th</sup> February 2012.  
(vi). Minutes from Cabinet on 20<sup>th</sup> February 2012.  
(vii) Item 5.12 from Cabinet on 19<sup>th</sup> March 2012.  
(viii) Minutes from Cabinet on 19<sup>th</sup> March 2012.  
(ix) Item 1.2 from Mayor's Portfolio on 21<sup>st</sup> May 2012.  
(x) Minutes from Mayor's Portfolio on 21<sup>st</sup> May 2012.  
(xi) Item 5.1 from Cabinet on 7<sup>th</sup> January 2013.  
(xii) Minutes from Cabinet on 7<sup>th</sup> January 2013.  
(xiii) Item 5.2 from Cabinet on 15<sup>th</sup> April 2013.  
(xiv) Minutes from Cabinet on 15<sup>th</sup> April 2013.  
(xv) Item 4.1 from Finance & Policy Committee on 23<sup>rd</sup> August 2013.  
(xvi) Minutes from Finance & Policy Committee on 23<sup>rd</sup> August 2013.  
(xvii) Item 4.2 from Finance & Policy Committee on 18<sup>th</sup> September 2013.  
(xviii) Minutes from Finance & Policy Committee on 18<sup>th</sup> September 2013.

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## APPENDIX 1

- Maintain an up to date and accessible list of VCS organisations which includes contact details and information on the services they each provide within Hartlepool;
- Establish and support a framework within which the VCS are able to work together as a sector to:
  - make the best use of resources available;
  - explore opportunities for collaborative working between VCS organisations including consortia approaches as appropriate;
  - share expertise, skills and knowledge within the Sector in Hartlepool.
- Provide support, training and development opportunities and promote grants programmes to VCS groups across the Borough to improve their ability to access national, regional and local funding;
- Ensure that training opportunities are accessible and relevant to the VCS and meet the needs identified by the VCS within Hartlepool. This will include specific training and development work to effectively enable the VCS to tender for areas of service delivery;
- Provide advice and guidance to VCS groups at all stages of development for example book keeping and legal requirements including employment law;
- Arrange elections for VCS representation as required through an open and transparent recruitment process in accordance with the Compact as set out within the VCS Strategy that is currently being developed;
- Provide training and capacity building programmes for both groups of and individual volunteers, increasing professionalism, credibility and accountability;
- Provide advice and guidance to VCS Groups on the recruitment and support of Volunteers;
- Offer a single gateway through which the Local Authority can consult and involve the VCS;
- Understand the needs and concerns of the VCS and be able to champion and promote the views of the VCS to public sector partners and others locally, regionally and nationally;

**APPENDIX 2****Impact of Community Pool 2013/14**

1. 3 Groups were given contracts (Hartlepool Credit Union; HVDA; West View Advice & Resource Centre) and 11 groups were given grants (ADDvance; Epilepsy Outlook; Hart Gables; Hartlepool Access Group; Hartlepool Bereavement Service; Hartlepool People Centre; Hartlepool United Community Sports Foundation; Peoples Relief of Pressure; Salaam Community Centre; The Wharton Trust; West View Project).
2. All groups were sent an email requesting the following information:
  - A sentence on each of the key services you deliver and their impact.
  - Any extra funding you bring into Hartlepool to complement the funding you receive via the Council
  - How many different people benefit from your group/service each year?
  - If you work with the following client groups, what proportion of your clients fall into the categories highlighted below:
    - Age of clients            0-18                      18-60                      60+
    - People With Disabilities
    - BME
    - LGBT
  - How many paid staff do you employ?
  - How many volunteers work for your group?
  - Please give an estimate of their average contribution of each volunteer in hours per month.
  - What would be the impact on your group of a 50% reduction in funding by the Council?
3. This report focuses on 4 points only: the number of beneficiaries; the number of paid staff; the number of volunteers and their average contribution.
4. 11 groups replied (as highlighted above); 9 giving full answers and 2 giving only the total number of paid staff.
5. The total beneficiaries identified were 10,750 (9 groups). Numbers ranged from 200 to 3,500.
6. The total number of paid staff was 57 (11 groups). It was not identified whether these posts were full time or part time.
7. The total number of volunteers working for the group was 111 (9 groups).
8. The total volunteer hours per month were 4,916 (9 groups).
9. If the total volunteer hours were paid at an average of the minimum wage (£6.31; £5.03; £3.72 divided by 3) which is £5.02 this would equate to £24,678.32 per month or £296,139.84 per year.

## APPENDIX 3

**Hartlepool Peoples Centre** £15,000.00

Hartlepool Peoples Centre was established in 1983 and will celebrate its 30th anniversary this year. It was the first voluntary community centre of its kind in Hartlepool and was set up to provide the community with a base for educational and recreational classes and as a support service for families in Hartlepool devastated by the closure of the steel and shipbuilding industries. The centre is offers a base for a number of VCS groups offering a range of services.

**The Wharton Trust** £10,000.00

The Annexe continues to support individuals, groups and their eider community of Hartlepool by supporting people to access employment and training opportunities, promoting healthier lifestyles amongst all ages, engages children and young people in positive activities, offers a collective voice for the community through their role as Local Trusted Organisation for the Dyke House Big Local. Also host the FoodShare project.

**Hartlepool United Community Sports Foundation** £15,000.00

Community Pool funding will contribute towards the employment of a Community Support Worker (£17,000) which will help to deliver out reach services in addition to the services Hartlepool United Community Sports Foundation currently provide, which including Computer courses, employment programme specialising in supporting people who have a disability, training programmes to develop confidence and communication skills, children's mentoring programme, and a young carers session for young people aged between 12yrs and 18yrs.

**Epilepsy Outlook** £9,459.00

Advice and support service for people with epilepsy, their families and carers, project also provide epilepsy awareness training. The organisation provides a supported environment for volunteers with disabilities and mental health issues (about 70 people benefit from this per year). The Volunteer Development Programme has a specific focus on volunteers who would find it difficult to volunteer elsewhere.

**ADDvance** £14,662.00

Project is for the provision of a youth service, including young people with Attention Deficit Hyperactivity Disorder (ADHD) attending on a weekly basis, to the organisations centre at Southbrooke farm in Hartlepool.

**Hartlepool Access Group** £15,000.00

Mobility equipment loan scheme, assisted shopping and befriending service, disability access audits, disability awareness training, mobility equipment training.

**Salaam Community Centre** £15,000.00

The Salaam Centre is the only BME advice and guidance support project within the town. The centre offers an open to all drop in service daily between 10am and 5pm. In addition to this the centre provides training courses and leisure facilities aimed at enhancing the lives of diverse communities across the town. The centre offers free and affordable training to local residents and offers volunteer opportunities to help people gain skills.

**West View Project** £14,690.00

The project is to employ a Community Development Worker whose role it will be to specifically develop and extend the services that are operating from Miers Avenue Community Centre; the centre was transferred into the ownership of the organisation and partners from the Council. The employment of the Worker will enable a focused development of links between local residents and the centre and help to support this transfer process.

**Hartlepool PROP** £10,000.00

Provide a 'drop in' service open seven days a week at town centre base. Services include meals; refreshments; support in the form of help with form-filling, benefits assistance, emotional help; information; a gymnasium and therapies. The service is focused particularly at people with wellbeing and mental health issues.

**Hartlepool Bereavement Service**

**£15,000.00**

*Hartlepool Bereavement Service is the first point of call for individuals and families following bereavement, when clients first access the agency they are often in a crisis situation with a wide range of complex needs. The service includes emotional, practical and social support.*

**Hart Gables**

**£14,276.00**

*The aim of the organisation is to provide advice, support and guidance to the lesbian, gay, bisexual & transgender (LGBT) community across the Tees-Valley area. The focus is to provide access to services to LGBT people who feel socially isolated, do not know what support is available and often lack family support. The organisation offers an advocacy and support service that informs people of their rights and helps build confidence and self-esteem within 1:2:1 and group sessions.*

## APPENDIX 4

Department	Division	Section	Owner/Officer
Regeneration & Neighbourhoods	Neighbourhood Management	Community Regeneration & Development Team	Fiona Stanforth – Community Regeneration Officer Adele Wilson – Community Regeneration & Development Coordinator David Frame – Neighbourhood Manager
Function/ Service	<p><i>Community Pool – Category 2 Universal Credit Union Support</i></p> <p><i>This service is currently funded through the Community Pool and commissioned through a contract. The aim of this service is to increase the financial inclusion of residents of Hartlepool by providing sound financial advice, debt management techniques, and legislative guidance at venues that are accessible across the town.</i></p> <p><i>Proposal is to reduce the level of funding to this service to £35,000, and amend the commissioning approach to a grant. This recommendation is due to the overall proposed reduction to the Community Pool budget allocation for 2014/15 to £220,000, approximately 50% of the previous year's allocation. It is also proposed to change to a grant commissioning process; this is due to there only being one provider that is able to deliver this service in Hartlepool.</i></p>		
Information Available	<p><i>As part of the management and monitoring programme for the existing contract, quarterly meetings take place with the current provider. Information is collated on demographics and returned on a quarterly basis, this includes collation of user information in the form of client profiles, including;</i></p> <ul style="list-style-type: none"> <li><i>Age</i></li> <li><i>Ethnicity</i></li> <li><i>Gender</i></li> <li><i>Marriage &amp; Civil Partnership</i></li> <li><i>Disability</i></li> <li><i>Employment</i></li> </ul> <p><i>Collection of this data helps to monitor who is accessing the service and in turn assess impact in terms of equality and diversity.</i></p> <p><i>The contract specification details the local and national context in relation to financial and credit union services, information included to for the service to be based around outlined the following:</i></p> <p><i>National Context: Given the financial climate, financial exclusion is an increasing issue for people. Unemployment is rising and there are increasing numbers of people considered to be living in poverty or financial hardship. In these austere times it is important that people have access to high quality financial services that are non stigmatising and available in local communities.</i></p> <ul style="list-style-type: none"> <li><i>The poorest families in the UK can pay higher prices for</i></li> </ul>		

	<p>basic necessities like gas, electricity, credit. Recent research highlights that this position is worsening.</p> <ul style="list-style-type: none"><li>• The costs that poor families bear for obtaining cash and credit, and for purchasing goods and services can amount to a ‘poverty premium’ of around £1,280 pa – or 9% of the disposable income of the average family.</li></ul> <p>Findings from a recent Department for Work and Pensions (DWP) concluded that:</p> <ul style="list-style-type: none"><li>• 60% had heard of credit unions but only 26% knew what they do;</li><li>• Low interest is by far the most important factor for people when deciding on a loan;</li><li>• Some of societies most vulnerable families do not have access to a bank account;</li><li>• Similarly, the interest rate or dividend remains the most important factor when people decide on a savings product;</li><li>• Financially excluded consumers are most likely to want a bill payment service as part of their financial/bank account;</li></ul> <p><b>Local Context</b></p> <p>Hartlepool Borough Council, and its partners, are wholly committed to reducing poverty across the borough and have produced strategies to address this issue. These local strategies have the following aims:</p> <ul style="list-style-type: none"><li>• Enabling families to break out of inter-generational cycles of deprivation using a family centred approach;</li><li>• Ensuring all families across the borough have support at the earliest possible stage to prevent families reaching crises.</li></ul> <p>There are currently 31.3 % of children living in poverty in Hartlepool which is a rise from previous years of approximately 1%. This service will contribute to a reduction in child poverty by ensuring that families have access to high quality flexible financial services.</p> <p>In addition, statistics show that in Hartlepool:</p> <ul style="list-style-type: none"><li>• 4.65% of residents do not have access to banking services;</li><li>• 47% of all households have a “poor credit” rating;</li><li>• Applications for debt relief orders and bankruptcies are increasing rapidly;</li><li>• 5 out of every 9 households fall into groups described as “On the breadline” “Credit Hungry” or “Elderly deprivation.”</li></ul> <p>In addition equality and diversity considerations are integral to the delivery of this service.</p>	
Relevance	Age	
	None	
	Disability	
	None	
	Gender Re-assignment	
	None	
Identify which strands are relevant to the area you are reviewing or changing		

	<b>Race</b>		
	None		
	<b>Religion</b>		
	None		
	<b>Gender</b>		
	None		
	<b>Sexual Orientation</b>		
	None		
	<b>Marriage &amp; Civil Partnership</b>		
	None		
	<b>Pregnancy &amp; Maternity</b>		
	None		
<b>Information Gaps</b>	There are no information gaps. No specific consultation on reduction / changes to contract level. However there has been an ongoing dialogue with current provider discussing the Councils current the financial situation and the organisations sustainability beyond the term of the contract.		
<b>What is the Impact</b>	The impact in the change to the terms in the way that the funding is commissioned and the level of funding proposed towards the service, will potentially affect the level of service that is available to residents, the organisation is positioning themselves to mitigate against this. There is no anticipated detrimental impact to equality and diversity considerations in relation to delivery of the service, this will be monitored as outlined in the actions.		
<b>Addressing the impact</b>	<p>The outcome of the impact assessment may be one or more of the following four outcomes; You must clearly set out your justification for the outcome/s.</p> <p><b>1. No Impact- No Major Change</b> Proposed changes to the budget will be agreed by Finance and Policy Committee, this is inline with the agreement by Finance and Policy Committee to agree consideration of the Community Pool Programme Allocations with an overall reduced budget of £220,000.</p> <p>As outlined above the potential impact of the changes will be to the scope of the service, equality and diversity considerations will be encompassed within the offer letter . Delivery of the proposals will be monitored closely and there will be a clear commissioning process in place to ensure that there is no impact in relation to the protected characteristics.</p> <p><b>2. Adjust/Change Policy</b></p> <p><b>3. Adverse Impact but Continue</b></p> <p><b>4. Stop/Remove Policy/Proposal</b></p>		
<b>Actions</b>			
It will be useful to record and monitor any actions resulting from your assessment to ensure that they have had the intended effect and that the outcomes have been achieved.			
<b>Action identified</b>	<b>Responsible Officer</b>	<b>By When</b>	<b>How will this be evaluated?</b>
Equality &	Fiona Stanforth	April 2014	Through quarterly monitoring

Diversity clearly outlined in the offer letter.			with service provider.
Revisit Impact assessment to review if there has been an impact to service.	Fiona Stanforth	November 2014	Through quarterly monitoring with service provider.

Date sent to Equality Rep for publishing	26.09.2013
Date Published	00/00/00
Date Assessment Carried out	00/00/00



Department	Division	Section	Owner/Officer
Regeneration & Neighbourhoods	Neighbourhood Management	Community Regeneration & Development Team	Fiona Stanforth – Community Regeneration Officer Adele Wilson – Community Regeneration & Development Coordinator David Frame – Neighbourhood Manager
Function/Service	<b>Community Pool – Category 4 Town-wide Specialist &amp; Support Services</b> <p>The current provision through this Category of the Community Pool programme is for core cost grant support for Voluntary and Community Sector Organisations in Hartlepool that deliver town-wide specialist and support services which meet the aims of the Community Pool. Revisions have been made to the terms of the grants in 2013/14 following delivery of the programme in 2012/13, the intention of these revisions was to maximise the number of organisations benefitting from the funding available. £150,000 was available to fund Town-wide Specialist and Support services grants in 2013/14.</p> <p>The aim of the grant in it's current form is to provide core costs to services that provide personal support to individuals.</p> <p>With the cuts outlined for the Community Pool programme in 2014/15, revisions are required to the current format of the programme. The proposal which is yet to be considered and agreed by Finance and Policy Committee is to reduce the level of budget available for the allocation of grants for core costs to VCS groups to £75,000. In addition to a reduction in the overall budget, it is proposed that the maximum grant available will be reduced to £10,000; this will allow support of 8 organisations through grants.</p> <p>Under the current terms of the grant programme, projects must fit with the Community Pool objectives, which are to reflect the aspirations, aims, objectives and priorities of the Council's Community Strategy, Child Poverty Strategy, Voluntary and Community Sector Strategy as well as the work of the Financial Inclusion Partnership.</p> <p>The proposal for the delivery of the grant programme in 2014/15 is to refocus towards supporting projects that aim to impact upon Family Poverty, potentially linking projects directly to the Child Poverty Strategy Action Plan.</p>		
Information Available	<p>As part of the management and monitoring programme of the grant programme, terms of the individual offer letters detail clear targets and monitoring requirements. Meetings take place with all of the grant recipients on a regular basis throughout the term of the grant. Monitoring information is collated in relation to outputs and verification takes place to ensure grant spend is as expected. In 2012/13, 9 VCS organisations in Hartlepool received funding through the Community Pool. Following revisions to the grant</p>		

	<p>programme including the introduction of a maximum grant in 2013/14, 11 VCS organisations were supported with grants from this funding stream. A number of actions were put in place to ensure that VCS groups were fully aware of changes to the programme this year; this included mail outs, press releases and a training and information session.</p> <p>All grant recipients are aware that the current funding term is until March 2014, and that there is no guarantee of funding being available beyond this period in the current grant form. Grants are allocated on a competitive basis, and therefore there is no guarantee on receiving funding via this Category of the Community Pool; for example some VCS groups were successful in receiving a grant in 2012/13, were unsuccessful in 2013/14 and vice versa.</p> <p>Information is collated on demographics and returned on a quarterly basis as part of output collation, this helps to monitor who is accessing the service and in turn assess impact in terms of equality and diversity. Monitoring information provided varies between VCS groups.</p>	
<b>Relevance</b>  <i>Identify which strands are relevant to the area you are reviewing or changing</i>	<b>Age</b>	✓
	<b>Disability</b>	✓
	<b>Gender Re-assignment</b>	✓
	<b>Race</b>	✓
	<b>Religion</b>	✓
	<b>Gender</b>	✓
	<b>Sexual Orientation</b>	✓
	None	
<b>Information Gaps</b>	<b>Marriage &amp; Civil Partnership</b>	
	None	
	<b>Pregnancy &amp; Maternity</b>	
	None	
	<p>There are no information gaps. No specific consultation on reduction / changes to level of funding availability via Category 4 grants. However there has been an ongoing dialogue with current grant recipients discussing the Councils current the financial situation and potential limits to the availability of future funding. Availability of funding for Community Pool grants beyond the current term was also discussed at the information event prior to receiving grant applications this year. Over the last two years a range of services have been supported across Hartlepool, these include:</p> <ul style="list-style-type: none"> <li>• Resource Centres</li> <li>• Accessibility Services</li> <li>• Services focused towards a specific Health Need</li> <li>• Support services to the LGBT community</li> </ul>	

	<ul style="list-style-type: none"> <li>• Support services to the BME community</li> <li>• Support service focuses at specific age groups</li> </ul> <p><i>In addition Hartlepool Voluntary Development Agency (HVDA) have undertaken an independent assessment on the impact of cuts in the Community Pool on the sector, this demonstrates the current outputs achieved by the organisation who are currently funded via the Community Pool Programme. This information has been presented as an appendix to the Finance and Policy Committee report.</i></p> <p><i>In the grant criteria it is listed that services funded by the Community Pool must be accessible on a town-wide basis and available to any Hartlepool resident that needs to access them.</i></p> <p><i>From the remit of the organisations which have been successful in receiving grant funding over the last two years there are a number that would no longer be eligible to apply for funding support should the criteria be refocused towards Family Poverty. Whilst there is no guarantee of funding and it is dependent on the information provided through the application process this change would mean that some organisations which cater for people in the protected characteristics groups would no longer have the opportunity to apply for this funding.</i></p>
What is the Impact	<p><i>The change in the eligibility criteria for the grants will have a direct impact on groups that don't provide services that are linked to Family Poverty as they will no longer have the opportunity to apply for funding support from the Community Pool, even though there is no guarantee of being successful there has been the opportunity for a greater number of organisations to apply for support previously.</i></p> <p><i>The other main impact of the proposed changes is that less organisations will benefit from the grants available due to the limits to the overall budget. In addition successful applicants will have a requirement to source additional match funding to support core costs to services at the same level as this year due to the reduction in the maximum grant available.</i></p>
Addressing the impact	<p><i>The outcome of the impact assessment may be one or more of the following four outcomes; You must clearly set out your justification for the outcome/s.</i></p> <p><b>1. No Impact- No Major Change</b></p> <p><b>2. Adjust/Change Policy</b></p> <p><b>3. Adverse Impact but Continue – Proposed changes to the budget and core costs grant programme will be considered by Finance and Policy Committee, this is inline with the agreement by Finance and Policy Committee to agree consideration of the Community Pool Programme Allocations with an overall reduced budget of £220,000.</b></p> <p><i>The proposal is that there will still be grants available to VCS organisations for core costs although changes to the criteria will affect some organisations eligibility and potentially exclude</i></p>

	<i>organisations that specifically provide services for some of the protected characteristics groups.</i>		
	<i>Impact will be addressed by early notification of any changes to the grant programme as soon as decisions are made. In particular, officers will work with organisations which will be impacted by the changes to the grant funding to support them to seek alternative solutions to sustain their services.</i>		
	<i>Delivery of the proposals will be monitored closely to ensure that impact in relation to the protected characteristics is minimal.</i>		
<b>4. Stop/Remove Policy/Proposal</b>			
<b>Actions</b>			
<i>It will be useful to record and monitor any actions resulting from your assessment to ensure that they have had the intended effect and that the outcomes have been achieved.</i>			
<b>Action identified</b>	<b>Responsible Officer</b>	<b>By When</b>	<b>How will this be evaluated?</b>
Write to all VCS organisations outlining changes to grant provision once agreed.	Fiona Stanforth	November 2013	Responses monitored.
Awareness raising with sector of changes to the grants.	Fiona Stanforth	November 2013 – January 2014	Applications will be monitored.
Revisit impact assessment, post funding decisions on Category 4 in 2014/15.	Fiona Stanforth	June 2014	Information collated via monitoring, analysed against 2013/14 and 2012/13 outputs.
Date sent to Equality Rep for publishing		00/00/00	
Date Published		00/00/00	
Date Assessment Carried out		00/00/00	

Department	Division	Section	Owner/Officer
Regeneration & Neighbourhoods	Neighbourhood Management	Community Regeneration & Development Team	Fiona Stanforth – Community Regeneration Officer Adele Wilson – Community Regeneration & Development Coordinator David Frame – Neighbourhood Manager
Function/Service	<p><b>Community Pool – Category 3</b>  <b>The provision of Capacity / Resource Building for VCS organisations.</b></p> <p><i>This service is currently funded through the Community Pool and commissioned through a contract. The main objective of this service has been to support and develop the Voluntary and Community Sector in Hartlepool, this has included:</i></p> <ul style="list-style-type: none"> <li><i>Maintain an up to date and accessible list of VCS organisations which includes contact details and information on the services they each provide within Hartlepool;</i></li> <li><i>Establish and support a framework within which the VCS are able to work together as a sector to:</i> <ol style="list-style-type: none"> <li><i>make the best use of resources available;</i></li> <li><i>explore opportunities for collaborative working between VCS organisations including consortia approaches as appropriate;</i></li> <li><i>share expertise, skills and knowledge within the Sector in Hartlepool.</i></li> </ol> </li> <li><i>Provide support, training and development opportunities and promote grants programmes to VCS groups across the Borough to improve their ability to access national, regional and local funding;</i></li> <li><i>Ensure that training opportunities are accessible and relevant to the VCS and meet the needs identified by the VCS within Hartlepool. This will include specific training and development work to effectively enable the VCS to tender for areas of service delivery;</i></li> <li><i>Provide advice and guidance to VCS groups at all stages of development for example book keeping and legal requirements including employment law;</i></li> <li><i>Arrange elections for VCS representation as required through an open and transparent recruitment process in accordance with the Compact as set out within the VCS Strategy that is currently being developed;</i></li> <li><i>Provide training and capacity building programmes for both groups of and individual volunteers, increasing professionalism, credibility and accountability;</i></li> <li><i>Provide advice and guidance to VCS Groups on the recruitment and support of Volunteers;</i></li> <li><i>Offer a single gateway through which the Local Authority can consult and involve the VCS;</i></li> <li><i>Understand the needs and concerns of the VCS and be able to champion and promote the views of the VCS to public sector partners and others locally, regionally and</i></li> </ul>		

	<p><i>nationally.</i></p> <p><i>With the cuts outlined for the Community Pool programme, the proposal is to cease this service in 2014/15.</i></p>
Information Available	<p><i>As part of the management and monitoring programme for the existing contract, quarterly meetings take place with the current provider. Information is collated on demographics and returned on a quarterly basis, this helps to monitor who is accessing the service and in turn assess impact in terms of equality and diversity.</i></p> <p><i>The contract specification details the local and national context in relation to provision of the service, information included for the service to be based around outlined the following:</i></p> <p><b>National Context:</b> <i>Since the 2010 election the Coalition Government has put a focus on the development of the Big Society, particularly through the introduction of the Localism Act in 2011, centred around:</i></p> <ul style="list-style-type: none"> <li><i>• Community empowerment: giving local councils and neighbourhoods more power to take decisions and shape their areas.</i></li> <li><i>• Opening up public services: enabling charities, social enterprises, private companies and employee-owned co-operatives to compete to offer high quality services.</i></li> <li><i>• Social action: encouraging and enabling people to play a more active part in society.</i></li> </ul> <p><i>A range of policies have been designed to make it easier for community groups to make a real difference to their local areas. These policies include the community right to challenge, the community right to buy local assets and Neighbourhood Plans.</i></p> <p><i>They have also demonstrated their commitment to the VCS by signing up to a renewed National Compact. The Compact is an agreement between the Coalition Government, and their associated Non-Departmental Public Bodies, Arms Length Bodies and Executive Agencies, and civil society organisations (CSOs) in England. The agreement aims to ensure that the Government and CSOs work effectively in partnership to achieve common goals and outcomes for the benefit of communities and citizens in England.</i></p> <p><b>Local Context:</b> <i>Hartlepool has a large and vibrant VCS with Groups ranging from small and informal to large, Borough-wide service providers. VCS organisations provide services that contribute to improving the quality of life of many residents in areas such as health, social care, sport, leisure, culture and the environment. Many residents give their time freely as volunteers to support local organisations.</i></p> <p><i>Hartlepool Borough Council recognises the importance of localism and has a VCS Strategy in place, which is has 3 aims:</i></p> <ol style="list-style-type: none"> <li><b>1) The Voluntary &amp; Community Sector contributes to the development of a shared vision and strategic direction</b></li> </ol>

	<p><b>for Hartlepool.</b>  <b>AIM:</b> Ensure that Voluntary and Community Sector organisations are able to comment on and influence public sector strategies and service delivery plans, in order to develop more reliable and robust policies and strategies that better reflect the community's needs and wishes.</p> <p><b>2) The Voluntary &amp; Community Sector in Hartlepool is strong and prosperous and contributes to the delivery of good public services.</b>  <b>AIM:</b> To improve the relationship between public sector partners and the VCS within Hartlepool in managing and using resources to achieve a strong and prosperous VCS that contributes to the delivery of good public services within the town.</p> <p><b>3) The Voluntary &amp; Community Sector in Hartlepool strengthens communities and neighbourhoods by promoting inclusion and involvement.</b>  <b>AIM:</b> To ensure a strong and diverse VCS that promotes inclusion across the town as well as a clearer understanding of community groups within the sector as a whole. The VCS is able to get involved, grow and develop, strengthening the local communities that they serve.</p> <p><i>In addition equality and diversity considerations have been integral to the delivery of this service, and are monitored.</i></p>	
<b>Relevance</b>  <i>Identify which strands are relevant to the area you are reviewing or changing</i>	<b>Age</b>	
	None	
	<b>Disability</b>	
	None	
	<b>Gender Re-assignment</b>	
	None	
	<b>Race</b>	
	None	
	<b>Religion</b>	
	None	
	<b>Gender</b>	
	None	
	<b>Sexual Orientation</b>	
	None	
	<b>Marriage &amp; Civil Partnership</b>	
	None	
	<b>Pregnancy &amp; Maternity</b>	
	None	
<b>Information Gaps</b>	<p><i>There are no information gaps. No specific consultation on reduction / cessation of contract level through contract management, current terms of the existing contract is for the service until March 2014. Consultation undertaken as part of the development of the VCS Strategy support to the sector from the Local Authority is seen as a priority. Manager of the current provider has met with Senior HBC Officers to discuss the impact of the reduction in funding to the overall Community Pool programme.</i></p>	
<b>What is the Impact</b>	<p><i>The potential impact from the cessation of the service is</i></p>	

considerable to the VCS in Hartlepool; this will directly link to a reduction in advice, information and training provision available to the sector and consequently will have a direct impact on the VCS in Hartlepool who wish to access support.

The current provider of the service collates substantial information in relation to outputs, as part of the information collated groups are categorised into the type of service provided. For 2012/13 groups were categorised in the following ways:

- Arts & Culture – 71 groups
- Children Young People & Families – 185
- Community Residents Associations – 75
- Conservation, Housing and Environment – 56
- Counselling Advice Advocacy – Disability Health Care – 109
- Employment, education, Training – 82
- Faith Group – 52
- Friends of Schools – 23
- Older people, 50+ - 117
- Resource Centres – 33
- Social Activities – 188
- Sport – 100

This gives an indication that there are specific groups that cater for people within the protected characteristics list accessing the services provided by this contract. Cessation of the contract will have an impact on all groups which access the service including organisations who specifically focus on members from protected characteristics groups.

Risk associated with the cessation of the service is that there will be an adverse affect for Hartlepool Council continuing to work towards and achieve the aims and objectives of the VCS Strategy, a strategy developed with the sector aimed at improving relationships between the two sectors.

To demonstrate the current level of support to VCS groups, the figure below show some of the final outputs achieved for 2012/13, outputs are continuing to be achieved under the terms of the existing contract.

- 130 groups - receiving specific Information, Advice and Guidance (IAG) services
- 37 VCS Groups assisted to access a total of £194,582 from external sources.
- In contact with 588 VCS groups via organisations database, via 52 mail outs to the sector.
- 88 VCS groups - engaged in training / briefing sessions
- 46 individual learners taking part in accredited courses, some completed more than one course.
- 128 Learners from 72 groups accessing unaccredited training.
- 283 individuals completing un accredited training courses, workshops, briefing sessions.



Addressing the impact	The outcome of the impact assessment may be one or more of the following four outcomes; You must clearly set out your justification for the outcome/s.		
	1. No Impact- No Major Change		
	2. Adjust/Change Policy		
	3. Adverse Impact but Continue – Proposed changes to the budget will be agreed by Finance and Policy Committee, this is inline with the agreement by Finance and Policy Committee to agree consideration of the Community Pool Programme Allocations with an overall reduced budget of £220,000.		
	Should these be agreed the cessation of this service will take place in April 2014. Whilst there will be a direct impact to the VCS, there will not be an adverse impact in relation to a specific characteristic group as outlined in the equality and diversity guidance, all groups accessing these services will be affected. There is scope through the current performance management framework and monitoring of the existing contract to further work with the current provider to identify any VCS groups particularly at risk through any changes to support to the sector and identify actions to limit / mitigate risk.		
	4. Stop/Remove Policy/Proposal		
Actions			
It will be useful to record and monitor any actions resulting from your assessment to ensure that they have had the intended effect and that the outcomes have been achieved.			
Action identified	Responsible Officer	By When	How will this be evaluated?
Work with service provider through current contract to notify VCS of changes to limit impact.	Fiona Stanforth	April 2014	Through quarterly monitoring with service provider.
Work with current providers to review service groups against specific protected characteristics groups to put actions in place to mitigate impact.	Fiona Stanforth	April 2014	Through quarterly monitoring with service provider.
Advertise alternative support available to VCS groups from HBC.	Fiona Stanforth	April 2014	Through Community Regeneration and Development Team meetings.
Revisit Impact assessment.	Fiona Stanforth	November 2014	Survey with VCS groups.
Date sent to Equality Rep for publishing		00/00/00	
Date Published		00/00/00	
Date Assessment Carried out		00/00/00	

Department	Division	Section	Owner/Officer
Regeneration & Neighbourhoods	Neighbourhood Management	Community Regeneration & Development Team	Fiona Stanforth – Community Regeneration Officer Adele Wilson – Community Regeneration & Development Coordinator David Frame – Neighbourhood Manager
Function/Service	<b>Community Pool – Category 2 Universal Credit Union Support</b> <p><i>This service is currently funded through the Community Pool and commissioned through a contract. The aim of this service is to increase the financial inclusion of residents of Hartlepool by providing sound financial advice, debt management techniques, and legislative guidance at venues that are accessible across the town.</i></p> <p><i>Proposal is to reduce the level of funding to this service to £35,000, and amend the commissioning approach to a grant. This recommendation is due to the overall proposed reduction to the Community Pool budget allocation for 2014/15 to £220,000, approximately 50% of the previous year's allocation. It is also proposed to change to a grant commissioning process; this is due to there only being one provider that is able to deliver this service in Hartlepool.</i></p>		
Information Available	<p><i>As part of the management and monitoring programme for the existing contract, quarterly meetings take place with the current provider. Information is collated on demographics and returned on a quarterly basis, this includes collation of user information in the form of client profiles, including;</i></p> <ul style="list-style-type: none"> <li>• Age</li> <li>• Ethnicity</li> <li>• Gender</li> <li>• Marriage &amp; Civil Partnership</li> <li>• Disability</li> <li>• Employment</li> </ul> <p><i>Collection of this data helps to monitor who is accessing the service and in turn assess impact in terms of equality and diversity.</i></p> <p><i>The contract specification details the local and national context in relation to financial and credit union services, information included to for the service to be based around outlined the following:</i></p> <p><i>National Context: Given the financial climate, financial exclusion is an increasing issue for people. Unemployment is rising and there are increasing numbers of people considered to be living in poverty or financial hardship. In these austere times it is important that people have access to high quality financial services that are non stigmatising and available in local communities.</i></p> <ul style="list-style-type: none"> <li>• <i>The poorest families in the UK can pay higher prices for basic necessities like gas, electricity, credit. Recent</i></li> </ul>		

	<p>research highlights that this position is worsening.</p> <ul style="list-style-type: none"><li>• The costs that poor families bear for obtaining cash and credit, and for purchasing goods and services can amount to a 'poverty premium' of around £1,280 pa – or 9% of the disposable income of the average family.</li></ul> <p>Findings from a recent Department for Work and Pensions (DWP) concluded that:</p> <ul style="list-style-type: none"><li>• 60% had heard of credit unions but only 26% knew what they do;</li><li>• Low interest is by far the most important factor for people when deciding on a loan;</li><li>• Some of societies most vulnerable families do not have access to a bank account;</li><li>• Similarly, the interest rate or dividend remains the most important factor when people decide on a savings product;</li><li>• Financially excluded consumers are most likely to want a bill payment service as part of their financial/bank account;</li></ul> <p><b>Local Context</b></p> <p>Hartlepool Borough Council, and its partners, are wholly committed to reducing poverty across the borough and have produced strategies to address this issue. These local strategies have the following aims:</p> <ul style="list-style-type: none"><li>• Enabling families to break out of inter-generational cycles of deprivation using a family centred approach;</li><li>• Ensuring all families across the borough have support at the earliest possible stage to prevent families reaching crises.</li></ul> <p>There are currently 31.3 % of children living in poverty in Hartlepool which is a rise from previous years of approximately 1%. This service will contribute to a reduction in child poverty by ensuring that families have access to high quality flexible financial services.</p> <p>In addition, statistics show that in Hartlepool:</p> <ul style="list-style-type: none"><li>• 4.65% of residents do not have access to banking services;</li><li>• 47% of all households have a “poor credit” rating;</li><li>• Applications for debt relief orders and bankruptcies are increasing rapidly;</li><li>• 5 out of every 9 households fall into groups described as “On the breadline” “Credit Hungry” or “Elderly deprivation.”</li></ul> <p>In addition equality and diversity considerations are integral to the delivery of this service.</p>	
Relevance	Age	
	None	
	Disability	
	None	
	Gender Re-assignment	
	None	
Identify which strands are relevant to the area you are reviewing or changing	Race	

	None	
	<b>Religion</b>	
	None	
	<b>Gender</b>	
	None	
	<b>Sexual Orientation</b>	
	None	
	<b>Marriage &amp; Civil Partnership</b>	
	None	
	<b>Pregnancy &amp; Maternity</b>	
	None	
<b>Information Gaps</b>	There are no information gaps. No specific consultation on reduction / changes to contract level. However there has been an ongoing dialogue with current provider discussing the Councils current the financial situation and the organisations sustainability beyond the term of the contract.	
<b>What is the Impact</b>	The change to the terms in the way that the funding is commissioned and the level of funding proposed towards the service, will potentially affect the level of service that is available to residents, the organisation is positioning themselves to mitigate against this. There is no anticipated detrimental impact to equality and diversity in relation to delivery of the service, this will be monitored as outlined in the actions.	
<b>Addressing the impact</b>	<p>The outcome of the impact assessment may be one or more of the following four outcomes; You must clearly set out your justification for the outcome/s.</p> <p><b>1. No Impact- No Major Change</b> Proposed changes to the budget will be agreed by Finance and Policy Committee, this is inline with the agreement by Finance and Policy Committee to agree consideration of the Community Pool Programme Allocations with an overall reduced budget of £220,000.</p> <p>As outlined above the potential impact of the changes will be to the scope of the service, equality and diversity considerations will be encompassed within the offer letter. Delivery of the proposals will be monitored closely and there will be a clear commissioning process in place to ensure that there is no impact in relation to the protected characteristics.</p> <p><b>2. Adjust/Change Policy</b></p> <p><b>3. Adverse Impact but Continue</b></p> <p><b>4. Stop/Remove Policy/Proposal</b></p>	
<b>Actions</b>		
It will be useful to record and monitor any actions resulting from your assessment to ensure that they have had the intended effect and that the outcomes have been achieved.		
<b>Action identified</b>	<b>Responsible Officer</b>	<b>By When</b>
Equality & Diversity clearly outlined in the	Fiona Stanforth	April 2014
		How will this be evaluated?
		Through quarterly monitoring with service provider.

offer letter.			
Revisit Impact assessment to review if there has been an impact to service.	Fiona Stanforth	November 2014	Through quarterly monitoring with service provider.

Date sent to Equality Rep for publishing	00/00/00
Date Published	00/00/00
Date Assessment Carried out	00/00/00

Department	Division	Section	Owner/Officer
<i>Regeneration &amp; Neighbourhoods</i>	<i>Neighbourhood Management</i>	<i>Community Regeneration &amp; Development Team</i>	<i>Fiona Stanforth – Community Regeneration Officer Adele Wilson – Community Regeneration &amp; Development Coordinator David Frame – Neighbourhood Manager</i>
<b>Function/Service</b>	<p><b>Community Pool – Category 5</b>  <b>Development &amp; Investment Grants and Emergency Contributions Fund</b></p> <p><i>The current provision through this Category is split into two types of funding support:</i></p> <ul style="list-style-type: none"> <li><i>A) Development &amp; Investment Grants</i></li> <li><i>B) Emergency Grants</i></li> </ul> <p><i>Revisions have been made to the terms of the grants in 2013/14 following delivery of the programme in 2012/13, the intention of these revisions was to maximise the number of organisations benefitting from the funding available. The main changes were a reduction in maximum grant available to £5,000 and revisions to the approval process to ensure that applications are considered as quickly as possible.</i></p> <p><i>There was a limited budget for this Category in 2013/14; the intention is that grants are put forward for consideration on first come first served basis until funding is expended. There is no definitive budget split between the two types of category 5 grant, it is dependent on demand.</i></p> <p><i>The aim of Development &amp; Investment Grants is to provide support to groups that want to invest and develop in themselves to enable the group to strengthen in the future, putting the group in a stronger position for income generation opportunities and commissioning to deliver services.</i></p> <p><i>The aim of the Emergency Funding Grant is to provide organisations that find themselves in temporary difficult financial situations, and is designed as a form of emergency assistance in the following situations:</i></p> <ul style="list-style-type: none"> <li><i>• To fill a funding gap in the interim where funding has been secured but not yet administered.</i></li> <li><i>• To allow groups who are awaiting funding decisions to continue running a project until the outcome of a decision is known.</i></li> <li><i>• To allow groups who have been unsuccessful in securing funding time to look for alternative funding options.</i></li> </ul> <p><i>This not an exhaustive list and all applications will be considered on the information provided. The objective of the funding is not to provide a long term funding solution and applications must clearly outline what has been done and how they are planning to secure additional funding.</i></p> <p><i>With the cuts outlined for the Community Pool programme in</i></p>		

	<p>2014/15, revisions are required to the current format of the programme. The proposal which is yet to be considered and agreed by Finance and Policy Committee is to cease funding available for this category in 2014/15, however should there be any unallocated funding remaining at the end of 2013/14, this should be allocated to Category 5 to continue until available budget is expended.</p>	
<b>Information Available</b>	<p>As part of the management and monitoring programme of the grant programme, terms of the individual offer letters detail clear targets and monitoring requirements. Meetings take place with all of the grant recipients as part of the application process. Monitoring information is collated in relation to outputs and verification takes place to ensure grant spend is as expected.</p> <p>These grants are available to any VCS organisation in Hartlepool, as long as the organisation and application are in line with the set criteria. This will continue should funding be available. Information is collated in the application forms in relation to nature of the organisation and service provided.</p>	
<b>Relevance</b>  <i>Identify which strands are relevant to the area you are reviewing or changing</i>	<b>Age</b>	
	None	
	<b>Disability</b>	
	None	
	<b>Gender Re-assignment</b>	
	None	
	<b>Race</b>	
	None	
	<b>Religion</b>	
	None	
	<b>Gender</b>	
	None	
	<b>Sexual Orientation</b>	
	None	
	<b>Marriage &amp; Civil Partnership</b>	
	None	
	<b>Pregnancy &amp; Maternity</b>	
	None	
<b>Information Gaps</b>	<p>There are no information gaps. No specific consultation on cessation of Category 5 grants has been undertaken. As part of the funding support HBC officers work with applicants to discuss alternative solutions to address funding issues (when applying for Emergency Grants).</p> <p>Over the last two years, 2 Investment and Development grants and 5 Emergency Grants have been approved. Due to the nature of the Emergency Grant, expressions of interest are only received when organisations reach crisis point.</p>	
<b>What is the Impact</b>	<p>The impact of the cessation of Category 5 grants will be that organisations facing particular financial challenges will no longer have the opportunity to apply for funding to help sustain them in the short term. It will also be the case that organisations looking</p>	

	<p>for development opportunities will no longer have Category 5A as a funding opportunity, when securing funding for this type of activity is increasingly challenging.</p> <p>Cessation of this funding could potentially put more pressure on VCS support organisations as increased requests for assistance in securing funding are made.</p> <p>The proposed changes will not have an affect directed at any organisation which caters for any of the protected characteristic groups specifically, however the cessation of the support opportunity may have an affect if a group requires this support and it is no longer available.</p>		
Addressing the impact	<p>The outcome of the impact assessment may be one or more of the following four outcomes; You must clearly set out your justification for the outcome/s.</p> <p><b>1. No Impact- No Major Change</b> – No known impact in terms of equality and diversity however cessation of grant provision will have an impact on funding opportunities available to the Voluntary and Community Sector.</p> <p>Delivery of the proposals will be monitored closely to ensure that impact in relation to the protected characteristics is minimal.</p>		
	<b>2. Adjust/Change Policy</b>		
	<b>3. Adverse Impact but Continue</b>		
	<b>4. Stop/Remove Policy/Proposal</b>		
Actions			
It will be useful to record and monitor any actions resulting from your assessment to ensure that they have had the intended effect and that the outcomes have been achieved.			
Action identified	Responsible Officer	By When	How will this be evaluated?
Write to all VCS organisations outlining changes to grant provision once agreed.	Fiona Stanforth	November 2013	Responses monitored.
Awareness raising with sector of changes to the grants and promotion of support available.	Fiona Stanforth	November 2013 – January 2014	Applications will be monitored.
Date sent to Equality Rep for publishing		00/00/00	
Date Published		00/00/00	
Date Assessment Carried out		00/00/00	



# FINANCE AND POLICY COMMITTEE

18 October 2013



**Report of:** Assistant Director, Children's Services

**Subject:** SAVINGS PROPOSALS FOR EARLY INTERVENTION SERVICES

## 1. TYPE OF DECISION/APPLICABLE CATEGORY

Key decision reference CAS013/13. Tests (i) and (ii) apply

## 2. PURPOSE OF REPORT

- 2.1 To identify proposals for the delivery of savings in respect of the Early Intervention Grant for consideration in the context of significant cuts to this grant in 2013/14 and 2014/15.

## 3. BACKGROUND

- 3.1 In December 2011, Cabinet approved the Early Intervention Strategy and the commissioning of services to underpin the delivery of the strategy. The Early Intervention Strategy was developed in response to the creation of a new Early Intervention Grant which provided local authorities with greater flexibility and freedom to respond to local need. The strategy built upon the recommendations of the Children's Services Scrutiny Forum investigation into 'Think Family – Preventative and Early Intervention Services' undertaken in 2010 / 2011.
- 3.2 The Strategy introduced a revised model for service delivery developed using information from a needs analysis and consultation to shape services that are accessible to all, community based, flexible, convenient, and long term if needed. The strategy is based upon a commitment to working in partnership with families to identify, at the earliest opportunity, what services and support they require to transform their lives.
- 3.3 Following approval, the strategy and service reorganisation was implemented in the first quarter of 2012/13. Services were realigned to create a First Contact and Support Hub which provided a single point of access to all services for children (and vulnerable adults); a locality based Family Support Service incorporating Children's Centres; an integrated

Youth Support Service incorporating the One Stop Shop in the town centre and a range of universal and targeted support services commissioned from the voluntary and community sector which underpin the delivery of services to children and their families as follows:

- Speech and Language Services – provider North Tees and Hartlepool NHS Foundation Trust;
- Substance Misuse for Young People – provider Hyped;
- Mentoring – provider Headland Future;
- Parenting Services – Lead Provider Action for Children;
- Activities for Children and Young People (5 – 19) – Consortium of local voluntary organisations led by West View Project.
- Domestic Violence Services – Provider Harbour (contribution to corporate contract).

3.4 In September 2012, local authorities were notified of significant cuts to the Early Intervention Grant. For Hartlepool this amounted to £1.52m in the two years 2013/14 and 2014/15. In response to this risk, a careful assessment of commitments was adopted and this delivered an under-spend in 2012/13. The underspend has enabled one off funding to temporarily offset the grant cuts in 2013/14 providing a longer lead in time to assess the implications of reducing early intervention services and make informed decisions about how these cuts will be managed.

3.5 In June 2013, an evaluation of the year one implementation of the strategy was completed and this was reported to the Children's Strategic Partnership and formed the basis of a Member Briefing for members of the Children's Services Committee. The review concluded that that strategy had been fully implemented and the service redesign had been effective in realising the vision of the strategy. Services were more joined up and children, young people and their families were receiving coordinated support services to meet unmet need. However, in terms of seeing an improvement in outcomes for children against the success criteria as set out in the strategy, no impact was noted. This was partly due to the data available being one year behind, for example child poverty and teenage pregnancy data, however what has become apparent is the depth and breadth of needs of children in Hartlepool and the amount of resources required to impact upon these. Graham Allen's Early Intervention Review clearly stated that the impact of early intervention would be seen in 5/10 years, and this long term perspective underpinned the Early Intervention Strategy. It was not possible within the short timescale of one year to measure prevention and determine trends.

3.5 The review also gathered feedback from key partners and there was general support for the changes which had been made with partners highlighting closer working relationships, less duplication, clear access into services and team around the child arrangements as being strengths of the new model. Feedback in relation to areas of development highlighted that the skills of individual workers were critical in improving outcomes for children, there is a need for more support services and some secondary schools preferred the

previous Team Around Secondary School (TASS) arrangements. The findings of the year one evaluation have been incorporated into the proposals within this report.

- 3.6 The current budget to meet the commitments of the 2013/14 delivery of early intervention services is £6.2m. This reflects the removal of the nursery provision of disadvantaged two year olds which is now received via the Dedicated Schools Grant, the central government grant and the agreed reserve for 2013/14 only. Since the division has been aware that significant cuts would be required to the service, it has adopted a prudent approach to management of the budget and services to achieve underspends through robust management actions including:
- Holding posts vacant to reduce the number of compulsory redundancies required to balance to 2014/15 budget;
  - Careful management of budgets to avoid expenditure where this does not have an adverse impact on services; and
  - Achieving planned savings earlier when the opportunity arises.

This budget management approach will mean that the full committed reserve is unlikely to be required in 2013/14.

#### **4. PROPOSALS**

- 4.1 The extent of the funding cuts to the early intervention grant mean significant reductions will have to be made on the current commitments and some services will have to cease. The proposals detailed in this section of the report will support Members of the Children's Services Committee to make informed decisions on the priorities for early intervention services going forward maximizing the available resources and investing in services that improve the outcomes and life chances for children and young people. A spreadsheet is attached at **Appendix 1** which summarises the current budget commitments, Red/Amber/Green (RAG) rates the proposed savings and underpins the narrative contained in this section of the report.

#### **Statutory Duties and First Contact and Support Hub**

##### First Contact and Support Hub

- 4.2 The Hub was developed bringing together the duty social work team across Child and Adult Services and the Families Information Service Hartlepool (FISH) and provides a single point of access to children's services. The integrated team became fully operational in April 2013 and feedback on the benefits of the Hub has been extremely positive. The Hub fulfils the statutory requirements of the Council under the Children Act 1989 to ensure that a child defined as in need is identified and supported and the Childcare Act 2006 to provide information services to families with children up to the age of 19. The functions of the Hub consist of:

- Access to services and advice, guidance and support for children, people, families and vulnerable adults;
- Common assessment development;
- Common assessment individual support;
- eCAF development and implementation;
- Performance management for Early Intervention Strategy;
- Oversight and development of systems to support Early Intervention;
- Marketing of Early Intervention Services.

4.3 Analysis of current activity within the Hub identifies a high level of demand with a significant increase in the number of enquiries being managed by the Hub between June 2012 and June 2013. The service is currently working at full capacity to manage the daily workload safely and meet its statutory requirements. If the number of staff within the unit were to reduce, the Hub would have to reduce the amount of work it could undertake in relation to early intervention and benefit support to focus on work in relation to the safeguarding of children and vulnerable adults. Parallel to this, Finance and Policy Committee are considering proposals on changes to the way the Council provides Advice and Guidance Services and this may have implications for the work of the Hub.

4.4 It is therefore proposed that no savings are realised from the First Contact and Support Hub staffing complement. However there are other non staff budget commitments that have been reviewed and where possible savings identified. There is currently an allocated budget for marketing arising from the work undertaken to meet the requirements under the 2004 Childcare Act. As modern technology has developed it has been possible to maximize resources and opportunities more effectively and it is proposed that this allocated budget be cut from £67,500 to £37,500 providing a saving of £30,000. It is considered that the remaining allocated amount will be sufficient to enable the service to continue to meet its statutory requirement.

#### Early Years Foundation Stage (EYFS)

4.5 The functions for this area of work currently consist of:

- Support to EYFS providers (schools, private and voluntary childcare settings) to improve quality of early years foundation stage;
- Advice and guidance to EYFS providers in relation to regulation;
- Training for early years workers in order to improve the quality of EYFS.

There are currently 15 daycare providers and approximately 60 childminders in Hartlepool. In addition each school offers early years provision.

4.6 The requirements for this function of activity are covered within the Childcare Act 2006 and the document “Early education and childcare: Statutory guidance for local authorities.” The most recent publication was released in August 2013 to take effect from September 2013. The requirements state that in order to secure quality in EYFS local authorities should:

*Base their decision whether to fund a provider to deliver early education places solely on the providers Ofsted inspection judgement, and not undertake a separate assessment of the quality of the provider.*

The current legislation (Childcare Act) states that LAs should offer advice, guidance and training to all EYFS providers however, the Department for Education recently published document “More Affordable Childcare” sets out the government’s intention for future support for quality childcare as follows:

*“We therefore plan to refocus the current duty on local authorities to secure information, advice and training, on meeting the needs of providers who have been rated as “inadequate” or “requires improvement.”  
(More Affordable Childcare)*

- 4.7 In consideration of the proposed changes above, there are currently 74 EYFS settings in Hartlepool excluding schools. Of these, 13 are currently judged to be ‘inadequate’ or ‘requires improvement’ which equates to 18%. Therefore under the new requirements there will be a reduction in the amount of support the local authority is required to provide and it is the responsibility of the individual settings to procure support. In these circumstances, it is proposed that Council reduce the number of staff employed to support quality improvement in early years settings and also reduce the financial commitment currently allocated to training. It is proposed that one Early Years and Childcare Officer post be deleted to generate a saving of £34,000. This will leave two Early Years Consultants posts (one funded from Early Intervention Grant, one funded from Dedicated Schools Grant) to deliver the EYFS arrangements in Hartlepool. This proposal has been discussed with the Assistant Director Education who is in agreement that two Early Years Consultants will meet the EYFS requirements in future. It is further proposed that the workforce development hours committed to EYFS are reduced generating a further saving of £9,000 and the EYFS training budget is reduced £10,000 generating a saving of £7,208.

#### Sponsored Childcare

- 4.8 This funding is used to offer children aged under 3 years old funded childcare sessions in order to:
- Improve social skills;
  - Improve communication skills;
  - Allow parents to access support to enter employment.

The childcare support is offered as part of the whole package of support for a child and family dependent on the needs identified within the common assessment.

- 4.9 The current budget allocated for sponsored child care is £57,291. It is proposed that this funding can be significantly reduced as it is currently under spending against the allocated budget and the introduction of 2 year old funded childcare has reduced the need for additional childcare. On average a childcare session (equivalent of a morning or afternoon) for an under 3 year old costs £18. It is proposed that the budget is reduced to £20,000 therefore offering a saving of £37,291. This would enable the service to continue to offer approximately 1111 childcare sessions across the year.

#### Short Breaks

- 4.10 Short break funding has been allocated for the past four years to develop local services for disabled children and meet statutory requirements. When the non ring fenced Early Intervention Grant was introduced in 2011, the grant for short breaks was incorporated into the bigger grant. Since that time, the historical amount previously allocated for short breaks has been committed within the early intervention grant and has, for the first time, been fully reviewed in this savings review.
- 4.11 The statutory duties in relation to short breaks are defined in the Breaks for Carers and Disabled Children Regulations 2011 placing upon the local authority a duty to make provision for carers of children with disabilities and prepare, publish and review a Short Break Statement. The functions can be summarised as follows:
- Support the Parent Led Forum;
  - Development and implementation of the Short Break Statement;
  - Commission external and internal services based on need of children with disabilities and their families;
  - Develop training package to support parents and professionals to support children with disabilities and their families.
- 4.12 The Short Breaks and Participation Officer spent some time with the Parent Led Forum to discuss possibilities for savings. The parents agreed that although they did not wish to make any cuts they considered there were certain areas that they felt they needed to be protected which included playschemes; weekend and evening activities and sports development activities. Currently a total of £274k is committed to short breaks, the Parent Led Forum have agreed some proposals for savings to the value of £68,456 which does not cease any of the services currently delivered but reduces some services. It is proposed that these savings are realised through a combination of reducing the operational hours of the Specialist Toy Library, reducing the 1:1 support budget, ceasing delivery of sessions at Catcote (which have not been provided in the last year), reduce number of family overnight stay sessions at Carlton and/or increase parental contribution, reduce short break training programme and cease funding for parent participation (which has not been used in last year).

### Small Steps

- 4.13 The Small Steps initiative provides one to one support for children with social and communication difficulties and their families and delivers group activity sessions for children with social and communication difficulties and autistic spectrum disorder. This small project is delivered through dedicated time from the education psychology team and three school assistants who are employed by Springwell School. It is proposed the number of assistants is reduced from three to two generating a saving of £23,000. This will ensure this valuable project can continue to be offered to children with social and communication difficulties and is fully supported by the psychology team. In the light of the proposed reduction of early intervention funding and the fact that some of the work carried out is in response to referrals from schools it may be appropriate to refer the position to the Schools Forum to consider whether funding for this post can be met through the Dedicated Schools Grant. (One post has been previously funded via DSG with the agreement of schools).

### **Locality Teams including Children's Centres**

- 4.14 The locality teams provide family support services to children, young people and their families across the town who have identified unmet needs that cannot be met by universal services alone and require early intervention and support services to prevent their needs from escalating to the level of children in need as defined under the Children Act 1989. There are two locality teams, north and south, that deliver family support services through:
- One to one support in the family home;
  - Group work;
  - Children's Centre services;
  - Edge of care service.
- 4.15 The teams have a skill mix of staff comprised of social workers, family support workers and specialist staff (for example domestic violence worker) managed by a team manager. Each locality team has two Children's Centres providing pre birth to five children's centre services which are regulated by Ofsted and a number of satellite centres linked to the main centre. The service has recently undertaken a significant amount of work with North Tees and Hartlepool NHS Foundation Trust to strengthen the Early Years Pathways for very young children to achieve better aligned services and avoid duplication. This development is in its early stages but will realise significant benefits for children and their families with vulnerable families receiving effective integrated support services from early pregnancy.
- 4.16 A number of options have been considered to realise savings from the locality service including the closure of children's centres and reductions to the number of family support workers in teams. What is known is that demand for services is high and it has become evident that there is an even greater need for services for vulnerable children in Hartlepool than officers anticipated when

writing the strategy. Despite a completely remodeled early intervention strategy and significant investment in services, children vulnerable to poor outcomes are still coming to the attention of the service where there are significant family needs with a number of children across the age range of childhood. It is in this context that a full review of locality services has been undertaken and the proposals outlined below are the recommended savings to be achieved from this service area.

- 4.17 It is not proposed that any of the children's centres or satellite units are closed. Children's centres remain a high priority and the service will be seeking to engage a greater number of families from identified hotspot areas in children's centre activities. The year one evaluation identified that although a high number of families are registered with centres, the children's centres need to become focused and better targeted ensuring that those in most need are able to access services. Children's centres need to extend their reach to engage more families in the services that are provided, particularly hard to reach families and those living in hotspot areas. This will be the priority focus of this service going forward. To achieve this, it is proposed that some changes are made to the staffing structure of the locality teams to create one Children's Centre / Early Years Manager across the town delivering a consistent approach focused on children's centre delivery, strategy and Ofsted inspections. This post will be subject to job evaluation, however it is likely these changes will create a saving of £47,386 by the removal of one Band 13 principal practitioner post.
- 4.18 In addition to changes outlined to children's centres detailed in 4.17 above, review of the current and previous years children's centres non staff budgets has identified some further savings that can be achieved on children's centre operating costs. For the past several years some schools have received a small contribution towards the running costs of a children's centre attached to schools. This is usually between £6,000 and £10,000 per year, however for the past three years, St John Vianney Children's Centre has received a contribution of £62,000 and this is not sustainable. It is proposed that this is reduced by £55,000 to bring it in line with other centres. The Headteacher of St John Vianney has been involved in discussions around this proposal and has been given notice that the local authority will be moving to a rental agreement arrangement. An additional £33,062 has been identified from operating costs and an unused budget for community engagement creating a total saving of £88,062 from children's centre provision.
- 4.19 In relation to the locality teams, over the past year and in the knowledge of the significant cuts to be achieved, any vacant posts or reductions in hours have been held pending this review. A significant amount of budget mapping work has been completed to rationalise the staff group against budget commitments within the locality teams. This work has identified that savings can be realized from the locality teams by cutting unworked hours and vacancies and retaining the current staff complement of 23 family support workers, four family support specialists, a principal practitioner and a team manager. This position achieves a saving of £80,693 in each locality team area making a total of £161,386. Within this there is one post to be removed;



this has been identified via the admin review as being a potential savings from the admin services which support the locality teams. Through the review other admin opportunities have been identified and it is likely that a redeployment opportunity will be available. In addition to savings associated with staffing, it is further proposed that the 'family budget' allocated to each locality team to support families is reduced by £5,000 each bringing these budgets in line with those in the social care teams.

- 4.20 From the historical children's centre arrangements there is one post within the locality structure to promote healthy eating in early years settings. It is proposed that this post is no longer required and could be removed from the structure or further discussions take with the Public Health Department as to whether this is a post they would wish to bring into their team. The Director of Public Health has been made aware of this post and is currently finalising her budget, to date no agreement has been reached on whether Public Health will be willing to fund and or transfer this post. The savings realised by the removal of this post are £34,336.
- 4.21 One final proposed saving from the locality services links to the Rainbow Café which is delivered within Rossmere Children's Centre. The staffing complement of the café has been reviewed and it is proposed that staffing is reduced to one member of staff from two. This member of staff will have a role in providing cookery skills courses through the children's centres. The viability of the café will continue to be under review and it may be that in the future, this will close, however, if delivery can be successfully achieved with one member of staff, this makes the café more financially viable. The proposed savings arising from reducing staffing at the Rainbow Café is £20,240.

#### Youth Support Service

- 4.22 Following a period of significant re-design, Local Authority Youth Support Services now operate within an integrated framework of service delivery that contributes to the local Early Intervention Strategy, the Crime, Disorder, Substance Misuse and Reducing Re-offending Strategy and the Health and Wellbeing Strategy by ensuring that where possible young people in Hartlepool:
- have access to a range of safe and positive out of school activities and informal learning opportunities through the provision of youth clubs and through the engagement of young people via detached youth workers and the services, such as Mobile Youth Bus, to support their personal and social development.
  - have access to general information advice and support to help them make informed choices about staying on in learning, securing employment and equipping them to make safe and sensible decisions about their health, relationships and any risk taking behaviours to support their requirement to stay on in post 16 learning.

- have access to more personalised, joined up support if they (or their families) are experiencing difficulties; and
- are actively engaged in shaping the services they receive and have a voice in the decisions that effect their lives.

- 4.23 The work of the Youth Support Service is underpinned by the 'Youth Offer' which brings together all projects, programmes opportunities' and initiatives that are operational at any given time to provide children and young people with things to do, places to go and people to talk to. The Youth Support Services is only one component part of the Youth Offer, but, as highlighted in the Governments 'Positive for Youth' paper, local authorities have specific strategic responsibility for coordinating the overall local offer and making the best use of public resources.
- 4.24 As part of these savings proposals, a full review has been undertaken of the Youth Support Service and several models of delivery have been considered including the complete outsourcing of youth centres to the community and voluntary and independent sector. However, officers consider that a mixed economy of service delivery, retaining those services where there is high take up and that work well to support young people is essential alongside continuing the activities services currently commissioned from the local voluntary and community sector. The proposals in this report therefore reflect the findings of the review that youth centres delivered by the local authority are effective in setting standards for the delivery of youth provision and are able to offer targeted support to hard to reach young people who do not access other services.
- 4.25 A saving of £28,000 has been identified by reducing expenditure on non pay budgets by driving down management information system fees and further integrating budgets relating to central functions. A further saving has been identified through the success of the Young Inspectors and Participation Team. The Young Inspectors are a highly valued service both by the Council and in wider organisations, to a certain extent they have been a victim of their own success as increasing requests are being received for young people led inspections and as a consequence more inspectors are needed. Currently a nominal fee is charged for each young people's inspection to cover the young people's time and any admin costs arising from the inspection. It is proposed that this fee is increased to more accurately reflect the cost supporting and coordinating the work of this team which is undertaken by the participation team within the Youth Support Service. This will generate income to meet the staffing costs required to support the work of the Young Inspectors team and the wider work of the participation team. A target savings offset against income generation has been identified of £30,000.
- 4.26 The review of the local authority has identified that two of the three youth centres in the town are well used and represent value for money. It is therefore proposed that the Youth Centres at Throston and Rossmere are retained. The added value of this proposal is that continuation of delivery from Rossmere Youth Centre will enable the local authority to continue to

manage the skate park sited next to the building, a managed skate park being the commitment made to local residents when the provision was originally developed. It is however proposed that Brinkburn Youth Centre is closed. This provision has had limited uptake over the past couple of years and a satellite youth centre currently delivered from Burbank Community Centre two nights per week alongside commissioned out of school activities delivered via Belle Vue Youth and Community Centre provide alternative accessible youth services for the young people who currently attend Brinkburn. It is further proposed that the satellite Youth Centre delivered at Jutland Road is discontinued as the Seaton Youth Club will be moving to Golden Flatts School in the coming months and this provision will overlap with the provision at Jutland Road. These two proposals generate a saving of £103,000.

- 4.27 In order to realise additional savings from the Youth Support Service but without having to close Youth Centres, it is proposed that the length of each youth club session delivered by the local authority is reduced by 30 minutes per session. Currently each session is two and half hours in length with each member of staff having 15 minutes either side of the session for preparation and evaluation totaling three hours per session. By reducing the length of the youth club sessions by 30 minutes across all youth sessions to two hours and thirty minutes, this realises a saving of £95,000 without the need for any other youth centre closures.
- 4.28 As the youth support service, along with all other services in the Council have implemented cuts, it has reduced in size and therefore it is appropriate to review the management costs. The Youth Service currently is managed by a Head of Service (who also manages the Youth Offending Service and the One Stop Shop) supported by three managers. It is proposed that this is reduced to two managers who would realign their responsibilities to manage the development and delivery of the Children and Young People's Youth Offer and Entitlement, this would generate a saving of £41,000.
- 4.29 With the introduction of the Early Intervention Grant, the Home Office Youth Crime Action Plan ceased and this element was included in EIG. The Youth Crime Action Plan (YCAP) was an initiative of the previous government aimed at preventing youth crime. Historically, the distribution of the YCAP funding in Hartlepool was between children's services and the community safety team. It primarily funded one prevention worker within the Youth Offending Services (YOS) and an Assertive Outreach Programme targeting hotspot areas for anti social behaviour, seeking to divert young people into positive activities. In addition there were smaller budget commitments to the community alcohol partnership, delivery of restorative practice, healthy relationships in schools, training for teen to parent abuse and mediation. In 2013/14 there is an uncommitted balance of £52k.

- 4.30 It is proposed that the whole of the YCAP element of the Early Intervention Grant is taken as a saving which amounts to £169,814. In relation to the YOS worker funded from this budget, this officer has recently taken on a lead role for Troubled Families and his salary is now being met by the YOS and Troubled Families grant. The other smaller commitments from the historical YCAP funding can also be met by the Troubled Families grant where there is an ongoing funding requirement.
- 4.31 With regard to the Assertive Outreach Programme, there has for some time been concerns around duplication of services as the youth support service also provide a detached and mobile service engaging young people on the streets. However the current two services operate in very different ways with the assertive outreach service taking a more directive approach to dispersing young people and the detached and mobile team engaging young people where they have chosen to be. It is proposed that a single street based service is developed which combines the best elements of both services and is targeted to cover identified hotspots in the town. Further work is required to determine whether this should be delivered in house as with the detached and mobile team or commissioned from the voluntary and community services as with the assertive outreach team, however, the funding for this service will be covered by the current commitments within the budget enabling this element of the grant to be removed.
- 4.32 The final proposal from the Youth Support Service elements of the early intervention grant is to reduce the contribution to the Youth Opportunities Fund. This fund was created to provide grants to young people's groups based upon bids submitted and evaluated by the Young People's 'Grant Givers' group. The current commitment is high and has historically underspent. It is proposed that this grant is reduced to £25,000 providing a saving of £80,000.

#### Commissioned Services

- 4.33 Through the Strategy, a number of services were commissioned from the statutory, community and voluntary sector to provide a range of support services for children, young people and their families. The following services were commissioned and funded through the Early Intervention Grant:
- Children and Young People's Substance Misuse Services;
  - Parenting Support Services;
  - Targeted Activities for Children and Young People;
  - Mentoring;
  - Speech and Language;
  - Domestic Violence.

- 4.34 Speech and language services are commissioned through the early intervention grant in addition to services currently delivered by North Tees and Hartlepool NHS Foundation Trust. The purpose of this additional service was in recognition of the importance of speech and language to early childhood development and to provide an early intervention service for children with speech and language difficulties who did not yet meet the criteria for health provision. In addition, the intention of commissioning these services was to support the skills development of the family support workers to understand the importance of speech and language, to recognise any problems at the earliest stage and have the skills to promote the speech, language and communication of young children. This workforce development has been implemented over the past 18 months. It is proposed that this contract is not extended beyond March 2014 and that the locality teams work closely with the Foundation Trust to continue to maximise health speech and language services and deliver preventative work through family support workers. Not extending this contract will create a saving of £120,000. If agreed, this decision will need to be referred to the Health and Wellbeing Board for consideration of the impact and how partners can ensure that speech and language provision is maximised including early intervention and prevention work.
- 4.35 With regard to the substance misuse services commissioned from Hyped, discussions have taken place with the Director of Public Health. Currently health contributes approximately a quarter of the contract cost, yet the adults' substance misuse services are fully commissioned and funded through Public Health. The Director of Public Health has indicated that she would be willing and in a position to meet the full costs associated with the young people's substance misuse service from the Public Health grant. This puts the service on the same financial footing as adults' substance misuse services and has the potential to generate further efficiencies given they are both provided by the same umbrella organisation. It is therefore proposed that the responsibility for funding and commissioning arrangements for the young people's substance misuse service transfer to Public Health creating a saving of £122,000
- 4.36 With regard to the mentoring and activities contracts, meetings have taken place with providers to discuss the options for achieving the required savings under the early intervention grant. It is proposed that these two contracts are reduced by 10% which generates a total saving of £48,000. Although providers feel this will significantly squeeze margins and may require some changes to the delivery of services, providing potentially a more targeted service, this option is preferred to these contracts ending.
- 4.37 The parenting service is currently delivered by Action for Children in partnership with Headland Future. Parenting support is a cornerstone of the Strategy and evidence shows that it is vital in the reduction of children and families needing access to more specialist services, therefore it remains a priority going forward. Analysis of the current arrangements suggests that a proportion of the contract value goes towards management costs. This could

be saved if the service was brought in house and integrated within the Children's Services division. An added benefit would be that the division would be able to redesign and develop the service in response to emerging trends and needs in relation to parenting. It is therefore proposed that the parenting service is brought in house to generate a saving of £105,000. It should be noted that TUPE will apply and will need to be further explored.

### Impact

- 4.38 The size of the cuts to the Early Intervention Grant over two years equate to almost 25% of the 2012/13 grant which is huge for a single service area and therefore there are significant risks associated with the proposals and the impact will be significant. The proposals outlined within this report and detailed in the attached spreadsheet at appendix 1 have been RAG rated according to the level of risk. Some savings have been rated as green as these can be realized from non staff costs and general efficiencies delivered throughout the service. However a number of the proposed savings have been rated as amber as there are risks associated with compulsory redundancies, the cessation of certain services or risks in relation to whether they can be fully achieved. The attached spreadsheet also includes details of the services which are not being proposed for cuts and are therefore rated as red, This enables Members to know which services these are and have a full understanding of their costs.
- 4.39 The proposals detailed within this report, in the view of officers, enables the original vision of the early intervention strategy to be adhered to albeit at a scaled back level. Front line services that provide direct support for vulnerable children and their families have been protected wherever possible given the contextual position of continued rising demand for both early intervention and more specialist social work services. It is not possible to make the scale of these cuts without having an impact upon service users and it is likely that services will, in the future, be more targeted towards the more vulnerable. In this context, universal services such as health and education will need to ensure that they are meeting their requirements to provide early intervention services through common assessment.
- 4.40 Delivering the cuts will be a significant challenge for officers and it is important that all changes are carefully planned and adhere to Human Resources and procurement procedures and requirements where applicable.
- 4.40 An Equality Impact Assessment has been completed and is attached at **Appendix 2**. The table below summarises the proposed savings as outlined in this section of the report.

Service	Proposed Savings	Staffing Implications
Reduce Marketing budget	£30,000	
Early Years Foundation Stage Quality Improvement	£50,208	1.2 post
Reduce Childcare budget	£37,291	

Short Breaks	£68,456	
Small Steps School Assistant	£23,000	1 post
Remove Band 13 Principal Practitioner post	£47,386	1 post
Reduction in Children's Centre operating costs	£88,062	
Rationalisation of staffing group	£161,386	1 post
Reduce family budgets	£10,000	
Remove Healthy Eating Early Years settings post	£34,366	1 post
Reduce staffing in Rainbow Cafe	£20,240	1 post
Renegotiating IT system fees and reducing central costs	£28,000	
Income generation of participation team	£30,000	
Closure of Brinkburn and Jutland Road Youth Clubs	£103,000	14 staff 3.6 FTE's
Reduction in sessional hours	£95,000	All youth centre workers will have 30 minute reduction in working time.
Reduction of 1 Youth Work Manager post	£41,000	1 post
Remove YCAP element of the grant	£169,814	Further work required re delivered in house or commissioned
Reduce Youth Opportunities Fund	£80,000	
Cease funding additional Speech and Language Services	£120,000	
Transfer substance misuse service to Public Health	£122,000	
Reduce mentoring and activities contract value by 10%	£48,000	
Transfer parenting service in house	£105,000	TUPE will apply
<b>Total Proposed Savings</b>	<b>£1,512,209</b>	

## 5. OPTION ANALYSIS

5.1 A number of other savings options have been considered in the development of these proposals, however these have been discounted primarily due to the potential impact they have on service delivery and the risks associated with realising the savings. These include:

- Closure of children's centres – there are regulatory requirements around the delivery of children's centres which are subject to Ofsted inspection. Closure of centres would compromise the council's ability to meet the regulatory requirements and there are significant clawback implications in relation to buildings.
- Reduction in numbers of workers in First Contact and Support Hub and locality services – demand for services are increasing and the current teams are operating at capacity. In order to reduce numbers of workers, thresholds would need to rise and the service would have to move away from the principle of early intervention. If capacity were to be stretched further there is a risk that safe practice would be compromised leaving vulnerable children at risk.
- Remove funding to support short breaks – there is a risk that the requirements under the 2011 Regulations would not be met and the needs of vulnerable families with disabled children would be ignored.
- Close or outsource youth services – a recent review of the Hartlepool Youth Offer undertaken by the regional Youth Work Unit identified that the mixed economy of provision in Hartlepool was the best delivery model to support young people, where services are complementary and can be shaped to avoid duplication. The retention of a local authority youth service enables a targeted youth service to be provided which support more specialist services delivered in the division.
- Cease some or all of the commissioned services – the voluntary and community sector provide a range of services that cannot be delivered by the council alone. Those services that are retained under the proposals are effective in supporting vulnerable children and young people and represent best value.

## 6 RISK IMPLICATIONS

6.1 There are a number of risks implicit in the delivery of any package of savings and it is important to recognise these as part of any decision making. A summary of the risks considered as part of the proposals has been identified below:

- A reduced capacity and flexibility to respond to local need and provide high quality family support services to children and their families. The risk here is that some families may not receive early intervention and prevention services and their circumstances deteriorate to the point where they require more specialist services such as social care. The proposed savings within this report seek as far as possible to mitigate this risk by protecting wherever possible front line delivery of services



under the early intervention strategy. Nevertheless there will be no capacity for growth in the context of increasing demand and high levels of need within the town.

- Proposed targets for income generation in relation to the participation team cannot be achieved. This will take some time to be developed and grow and it is proposed that any outstanding reserve from 2013/14 be ringfenced to early intervention services where targets cannot be met.
- Progress made in relation to speech and language development for children is not sustained. It is hoped that through the workforce development family support workers have received, they will be able to promote early speech, language and communication and refer children for health services where appropriate. The integration with health and Early Years Pathway should also help to mitigate this risk.
- A single street based youth provision combining the two existing services cannot be achieved. This development will need significant planning with current stakeholders and the change management process effectively implemented.
- Local authority is unable to deliver parenting provision. These risks will be mitigated by the TUPE of highly skilled specialists currently working within the service who understand the delivery model. There is expertise within the division both in terms of management of effective teams and delivery of parenting programmes. There is however a reputational risk for the council of moving away from the voluntary and community sector.

## **7. FINANCIAL CONSIDERATIONS**

- 7.1 The Medium Term Financial Strategy approved in February 2012 included a strategy for managing the cut in the Early Intervention Grant over a two year period, with the majority of the cut having to be made in the 2014/15 budget year. This strategy was designed to provide a longer lead time to identify these savings. This was only possible as a result of the careful management of Early Intervention Grant commitments since this funding regime was introduced, which enabled previous years underspends to be carried forward as one-off reserves to temporarily support Early Intervention Grant services in 2013/14 and 2014/15.
- 7.2 This report outlines the proposed savings to achieve the 1.52m cuts that are required in the Early Intervention Grant to be implemented with effect from 1 April 2014. Failure to make savings identified will mean the need to make alternative unplanned cuts and redundancies elsewhere in the Authority to balance next year's budget. Since 1 April 2013, early intervention services have been delivered with the support of a reserve to cover the budget shortfall to enable these proposed cuts to be carefully planned and developed.

- 7.3 There are substantial financial risks associated with the level of savings proposed within this report. Whilst officers have taken every care to validate all of the information and proposals nevertheless, unforeseen changes will impact upon the ability of the service to deliver these cuts by 01/04/14 and some slippage may occur. Due to the careful service and financial management arrangements that have been in place since these cuts were first announced in September 2012, it is anticipated that the full reserve allocated for early intervention services for 2013/14 will not be needed as reported to Cabinet on 4 February 2013. Underspends have been achieved by carrying vacant hours and posts as well as avoiding any unnecessary expenditure. Initial projections indicate that there is likely to be around £350,000 underspend on this years budget. This position is not unexpected and as reported in the Medium Term Financial Strategy in February 2013 the lower use of the reserve in 2013/14 enables the unused reserves to be carried forward to underpin the deliver of these cuts and manage financial risks during 2014/15. It is recommended that this financial risk strategy is referred to the Finance and Policy for approval and inclusion in the final budget proposals to be referred to full Council in February 2014. Commitments against this reserve will be reviewed during 2014/15 as the savings are implement which will then enable a strategy for using any uncommitted balance on this reserve to be developed as part of the 2015/16 budget.

## **8. RECOMMENDATIONS**

- 8.1 That Finance and Policy Committee consider the proposals for savings outlined in this report and approves the savings programme to manage the cuts to the Early Intervention Grant.
- 8.2 That Finance and Policy Committee approve the carry forward of the unused Early Intervention Grant Reserves of £350,000 to manage financial risks of delivering the saving programme in 2014/15, and these issues be referred to full Council in February 2014 as part of the final budget proposals for 2014/15.
- 8.3 That Finance and Policy Committee note that commitments against the £350,000 Early Intervention Grant reserve will be reviewed during 2014/15 as the savings are implement which will then enable a strategy for using any uncommitted balance on this reserve to be developed as part of the 2015/16 budget.
- 8.4 That Finance and Policy Committee note the recommendation that Children's Services Committee refer the decision on discontinuing the early intervention speech and language contract to the Health and Wellbeing Board for consideration of impact and how this can be mitigated.

**8. REASONS FOR RECOMMENDATIONS**

- 8.1 The report forms part of the Medium Term Financial Strategy.

**9. BACKGROUND PAPERS**

Early Intervention Strategy December 2011;  
Department for Education 'More Affordable Child Care 2013;  
Children Act 1989;  
Childcare Act 2006;  
Positive for Youth;  
Youth Service Review.

**10. CONTACT OFFICER**

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Cost Centre	Cost Centre Heading (Optional Detail)	Direct Costs Employees	Direct Costs Other	Support Recharges	Gross Expenditure Budget £	Contrib from Reserves	Income	Income (incl. Cont from Reserves) £	Net 2013/14 Budget £	Multiple Options - Add number for each option	Proposed Saving Brief Description	Proposed Net Saving £	Saving - RAG Rating GREEN	Saving - RAG Rating AMBER	Green & Amber - SUB-TOTAL	Saving - RAG Rating RED
227330000	EIG Contribution to LA Budgets								0	2	Closure of Brinkburn	87,000		87,000	87,000	
227330000	EIG Contribution to LA Budgets								0	3	Closure of Jutland Road	16,000		16,000	16,000	
227330000	EIG Contribution to LA Budgets								0	4	Reduction in Sessional Slots	95,000		95,000	95,000	
227330000	EIG Contribution to LA Budgets								0	5	Reduction Youth Worker Manager	41,000		41,000	41,000	
227320000	EIG Youth Crime Action Plan		169,814		169,814			0	169,814	1	Cease contribtion	169,814	169,814		169,814	
225980000	One Stop Shop	323,366	12,367		335,733			0	335,733			0				
124550000	Youth Opportunities Fund		104,964		104,964			0	104,964	1	Reduce contribution	80,000	80,000		80,000	
226170000	Commissioned Services - EIG	86,573	1,187,061		1,273,634	(26,979)	(55,866)	(82,845)	1,190,789			0				
226170000	Commissioned Services - EIG									1	Speech & Language	120,000		120,000	120,000	
226170000	Commissioned Services - EIG									2	Substance Misuse	122,000	122,000		122,000	
226170000	Commissioned Services - EIG									3	Mentoring - reduction 10%	8,000		8,000	8,000	
226170000	Commissioned Services - EIG									4	Parenting - bring in house	105,000		105,000	105,000	
226170000	Commissioned Services - EIG									5	Activiities - reduction of 10%	40,000		40,000	40,000	
		2,848,200	3,521,519	341	6,370,060	(26,979)	(73,023)	(100,002)	6,270,058				832,217	679,992	1,512,209	2,776,268

Department	Division	Section	Owner/Officer
Child and Adult	Children's Services	Across a number of sections all within Children's Services	Sally Robinson,
Function/ Service	<p>In December 2011, Cabinet approved the Early Intervention Strategy and the commissioning of services to underpin the delivery of the strategy.</p> <p>Services were realigned to create a First Contact and Support Hub which provided a single point of access to all services for children (and vulnerable adults); a locality based family support service incorporating children's centres; an integrated Youth Support Service incorporating the One Stop Shop in the town centre and a range of universal and targeted support services commissioned from the voluntary and community sector which underpin the delivery of services to children and their families as follows:</p> <ul style="list-style-type: none"> <li>• Speech and Language Services – provider North Tees and Hartlepool NHS Foundation Trust;</li> <li>• Substance Misuse for Young People – provider Hyped;</li> <li>• Mentoring – provider Headland Future;</li> <li>• Parenting Services – Lead Provider Action for Children;</li> <li>• Activities for Children and Young People (5 – 19) – Consortium of local voluntary organizations led by West View Project.</li> <li>• Domestic Violence Services – Provider Harbour (contribution to corporate contract).</li> </ul> <p>In September 2012, local authorities were notified of significant cuts to the Early Intervention Grant. For Hartlepool this amounted to £1.52m in the two years 2013/14 and 2014/15.</p> <p>This impact assessment looks at all savings options and assesses the impact of these savings.</p>		
Information Available	<p>The Early Intervention Strategy has only been in place for just over a year therefore outcome data for this area is limited within such a short timeframe. An evaluation of the first year of the strategy has been carried out which includes information on:</p> <p>Levels of need in each service area;</p> <p>Numbers of children, young people and families being referred to services;</p> <p>Numbers of children, young people and families that have accessed the services across the strategy;</p> <p>Numbers of children, young people and families that complete the programme they accessed;</p> <p>Numbers of children, young people and families that can show they have successfully met their targets/aims;</p> <p>Numbers of children, young people and families who did not engage when offered support;</p> <p>Numbers of children, young people and families that are referred</p>		

	to specialist services; Children's centres registration and accessing services data (including postcodes) and whether vulnerable groups Outcomes achieved; Feedback from service users; Consultation with commissioned services providers; Contract monitoring information; Consultation with Parent Led Forum; Consultation with partners – education, health	
<b>Relevance</b>  Identify which strands are relevant to the area you are reviewing or changing	<b>Age</b>	✓
	<b>Disability</b>	✓
	<b>Gender Re-assignment</b>	
	<b>Race</b>	✓
	<b>Religion</b>	
	<b>Gender</b>	✓
	<b>Sexual Orientation</b>	✓
	<b>Marriage &amp; Civil Partnership</b>	
	<b>Pregnancy &amp; Maternity</b>	✓
<b>Information Gaps</b>	The information gathered is rigorous although there are some gaps in information which includes: <ul style="list-style-type: none"> <li>➤ Being able to track children through early intervention into specialist services (this is being addressed with the introduction of the eCAF system which can track a child's journey from early intervention to social care);</li> <li>➤ Outcome information due to data sets being a year out of date therefore outcomes data will need to be captured this year to show whether there is impact last year;</li> <li>➤ One Stop Shop data has only been gathered since Dec 2012 therefore analysis is limited this will need to be analysed at the end of this year when a full years data can be seen;</li> <li>➤ Commissioned services have been asked to collect their data using postcodes and identifying vulnerable groups, One provider has found this difficult to do and work is ongoing to ensure that this information is provided;</li> <li>➤ There may be double counting across commissioned services and youth services as the current systems do not share individual children and young people information it just captures numbers (it is proposed that work is carried out with the providers to develop information sharing processes to allow this to happen);</li> <li>➤ Family support impact information is currently difficult to quantify apart from those that were referred to social care (work is ongoing to explore how this can be achieved)</li> </ul>	

<b>What is the Impact</b>	<p>There are no proposals that adversely affect any of the strands highlighted above.</p> <p>The proposals within this savings report focuses on areas that do not have significant affect on direct work with children.</p> <p>The proposals for the reduction of funding Short Breaks have been proposed after consultation with parents of children with disabilities. The proposed changes ensure that direct work with children with disabilities and their families is continued.</p> <p>The proposals for changes within the Youth Support Service will have some impact on young people accessing certain provision but young people will still be able to continue to access youth provision across the town therefore the impact is limited.</p> <p>The proposals highlight the removal of the speech and language contract which potentially may affect younger children as the contract focuses on under 5s. However work has been undertaken over the last year to train all family support workers to understand how to identify speech, language and communication issues and to support children and families when concerns arise. Locality staff continue to work with health services to ensure that children are supported as early as possible.</p> <p>The proposals ensure that all age groups of children continue to have provision which is available across the town.</p>		
<b>Addressing the impact</b>	<p>The outcome of the impact assessment may be one or more of the following four outcomes; You must clearly set out your justification for the outcome/s.</p> <p><b>1. No Impact- No Major Change</b> This assessment shows that there is no potential for discrimination or adverse impact on any specific group of children, young people and families. All opportunities to promote equality have been taken. Services will continue to be available for children, young people and families who are vulnerable.</p>		
<b>Actions</b>			
It will be useful to record and monitor any actions resulting from your assessment to ensure that they have had the intended effect and that the outcomes have been achieved.			
<b>Action identified</b>	<b>Responsible Officer</b>	<b>By When</b>	<b>How will this be evaluated?</b>
<b>Continue to monitor the needs of children and their families to analyse trends</b>	<b>Danielle Swainston</b>	<b>Quarterly review</b>	<b>Report produced</b>
<b>Monitor the services response to identified need</b>	<b>Danielle Swainston</b>	<b>Quarterly report</b>	<b>Evaluation report produced and shared with Head of service and partners</b>



to understand if services are meeting needs of all groups of children and families			
Implement eCAF to ensure that children's progress/outcomes can be tracked across services	Danielle Swainston	Sept 2014	eCAF being used by internal staff  eCAF being used by external partners  Children's progress being able to be tracked
Develop process for capturing impact of early intervention family support services	John Robinson	April 2014	Able to monitor impact of family support work

Date sent to Equality Rep for publishing	00/00/00
Date Published	00/00/00
Date Assessment Carried out	Sept 2013

# FINANCE AND POLICY COMMITTEE

18 October 2013



**Report of:** Corporate Management Team

**Subject:** SERVICE PLANNING 2014/15

## 1. TYPE OF DECISION/APPLICABLE CATEGORY

Non-Key Decision

## 2. PURPOSE OF REPORT

- 2.1 To provide the opportunity for Finance and Policy Committee to consider the proposed Outcome Framework and service planning timetable for 2014/15.

## 3. BACKGROUND

- 3.1 The Council's Service Planning Framework has been developed over the last few years. The suite of Service Planning documents has included the Council Plan and three Departmental Plans. All have been based on the main building blocks of **Outcomes, Actions, Performance Indicators, Targets** and **Risks** and have been used to develop the Council's suite of Service Planning documents for the coming year. It is proposed that these building blocks remain in place for 2014/15.

## 4. OUTCOME FRAMEWORK 2014/15

- 4.1 The Outcome Framework was last reviewed and updated as part of the service planning process in 2013/14. Discussions have taken place with Council Officers from across all Departments on the revision of the outcome framework, and as a result of these discussions, it is not proposed to radically change the framework for 2014/15.
- 4.2 The proposed outcome framework for 2014/15 is shown below. The proposed framework contains 34 outcomes that address the eight Community Strategy themes. This is an increase of one outcome as there is a proposal to split the Culture and Leisure outcome to reflect the new organisational arrangement and to help clarify aims and objectives across this area. It is also proposed to change the Outcome - Improve health by reducing inequalities and improving access to services to Improve health by reducing inequalities across the town and within communities. Finally the

Housing Outcome has a proposed a minor change from Hartlepool has an improved and more balanced housing offer that meets the needs of residents and is of high quality design to Hartlepool has an improved and more balanced housing offer that meets the needs of residents (including residents with additional needs) and is of high quality design.

### **Jobs & the Economy**

<b>Outcome</b>
Hartlepool has improved business growth and business infrastructure and an enhanced culture of entrepreneurship
Hartlepool has attracted new investment and developed major programmes to regenerate the area and improve connectivity
Hartlepool has increased employment and skills levels with a competitive workforce that meets the demands of employers and the economy
Hartlepool has increased economic inclusion of adults and is tackling financial exclusion
Hartlepool has a boosted visitor economy
Fewer Hartlepool children experience the effects of poverty

### **Lifelong Learning & Skills**

<b>Outcome</b>
To promote opportunities for all children and young people to reach their full potential by accessing good quality teaching and curriculum provision which fully meets their needs and enables them to participate in and enjoy their learning
Provision of high quality community learning and skills opportunities that widen participation and build social justice

### **Health & Wellbeing**

<b>Outcome</b>
Improve health by reducing inequalities across the town and within communities
Give every child the best start in life
Children & young people are safe
Vulnerable adults are supported and safeguarded and people are able to maintain maximum independence while exercising choice and control about how their outcomes are achieved

### **Community Safety**

<b>Outcome</b>
Hartlepool has reduced crime and repeat victimisation
There is reduced harm caused by drugs and alcohol misuse
Communities have improved confidence and feel more cohesive and safe
Offending and re-offending has reduced

**Environment**

<b>Outcome</b>
Hartlepool has an improved natural and built environment
Quality local environments where public and community open spaces are clean, green and safe
Provide a sustainable, safe, efficient, effective and accessible transport system
Hartlepool is prepared for the impacts of climate change and takes action to mitigate the effects

**Housing**

<b>Outcome</b>
Hartlepool has an improved and more balanced housing offer that meets the needs of residents (including residents with additional needs) and is of high quality design
Hartlepool has improved housing stock where all homes across tenures offer a decent living environment
Housing Services and housing options respond to the specific needs of all communities within Hartlepool

**Culture and Leisure**

<b>Outcome</b>
People enjoy equal access to leisure, sport, and recreation which enrich their lives, improve the places where they live, and strengthen communities.
People enjoy equal access to culture and libraries which enrich their lives, improve the places where they live, and strengthen communities.

**Strengthening Communities**

<b>Outcome</b>
Local people have a greater voice and influence over local decision making and the delivery of services
Make a positive contribution – people are involved with the community and society

**Organisational Development**

<b>Outcome</b>
Improve the efficiency and effectiveness of the organisation
Deliver effective customer focused services, meeting the needs of diverse groups and maintaining customer satisfaction
Maintain effective governance arrangements for core business and key partnerships
Maintain effective Performance, Finance and Risk Management Arrangements
Maintain the profile and reputation of the Council
Deliver effective Member and Workforce arrangements, maximising the efficiency of the Council's Democratic function
Ensure the effective implementation of significant government policy changes

## 5. NEXT STEPS

- 5.1 Further work is currently being undertaken to develop the actions and identify the Performance Indicators and risks that will underpin the outcomes, and will ultimately appear in the Service Planning Documents. The key steps in agreeing the Council Plan, which incorporates the three Departmental Plans, are as follows: -

Who	What	When
Finance and Policy Committee	Agreement of the outcome framework and timetable	18 Oct 2013
i) Regeneration Services Committee ii) Neighbourhood Services Committee iii) Finance and Policy Committee iv) Children Services Committee v) Adult Services Committee	Consideration of the Departmental Plans including actions, performance indicators and risks that underpin each outcome	i) 16 Jan 2014 ii) 20 Jan 2014 iii) 31 Jan 2014 iv) 11 Feb 2014 v) 10 Feb 2014
Finance and Policy Committee	Feedback from Forums and consideration of the proposed Council Plan	14 Feb 2014
Finance and Policy Committee	Agreement of the Council Plan	28 March 2014
Council	Agreement of the Council Plan	3 April 2014

## 6. RECOMMENDATIONS

- 6.1 Finance and Policy Committee are asked to consider and agree: -

- the proposed Outcome Framework as set out above;
- The overall timetable as set out above.

## 7. REASONS FOR RECOMMENDATIONS

- 7.1 Finance and Policy Committee have overall responsibility for Performance Management.

**8. BACKGROUND PAPERS**

- 8.1 No background papers used in the preparation of this report.

**9. CONTACT OFFICER**

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# FINANCE AND POLICY COMMITTEE

18 October 2013



**Report of:** Assistant Chief Executive

**Subject:** ACCESS TO PAYDAY LENDERS WEBSITES  
BLOCKED ON ALL COUNCIL COMPUTERS

## 1. TYPE OF DECISION/APPLICABLE CATEGORY

1.1 Non-Key.

## 2. PURPOSE OF REPORT

2.1 The purpose of this report is to seek approval to block access to Payday Lender websites on all council computers used by staff, members and the public.

## 3. BACKGROUND

3.1 The trading practices of Payday lenders are currently being investigated by the Competition Commission after the Office of Fair Trading reported in June 2013 that business models resulted in loans being made to people who could not afford to pay them back, and due to loans being “rolled over”, were moving increasingly further into debt.

3.2 There have been numerous media reports in recent months highlighting the dangers of payday loans in relation to crippling APRs (annual percentage rates), dubious trading practices, misleading information and misuse of continuous payment authorities (CPA) that drained funds from borrower's accounts.

3.3 During the course of this year an increasing number of councils have taken action to prevent access to these websites. Since the beginning of September six West Yorkshire councils, Brent Council and Darlington Borough Council have all imposed similar bans preventing staff and local residents from accessing payday websites from council computers (whether they are just available to council staff or through public access machines).

#### **4. PROPOSALS**

- 4.1 In the light of the current investigations and the desire of the Council to support sustainable ways of managing finances it is proposed that Hartlepool Borough Council implement measures to prevent access to all Payday lender websites on all council computers.
- 4.2 The websites to be blocked are based on a list the Council has obtained from Leeds City Council (which has already implemented a similar policy as part of the six West Yorkshire councils).
- 4.3 In conjunction with the restricting of access to such websites it is proposed (through the council website and other forms of communication) to provide information signposting residents and staff to local credit unions, Citizens Advice, the Money Advice Service and national debt and housing charity websites such as Stepchange and Shelter.
- 4.4 In addition information highlighting the dangers associated with payday loans will be placed on the council website to provide alternative options to residents.

#### **5. RECOMMENDATIONS**

- 5.1 That the Finance and Policy Committee approves the access restriction as part of a coordinated programme aimed at raising awareness regarding the dangers of payday loans and promoting alternative solutions by signposting local credit unions and debt advice websites.

#### **6. REASONS FOR RECOMMENDATIONS**

- 6.1 As part of the Council's duty to safeguard vulnerable members of the community with regard to financial abuse.

#### **7. CONTACT OFFICER**

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# FINANCE AND POLICY COMMITTEE

18<sup>th</sup> October 2013



**Report of:** Director of Regeneration and Neighbourhoods,  
Director of Child and Adult Services and Assistant  
Chief Executive

**Subject:** IMPACT OF A HARTLEPOOL LIVING WAGE ON  
COMMISSIONING ARRANGEMENTS

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## 1. TYPE OF DECISION/APPLICABLE CATEGORY

1.1 Non key decision.

## 2. PURPOSE OF REPORT

2.1 To present details relating to the implementation of a Hartlepool Living Wage and its impact on commissioning arrangements.

## 3. BACKGROUND

3.1 At full Council on 6<sup>th</sup> June 2013 Members endorsed the Council's approach to the "Living Wage"

"Since its inception in 1999 the minimum wage has become a cornerstone of our social democracy. it defends working people from exploitation at the hands of greedy, negligent employers. Overnight it raised the pay of over one million workers in the UK by around 15% and despite the doom-laden predictions of some, it has not resulted in mass unemployment. As Tony Blair once said: The absence of a minimum wage would mean "building a workforce where fear is the spur and insecurity the incentive". Today it acts as vital safeguard in our society, which promotes dignity for hard-working men and women across Hartlepool and the UK as a whole. Therefore, we, the Council, condemn any responsible individual (be they manager, director or trustee) who fails to pay the National Minimum Wage. Such abuses are an affront to justice, both legal and moral, and those individuals should be prosecuted to the fullest extent of the law. Secondly, as the largest contractor of services in Hartlepool, we recognise our responsibility to protect all workers. Therefore, we propose the introduction of a National

Minimum Wage Guarantee, which must be signed by every organisation (large or small) who contract with this Authority. If an organisation fails to live up to this agreement, then this must be reported to Full Council and a decision about the future of that contract taken by the appropriate committee.”

- 3.2 On 23 August 2013, Finance & Policy Committee considered the options for a Living wage and made decisions on a number of issues, including:

“That members note the intention of the Director of Child and Adults Services and the Director of Regeneration and Neighbourhoods to submit a further report on a Hartlepool Living Wage in respect of the potential impact on commissioning arrangements to Finance and Policy Committee”.

- 3.3 In their comments to the Finance & Policy Committee, the Hartlepool Joint Trade Union Committee indicated *“We should ensure all new contracts procured by HBC should include a ‘Hartlepool Living Wage’ clause and that on conclusion of current contracts any renewed contracts should include a ‘living wage’ clause”.*

#### **4. ENCOURAGING THE SUPPLY CHAIN TO PAY THE HARTLEPOOL LIVING WAGE**

- 4.1 As approved by Finance & Policy Committee on 23 August 2013, the Council fully supports actively encouraging its supply chain to pay the Hartlepool Living Wage.
- 4.2 This stance accords with the approach taken by the Living Wage Foundation, the driving force behind the Living Wage movement in the UK.
- 4.3 In their document, ‘Living Wage: A Guide For Employers’, the Living Wage Foundation provide a description of the requirements they place on any employers wishing to be awarded their accreditation.
- 4.4 In this document they encourage Living Wage employers to send out a communication to all their suppliers letting them know they have adopted the Living Wage and encouraging them to consider doing the same. Importantly, the Living Wage Foundation does not deem it necessary for organisations accredited to their scheme to require their suppliers to pay the Living Wage.
- 4.5 At the meeting on the 23<sup>rd</sup> August 2013:-
- “Members expressed their support to encourage other Hartlepool employers to pay our Hartlepool Living Wage to their employees and noted the intention to submit a further report to Finance and Policy Committee in due course.
- 4.6 Encouragement of suppliers, as supported by the Council, is recognised by the Foundation is the most practical approach to Living Wage adoption, and

one which, through their efforts, is recognised UK wide as the way the aims of the initiative will ultimately be met.

- 4.7 An approach of encouraging the Supply Chain is consistent with the scenario where an employer already has a contract with a supplier and may not be able to change pre-existing contract terms to meet the employer's new living wage ambitions. A scenario which fits with the Council's circumstances.
- 4.8 It is also worth pointing out the requirements of the Public Services (Social Value) Act 2012 enabling social, economic and environmental issues to be considered within contracts.

## **5. RESEARCH ON “COMMISSIONING”AND THE LIVING WAGE**

- 5.1 Research informs us that adoption of the Living Wage (as defined by the Living Wage Foundation) is currently quite low, however the principle of a living wage is more widely accepted.
- 5.2 The reason for this discrepancy seems to revolve around the level of living wage required by the Living Wage Foundation. Some organisations, for example the Greater London Council (GLC), have been accredited by the Living Wage Foundation, however other organisations, such as Newcastle City Council and Hartlepool have adopted a living wage for their workforce, but not at the levels prescribed by the Living Wage Foundation. As a result we are not accredited by the Living Wage Foundation, even though we are voluntarily implementing changes to our wage structure to benefit the lowest paid.
- 5.3 In terms of encouraging our supply chains to adopt a living wage policy, approaches fall into one of two camps.
- 5.4 Research indicates that the GLC, as an accredited body, have gone beyond the approach supported by the Living Wage Foundation, and have inserted clauses in their contract terms and conditions which require their suppliers to pay the “living wage” to any employees involved in the delivery of the contract. We also understand, however, that they have been advised by the Government that this requirement may breach EU procurement law (although no challenge has been made to date).
- 5.5 From evidence gathered, more commonplace for Councils not accredited like ourselves is the ‘encouragement’ approach described in paragraph 4.4 above with Newcastle City Council, Birmingham City Council and Nottinghamshire County Council all adopting this tactic, this accords with the approach of the Living Wage Foundation.

## **6. CONSIDERATIONS**

- 6.1 Clearly the Council currently operates a significant number of contracts which will have a range of termination dates. Some of the contracted suppliers may be prepared to implement a Hartlepool Living Wage Guarantee during the lifetime of the existing arrangement, however, equally there may be those who will not.
- 6.2 If the Living Wage is mandated it is highly likely that any such negotiations will result in an increase in costs to the Council as existing suppliers are in a position of strength and are unlikely to voluntarily absorb the costs of such a change in their contract terms.
- 6.3 It is not currently possible to report on the cost that such a change would have on the Council's cost base because of the uncertainty around which suppliers would be amenable to the proposal, how many supplier staff would be affected, the possibility that suppliers will absorb costs and what costs would be involved as part of increasing an employees wage, i.e. would there be additional NI and superannuation costs to incorporate, and who would pay for these.
- 6.4 Again, it is unclear what, if any, effect this will have on the Council's current cost base, although at least any proposed increases will have been developed in a competitive environment where the Council has a strong bargaining position.
- 6.5 A further consideration relates to the appetite of the supply chain to participate in such a scheme. It may be that some of our larger suppliers who don't value our business as much as others, may elect not to compete for Council business as a result of our living wage requirements.
- 6.6 It is therefore suggested that the Council adopts an approach based on encouragement to implement the living wage initiative throughout its supply chain and to particularly encourage other Hartlepool employers to pay our Hartlepool Living Wage to their employees.
- 6.7 This would be done through contact with suppliers.

## **7. RISK IMPLICATIONS**

- 7.1 There are significant risks both operationally and financially in mandating a living wage with suppliers. The Council would also be at risk of legal challenge.
- 7.2 Encouraging the adoption of a living wage across the Council's supply chain is not without risks. These risks are largely financial:

## **8. FINANCIAL RISKS**

- 8.1 It is not possible to estimate the financial impact of the supply chain adopting the Council's living wage ambitions. The reason for this is that it is unclear which suppliers would be amenable to the proposal, how many supplier staff would be affected, whether suppliers would absorb costs and what costs would be involved as part of increasing an employees wage, i.e. would there be additional National Insurance and superannuation costs to incorporate, and most importantly, who would pay for these.
- 8.2 If we were to "require" suppliers to pay our "living wage" then there will be an unknown financial cost to the Council which is not covered by existing budgets.

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

- 9.1 There may be equality issues raised by suppliers particularly if a living wage was mandated.

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

- 10.1 There are no implications.

## **11. RECOMMENDATIONS**

- 11.1 That the Committee approve an 'encouragement' approach to addressing the Living Wage in its commission arrangements through supply chains and particularly encourage other Hartlepool employers to pay our Hartlepool Living Wage to their employers.

## **12. REASONS FOR RECOMMENDATIONS**

- 12.1 The evidence described in Section 5 suggests that progress with the initiative can be made most effectively and within available resources where suppliers are encouraged to participate, as opposed to being legally obliged.

## **13. BACKGROUND PAPERS**

- 13.1 Council papers 13 June 2013  
Finance & Policy Committee 23 August 2013

## 14. CONTACT OFFICER

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# FINANCE AND POLICY COMMITTEE

18 October 2013



**Report of:** Assistant Chief Executive

**Subject:** REVIEWING THE CORPORATE COMPLAINTS,  
COMMENTS & COMPLIMENTS POLICY

## 1. TYPE OF DECISION/APPLICABLE CATEGORY

Non- Key

## 2. PURPOSE OF REPORT

- 2.1 To purpose of the report is to present an updated Corporate Complaints, Comments and Compliments Strategy for the Committee to consider and agree. As part of this the Committee will be asked to consider and agree a number of changes to the existing policy.

## 3. BACKGROUND

- 3.1 The Council aims to provide high quality services that meet the needs of local people whilst being both efficient and effective. In order to ensure we are doing this we need to hear from our residents and service users when we are not quite delivering or when improvements could be made or when we're doing a good job. In order to deal with these complaints, comments and compliments in a consistent way across the Council we have a Corporate Complaints, Comments and Compliments Procedure in place. The current policy has been in place since 2011 with a minor review in 2012. However, due to changes in governance locally and national practice amongst other things it is now timely to review and update the Policy.

## 4. REVIEW OF THE POLICY

- 4.1 Over the past year the Corporate Complaints Group has identified a number of amendments to the current policy. In general these amendments provide further clarity within the policy in order to ensure greater consistency in approach across the Council's departments and reflect the capacity of staff to respond to complaints when they are received. A review of other

complaints policies across the region by the Corporate Complaints Officer has also prompted some of the proposed changes.

- 4.2 In addition the recent changes to our governance arrangements have impacted on our previous policy particularly through the change from a Cabinet to Committee system. Changes within the constitution particularly around the roles of the new committees relative to those held previously needed to be taken into account in the updated policy.
- 4.3 National changes to the Standards Board arrangements for elected members have resulted in the design of local arrangements which need to be reflected within the updated policy.
- 4.4 In response to these changes and with a need to ensure that the policy remains relevant but not too onerous, is user friendly for staff, residents and service users and follows the guiding principles set by the Local Government Ombudsman an updated Corporate Complaints, Comments and Compliments Policy has been drafted and is included as Appendix 1.

## 5. SUMMARY OF CHANGES / PROPOSALS FOR CONSIDERATIONS

- 5.1 Looking at the updated policy as set out in Appendix 1 the following changes are proposed:

Policy paragraph	Proposed change
1.3	The definition of a compliant has been update in line with recommendations from the Local Government Ombudsman
3.2	The role of officers has been updated
4.1	The pre-formal complaints process been more clearly defined and easier to use
4.8	Two options are proposed for reviewing complaints (see paragraph 4.4 of this report)
4.7	Time limit for investigating complaints has been increased fro 15 to 20 working days. This is to reflect reduce capacity across the council for investigating complaints as well as being Hartlepool Borough Council in line with other NE Authorities
4.7	Introducing a 20 working day timeframe for a complainant to respond to a request for further information.
4.7	Introducing a 20 working day timeframe for a third party to respond to a request for further information.
4.8	A reduction in the time limit from 15 working days to 10 days for writing out to complainant after a review.
4.7	Two options are proposed for monitoring complaints (see paragraph 4.6) in this report.
Appendix 1	This document has been developed to clearly identify complaints that sit outside this policy along with the



<b>Policy paragraph</b>	<b>Proposed change</b>
	alternative route identified for the complaint where there is one.
Appendix 2	Information on Complaints about Elected Members reviewed to reflect the changes since the abolition of the Standards Board regime
Appendix 5	Remedies for Complaints have been updated to include Local Government Ombudsman principles on remedies

5.2 On reviewing the range of complaints policies across the region it has been identified that Hartlepool has previously gone above and beyond what the majority of other Local Authorities do in terms of the final stage of their complaints process. The appeal process which forms the final stage of the complaints process is considered by a senior officer (Chief Executive, Corporate Complaints Officer or senior manager) in 9 of the 11 other Local Authorities in the region. In the other remaining 2, North Tyneside and Redcar and Cleveland, the final stage is considered by a Sub Committee of Council or Independent Review Panel respectively. Looking to our nearest neighbour to the south of the region, North Yorkshire, they also have their final stage as a review by the Chief Executive.

5.3 With this in mind the Committee are requested to agree to no longer taking complaint appeals to a committee of members and to consider which of the 2 options for the final stage of the complaint process they wish to be included within the policy:

Option 1 – That the appeal be considered by the Chair of the Relevant Policy Committee with support from the Corporate Complaints Officer.
Option 2 – That the appeal be considered by the Chief Executive with support from the Corporate Complaints Officer.

5.4 Time limits in the process generally remain the same however the Finance and Policy Committee are requested to consider changing/setting the following time limits:

<b>Policy Section</b>	<b>Proposed Change</b>
4.7	To increase the time limit for completing complaint investigations from 15 to 20 working days. This is to reflect reduced capacity within the Council as Investigating Officers are required to undertake investigations in addition to their day jobs which is now harder to back-fill. It will also bring us in line with other North East Authorities. 7 of the 12 have investigation stages of over 20 working days and this includes all of our near neighbours including the other Tees Valley Authorities and Durham.
4.7	To introduce a reasonable timeframe for complainants to respond to a request for further information of 20 working days. If this further information is vital to the completion of

	the investigation and is not provided then the investigation will be closed.
	To introduce a reasonable timeframe of 20 working days for further information from a third party involved in the complaint, which may be the organisation delivering a service on behalf of the Council
4.7	To reduce the time limit for writing out to complainants after a review by the Policy Committee Chair/Chief Executive from 15 working days to 10.

- 5.5 The Committee is also asked to consider how complaints performance should be monitored

**Option 1** – Quarterly reporting prepared and shared with the Chair of Finance and Policy Committee and where thresholds are breached a report produced from the Committee. An annual, publicly available report produced to meet national guidelines on good practice and subject to audit. (Current arrangements)

**Option 2** – An annual report, publicly available report produced to comply with national guidelines on good practice and will be subject to audit, This report will be presented to Finance and Policy Committee along with a 6 monthly update report.

## 6. NEXT STEPS

- 6.1 Once approved the new Policy will be rolled out across the Council and all staff will be advised about the updated policy. In addition refresher training will be made available for those individuals taking on key roles including Departmental Complaints Lead Officers, Investigation Officers and Policy Committee Chairs.

## 7. RECOMMENDATIONS

- 7.1 That the Finance and Policy Committee approves Option 2 on how a complaint should be reviewed after investigation and Option 2 for monitoring complaints. The Committee is then asked to approve the Complaints, Comments and Compliment Policy for dissemination across the Authority.

## 8. REASONS FOR RECOMMENDATIONS

- 8.1 The Corporate Management Team believes that Option 2 is the best option for reviewing the complaints after an investigation has been completed as it brings Hartlepool Borough Council in line with other local authorities in the area. With regards to monitoring the Corporate Management Team feels that option 2, with the Annual Report and the 6 month update report for

elected members, reflects the need for a monitoring process but takes into account reduced capacity across the authority.

## **9. BACKGROUND PAPERS**

9.1 Performance Portfolio Report – 10 May 2011

## **10. CONTACT OFFICER**

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## Hartlepool Borough Council – Corporate Complaints, Comments & Compliments Policy

### 1. Background & Context

1.1 Hartlepool Borough Council aims to provide high quality services that meet the needs of local people. We want to make our services as efficient and effective as possible. To do this we need to know whether we are getting it right and how we can improve services.

- If a person is not satisfied with a service, we want them to tell us why not and what we can do to improve things;
- If we are doing things really well, we'd like to hear about that too;
- And we are interested in hearing any suggestions people have for making Hartlepool Borough Council services even better.

1.2 In response we promise to listen carefully to what people have to say and respond promptly to their comments and complaints. Any information that is provided will be treated confidentially. We aim to deal with any complaints impartially, objectively and professionally. Making a complaint will not affect the treatment or services that individuals or their family receive.

1.3 Hartlepool Borough Council has agreed the following definition for what constitutes a complaint:

**A complaint is an expression of dissatisfaction, however made, about the standard of service, action or lack of action by the Council, its staff, or contractors or agents providing services on behalf of the Council that requires a response.**

1.4 This does not include complaints about a third person i.e. a complaint received about a noisy neighbour or where a customer is reporting a situation that requires attention e.g. a street light not working. These are requests for service and only become complaints if the customer is dissatisfied with our response to the request for service.

1.5 A common complaints and comments leaflet and form will be made available to members of the public which is equally applicable in all circumstances covered by this policy and for all departments. This is intended as a mechanism for getting complaints and comments into the system easily and, therefore complements rather than replaces other departmental paperwork. The leaflet and forms will be available, on request, in alternative formats, e.g. community languages, Braille, large print etc. Copies can be obtained from the Corporate Complaints Officer or from Council buildings accessible to the public.

**2. Complaints outside of this Policy**

- 2.1 There are a number of areas that this Policy does not cover and these are set out in Appendix 1. These areas already have specific arrangements in place and therefore when it becomes obvious that a complaint falls into one of these areas then the complainant should be informed and advised how to proceed or where to direct their complaints.

**3. Dealing with Complaints**

- 3.1 This Policy has been developed in order to ensure consistency in the way that we deal with complaints across the Council. All departments must use the process outlined within this policy for all the complaints that they receive unless they sit outside of this policy as outlined in Appendix 1. The Corporate Strategy Section of the Chief Executives Department is responsible for coordinating and monitoring the implementation of this policy and reporting the Council's overall performance to elected members.
- 3.2 Within the Council a number of individuals have key roles to play in the implementation of this policy. They include:

Chief Executive

The Chief Executive will often be the first point of contact for a complaint and when one is received they will forward that on to the appropriate department for investigation in accordance with this policy.

If the complainant has already complained to the department and feels that they have not received a satisfactory response the complaint should be passed on to the relevant department/lead departmental complaints officer to ensure that a full investigation has taken place. If there has been an investigation then the complainant can be offered the opportunity to have the complaint reviewed by **CE/Policy Chair** as well as referring them to the LGO. If the complaint has not been fully investigated it should be put through the Corporate Complaints Procedure and the complainant informed of the process and timetable.,

Corporate Complaints Officer

The Corporate Complaints Officer is the Council's Performance & Partnerships Manager. They are responsible for:

- Co-ordinating and monitoring the complaints policy and its implementation to ensure that all residents and service users who wish to complain receive a similar, high level of service;
- Redirecting complaints that are received centrally to the relevant departments for investigation;
- Collecting and collating quarterly returns from departments;
- Reporting complaints performance to elected members;
- Supporting and advising departments involved in complaints investigations;

- Supporting the Policy Committee Chair/Chief Executive to undertake complaints reviews;
- Coordinating the Council's responses to complaints being investigated by the Local Government Ombudsman.

#### Directors/Assistant Directors

Directors and Assistant Directors could where appropriate be required to review complaints. They will:

- Offer strategic view and advice when required for particularly complex or contentious complaints
- Where appropriate complete a final review/sign off of complex/contentious investigations
- Where appropriate authorise appropriate remedies offered to complainant

#### Departmental Complaints Officers

All departments have a nominated senior officer who is responsible for coordinating the handling of complaints within their department and ensuring that this policy is followed. They will

- Provide advice and guidance on the implementation of this policy;
- Allocate complaints to Investigating Officers within their department and ensure that process outlined in this policy is followed;
- Review all responses to formal complaints about their department before they are sent on to the complainant;
- Ensure that care is taken to provide a full and coordinated response to the complainant where a complaint involves both the council and another body for example an organisation that is providing a service on the Council's behalf and that the complaint is not passed between organisations;
- Attend Policy Committee Chair Review meetings as required;
- Provide information to the Chief Executive where a complaint review is required;
- Be responsible for providing quarterly complaints performance reports to the Corporate Complaints Officer;
- Supply the Corporate Complaints Officer with the information required for complaints being investigated by the Local Government Ombudsman.

#### Investigating Officers

All departments will identify a number of suitably trained, senior officers who will undertake complaint investigations. Investigating Officers will:

- Not investigate complaints where they have been directly involved in the action or decision being complained of. Where a conflict of interest is found the complaint investigation will be handed over to another officer within the department;

- Undertake complaint investigations following this policy and the guidelines for good investigative practice as set out in Appendix 3;
- Record their findings in an Investigation Report using the template set out in Appendix 4;
- Attend Policy Committee Chair Review meetings as required;
- Provide information to the Chief Executive where a complaint review is required.

### 3.3 Conflicts of Interest

A conflict of interest is a situation in which private or personal interests are sufficient to appear to call into question the capacity for objective and impartial consideration of a complaint. The following are examples of areas which could lead to real or apparent conflict:

- relationships with other parties/organisations which could lead to perceived or real split loyalties;
- relevant financial or other interests with the parties/organisation concerned;
- where the outcome of the complaint might be perceived as rewards for past decisions, contributions, or favours.

- 3.4 Investigating officers should consider carefully their own circumstances to gauge whether or not a real or perceived conflict might exist and if necessary discuss it, as appropriate, with their Departmental Complaints Officer, Corporate Complaints Officer or Monitoring Officer and agree a satisfactory resolution. This may require a change in Investigating Officer.

### 3.5 Confidentiality

The identify of the person making a complaint will be made known only to those who need to consider the complaint and will not be revealed to any other person or made public by the Council. It may not be possible to preserve confidentiality in some circumstances e.g. where relevant legislation applies or allegations are made which involve the conduct of third parties. Complainants should be advised about this if it becomes necessary to share their identity.

### 3.6 Support for Staff

Employees who are the subject of a complaint will be informed that the complaint has been made, how the complaint will be investigated and what the outcome of any investigation is. If an investigative interview is necessary then the employee will, where possible, be given 2 days notice of the interview and they will be offered the option of being accompanied by a colleague or union representative. Support from the Employee Wellbeing Team may also be appropriate.

**4. Complaints Process****4.1 Pre-Formal Complaint Stage**

An initial attempt should always be made to settle a complaint straightaway without recourse to the formal complaints process by arranging for something to be done such as responding to requests for service e.g. repairing a street light which needs attention, responding to a first complaint about a barking dog or providing information and explanation of council policy or practice.

4.2 The majority of complaints should be resolved this way. Direct contact with the complainant, by phone or in person, is recommended to clarify whether the issue is a complaint, what outcome the person desires and whether this can be achieved.

4.3 Complaints of this nature should be responded to within 5 days with a substantive response but where possible dealt with immediately over the phone. This timescale is reflective of the 5 days initial acknowledgement of a formal complaint although many pre formal complaints will be resolved before they move on to this stage.

**4.4 Formal Complaint Process**

There are 2 reasons behind formal complaints:

1. The complainant is not satisfied with the attempts made to resolve the problem at the pre-formal complaint stage;
2. There has been no opportunity to sort out their complaint using the pre-formal complaint stage as no quick remedy has been available.

4.5 The Formal Complaints process to be followed is:

**Step 1. Receipt of complaint**

Complaints can be received in a variety of forms – by letter, email, over the phone and in person. They can also be received by any member of staff from the Local Authority or by an Elected Member.

Where complaints are taken over the phone or in person then the person taking the complaint should record the name and contact details of the complainant, their preferred method of contact, the detail of their complaint and then send it straight on to the relevant Department for processing. Where it is uncertain which Department should process the complaint the Corporate Complaints Officer will be able to advise.



#### 4.6 Step 2. Acknowledgement of complaint

Once they have received the complaint the Departmental Complaints Officer will check whether the complaint is outside the scope of this policy (see Appendix 1). If it is they will contact the complainant and inform them of how to take their complaint forward **within 5 working days**. If the complaint is covered by this policy then they will appoint an Investigating Officer and write out (by letter or email dependent on the complainant's preferred method of contact) to the complainant **within 5 working days** to acknowledge their complaint, confirm what the complaint covers (this is especially important if the complaint has been taken over the phone or face to face), inform them of who the Investigating Officer is and their contact details, outline the next steps of the process and when they should expect to hear the result of their complaint.

Relevant Appendices:

- Appendix 1
- Appendix 2 A
- Appendix 2B

#### 4.7 Step 3. Investigation of complaint

Complaint investigations will need to be completed **within 20 working days** of the complaint being submitted. All Investigation Officers will need to complete the Investigation Report Template recording their findings and conclusion. Guidelines for good investigative practice are set out in Appendix 4.

In some cases the Investigating Officer may need to get further information from the complainant. It is expected that the complainant will respond to this request within a reasonable timeframe (within 20 working days) and if necessary the complaint will be put on hold and the clock stopped until the complainant has responded. After this point if the complainant has not responded and the investigation can not be continued then the investigation will be closed. In some circumstances a complaint may be reopened if the complainant contacts the Council and explains the reason for their delay in responding within the reasonable timeframe.

In some cases the Investigating Officer may need to get further information from a third party, particularly where the complaint is about a service delivered by an outside body on behalf of the Council. It is expected that the third party will respond to this request within a reasonable timeframe (**within 20 working days**) and this may mean that the Investigating Officer is unable to complete their investigation within the timeframe. The complainant will be informed of the delay and the reason for it. However it must be recognised that the Council has no jurisdiction to compel a third party to cooperate. If the complaint was

referred to the LGO, the LGO would require evidence to see that the request has been made.

Once their investigation has been completed and it has been reviewed by the Departmental Complaints Officer and if appropriate Director/Assistant Director the Investigating Officer will write out to the complainant to confirm the outcome of their investigation, what remedy/apology is offered (if appropriate) and what the next stage of the process is if they are unhappy with the outcome of their complaint i.e. review by the relevant Policy Committee Chair/Chief Executive with support from the Corporate Complaints Officer.

Relevant Appendices:

- Appendix 2 C
- Appendix 2 D
- Appendix 2 E
- Appendix 3
- Appendix 4
- Appendix 5

**OPTION 1:****4.8 Step 4. Review of complaint outcome by Policy Committee Chair**

If the complainant would like their complaint to be reviewed by the relevant Policy Committee Chair they must inform the relevant Department **within 20 working days** of the outcome of investigation letter (or preferred method of contact) being sent. This request can be made by letter, email, phone or face to face.

Once the department is informed of the request for a review then a review meeting will be arranged to take place as soon as possible. The review will be undertaken by the relevant Policy Committee Chair and the Investigating Officer and Departmental Complaints Lead will attend the meeting. In some cases there may also need to be a senior officer from the relevant service area in attendance at the review meeting. The Policy Committee Chair will review the documentation and determine whether or not a complaint has been dealt with properly and fairly, in accordance with the complaints procedure and the Council's policies. The documentation presented to the Policy Committee Chair should include:

- The original complaint
- Any subsequent correspondence from the complainant
- The Council's written response to the complainant
- The Investigation Report

The Policy Committee Chair will decide whether:

- The complaint has been fully and properly dealt with and therefore there is no further action to be taken by the Council; or
- The complainants request for a review should be upheld as they feel that:
  - The decision reached by the complaints investigation was not consistent with the circumstances of the case;
  - The complainant has been treated unfairly or differently in similar circumstances to someone else;
  - The Council has failed to put right, or acknowledge that it has made a mistake;
  - The remedy offered to the complainant is not appropriate.

The types of cases that would not be considered by the Policy Committee Chair include:

- Those which deal with matters where no case can be made that would cause the Chair to make an exception to normal practice;
- Where a person is complaining about a policy or decision of the Council or central government e.g. the rules for entitlement to council tax benefit;

- Where new information has emerged cases will normally be referred back to the department to see whether the original decision needs to be changed.

Following the review of the complaint by Policy Committee Chair the Department will write out (or use preferred method of contact) to the complainant **within 10 working days** to inform them of the outcome of the review meeting. The complainant will be informed of their right to complain to the Local Government Ombudsman if they are still dissatisfied with the way their complaint has been dealt with.

Relevant Appendices:

- Appendix 2 F
- Appendix 2 G

## **OPTION 2:**

### **4.8 Step 4. Review of complaint outcome by Chief Executive**

If the complainant would like their complaint to be reviewed by the Chief Executive they must inform the relevant Department **within 20 working days** of the outcome of investigation letter (or preferred method of contact) being sent. This request can be made by letter, email, phone or face to face.

Once the department is informed of the request for a review then a review meeting will be arranged to take place as soon as possible. The review will be undertaken by the Chief Executive with support from the Corporate Complaints Officer. The Investigating Officer and Departmental Complaints Lead will attend the complaint review meeting. In some cases there may also need to be a senior officer from the relevant service area in attendance at the review meeting. The Chief Executive will review the documentation and determine whether or not a complaint has been dealt with properly and fairly, in accordance with the complaints procedure and the Council's policies. The documentation presented to the Chief Executive should include:

- The original complaint
- Any subsequent correspondence from the complainant
- The Council's written response to the complainant
- The Investigation Report

The Chief Executive will decide whether:

- The complaint has been fully and properly dealt with and therefore there is no further action to be taken by the Council; or
- The complainants request for a review should be upheld as they feel that:
  - The decision reached by the complaints investigation was not consistent with the circumstances of the case;

- The complainant has been treated unfairly or differently in similar circumstances to someone else;
- The Council has failed to put right, or acknowledge that it has made a mistake;
- The remedy offered to the complainant is not appropriate.

The types of cases that would not be considered by the Chief Executive include:

- Those which deal with matters where no case can be made that would cause the Chief Executive to make an exception to normal practice;
- Where a person is complaining about a policy or decision of the Council or central government e.g. the rules for entitlement to council tax benefit;
- Where new information has emerged cases will normally be referred back to the department to see whether the original decision needs to be changed.

Following the review of the complaint by Chief Executive the Department will write out (or use preferred method of contact) to the complainant **within 10 working days** to inform them of the outcome of the review meeting. The complainant will be informed of their right to complain to the Local Government Ombudsman if they are still dissatisfied with the way their complaint has been dealt with.

Relevant Appendices:

- Appendix 2 F
- Appendix 2 G

**5. Persistent and Unreasonable Complaints and Complainants**

- 5.1 In general, dealing with a complaint is a straightforward process but in a minority of cases people pursue their complaints in a way that can impede the investigation of their complaint or can have significant resource implications for the authority. A policy, as set out in Appendix 6, has been formulated to deal with the very small number of complainants whose frequency of contact with the authority, insoluble and persistent complaints, or unacceptable behaviour makes it necessary for special measures to be taken.
- 5.2 Before implementing any of the provisions set out in Appendix 6, officers must consider whether the Council's procedures have been followed correctly, whether full and reasonable responses have already been given and whether the complainant is now inappropriately persistent or behaving unreasonably.

**6. Role of the Local Government Ombudsman**

- 6.1 If a complainant remains dissatisfied with the outcome of their complaint or the way in which their complaint was handled then they have the right to take their complaint to the Local Government Ombudsman.
- 6.2 The Local Government Ombudsman can be contacted by phone to the LGO Advice Team on 0300 061 0614 or by going through their website at [www.lgo.org.uk](http://www.lgo.org.uk)
- 6.3 If the Local Government Ombudsman receives a complaint before it has been considered by the Council they will regard it as premature and send it on to the Council for investigation in accordance with this policy. The complainant will still have the right to take the complaint back to the Ombudsman if they are dissatisfied with the outcome of the their complaint or the way in which it has been handed.

**7. Monitoring & Reporting of Complaints Performance****Option 1**

- 7.1 All departments will provide quarterly reports to the Corporate Complaints Officer on the complaints they have received in the previous 3 months. The reports will include:
- the number and type of complaints received;
  - the outcome of the complaints;
  - the number settled within deadline;
  - where necessary the reasons for failing to meet deadlines;

- actions arising/lessons learnt.

7.2 Quarterly reports will be prepared and shared with the Chair of Finance and Policy Committee and where acceptable thresholds are breached these will be reported to the Finance and Policy Committee. An annual report will be made to elected members through Finance and Policy Committee on complaints performance and at this meeting the Committee will be requested to set the acceptable thresholds for the following year. An annual, publicly available report is required to comply with national guidelines on good practice and will be subject to audit.

### **Option 2**

7.1 All departments will provide quarterly reports to the Corporate Complaints Officer on the complaints they have received in the previous 3 months. The reports will include:

- the number and type of complaints received;
- the outcome of the complaints;
- the number settled within deadline;
- where necessary the reasons for failing to meet deadlines;
- actions arising/lessons learnt.

7.2 An annual, publicly available report is required to comply with national guidelines on good practice and will be subject to audit. This report will be presented to the Finance and Policy Committee along with a 6 monthly update report. The report will contain the number and types of complaints received along with the outcome of the complaints and information as to whether they have been settled within deadlines.

## **8. Dealing with Comments & Compliments**

8.1 Comments and compliments should be dealt with promptly. Appropriate responses to suggestions and comments should be made by departments. Compliments should be gratefully acknowledged, where appropriate, and shared with the officers concerned. Departments may wish to record and report on comments and compliments within their departments to help improve the management of services.

## **9. Summary of Appendices**

Appendix 1 – Complaints outside of this Policy

Appendix 2 – Letter/Email Templates

A. Acknowledgement of Complaint

- B. Complaint Excluded from Complaints Policy Response
- C. Request for Further Information from Complainant
- D. Holding Letter – Delay in Investigation
- E. Outcome of Complaint Investigation
- F. Outcome of Policy Committee Chair/Chief Executive Review –  
Appeal Not Upheld
- G. Outcome of Policy Committee Chair/Chief Executive Review –  
Appeal Upheld

Appendix 3 – Guidelines for Good Investigative Practice

Appendix 4 – Investigation Report Template

Appendix 5 – Remedies for Complaints

Appendix 6 – Dealing with Persistent and Unreasonable Complaints  
and Complainants



**Corporate Complaints Procedure Appendices 1 to 6****Appendix 1 - Complaints outside of this Policy****1. Summary table of exceptions to the Policy**

- 1.1 There are a number of areas that fall outside of this Complaints Policy as they already have specific arrangements in place. Those areas are identified in the table below along with detail of how to proceed for those complaints:

Area of complaint	How to complain
Adult Social Care	<p>Social Care Complaints are treated differently than Corporate Complaints, due to the sensitivity and often complex nature of the services involved. If you are unhappy with the Council's service or a service that the Council has arranged on your behalf (such as home care or residential care), you can complain to the Council. However, there is a separate process for this type of complaint. Details can be accessed on the following link:  <a href="http://www.hartlepool.gov.uk/info/100010/health_and_social_care/1635/adult_social_care_get_in_touch/2">http://www.hartlepool.gov.uk/info/100010/health_and_social_care/1635/adult_social_care_get_in_touch/2</a></p> <p>If you have arranged and now pay for your own care and wish to complain, you can complain direct to the Local Government Ombudsman. Complaints in the first instance should be made to the care provider but if your complaint remains unresolved, you can contact the Local Government Ombudsman.</p>
Children's Social Care	<p>Social Care Complaints are treated differently than Corporate Complaints, due to the sensitivity and often complex nature of the services involved. If your complaint is about Children's Social Care you can complain to the Council however there is a separate process for this type of complaint. Details of the complaints policy and how to complain can be accessed on the following link:  <a href="http://www.hartlepool.gov.uk/info/100010/health_and_social_care/1635/adult_social_care_get_in_touch/2">http://www.hartlepool.gov.uk/info/100010/health_and_social_care/1635/adult_social_care_get_in_touch/2</a></p>
Public Health functions	<p>All complaints relating to Public Health functions will be reviewed by the Council's Director of Public Health and directed through the relevant process.</p>

## 6.4

### Appendix 1

Schools and Academies	Each school must have a procedure in place to deal with complaints. Complaints procedures may vary from school to school but these should be made available upon request. The Local Authority has no power to investigate a complaint about the internal management of a school. Further information on school complaints can be obtained from the Department for Education at <a href="http://www.education.gov.uk">www.education.gov.uk</a>
Areas where there is a legal remedy e.g.	All legal options/investigation should be concluded before any investigation through the Corporate Complaints Procedure can be started.
Those that are likely to be the subject of civil proceedings, police investigation or disciplinary proceedings	All legal options/investigation should be concluded before any investigation through the Corporate Complaints Procedure can be started.
Matters dealt with under the Council's employment procedures e.g. Complaints by staff or former staff – tribunal?	Complaints in relation to employment procedures should be referred to HR Business Partner ( <a href="mailto:HRBP@hartlepool.gov.uk">HRBP@hartlepool.gov.uk</a> )
Complaints from staff in relation to employment issues	Complaints in relation to employment issues should be referred to HR Business Partner ( <a href="mailto:HRBP@hartlepool.gov.uk">HRBP@hartlepool.gov.uk</a> )
Complaints about the Council's strategies and policies and decisions made by elected members	Complaints about the council's policies and about decisions made by elected members do not fall within the remit of a complaints procedure that is related to services administered by officers of the council. However complaints are sometimes made to officers about decisions made by the council and its decision making bodies. These should be recorded and forwarded to the relevant committee chair and the complainant informed that this has been done. A substantive response should be made the complainant by the relevant committee chair.
Complaints about Elected Members	See section 2 in Appendix 1 – Complaints about Elected Members
Complaints about the Chief Executive or Directors	Formal complaints about the Chief Executive will be referred to the council's Monitoring Officer (the Chief Solicitor) for investigation.  Formal complaints about Directors will be referred to the Chief Executive for investigation.

## 6.4

### Appendix 1

Some complaints about housing	In the first instance tenants should direct their complaint to their landlord so that they are given the opportunity to respond and put things right. Further information and support on complaints is available from the Housing Ombudsman Service: <a href="http://www.housing-ombudsman.org.uk">www.housing-ombudsman.org.uk</a>
Data breaches	If you are concerned about data breaches or how your personal information has been handled then further information about how to take this forward is available from the Information Commissioners Office: <a href="http://www.ico.org.uk">www.ico.org.uk</a>
Requests for service (for example the first time someone rings to report a faulty street light)	<p>The Council can receive requests for service in a variety of ways. You can:</p> <ul style="list-style-type: none"> <li>• Contact one of our customer representatives during office hours on <b>01429 523331</b> (Monday to Thursday 8:30am till 5:00pm, Friday 8:30am till 4:30pm please note we are not open during bank holidays);</li> <li>• Or you can email us using: <a href="mailto:customer.service@hartlepool.gov.uk">customer.service@hartlepool.gov.uk</a></li> <li>• Alternatively, we have a number of online forms that can be completed. They are accessible on <a href="http://www.hartlepool.gov.uk/apply_for_it">www.hartlepool.gov.uk/apply_for_it</a></li> </ul>
Complaints about the actions of a third party e.g. a noisy neighbour, which would be dealt with as a request for services	Please see above.
Insurance claims against the Council	Complaints in relation to the outcome of an insurance claim against the Council can be taken to the CAB ( <a href="http://www.citizenadvice.org.uk">www.citizenadvice.org.uk</a> ) for advice as to how to take further or to a private solicitor to make a claim at the Small Claims Courts

## 6.4

### Appendix 1

Complaints that have already been fully investigated through the Council's complaints procedure	<p>Complaints that have been considered through the Council's complaints procedure will not be reinvestigated unless new information has emerged. In this case they will normally be referred back to the department to check whether the original decision needs to be changed.</p> <p>Once complaints have been fully investigated the complainant should be advised of their right to take their complaint to the Local Government Ombudsman if they remain unsatisfied with the outcome or how their complaint was dealt with.</p> <p>The Local Government Ombudsman can be contacted by phone to the LGO Advice Team on 0300 061 0614 or by going through their website at <a href="http://www.lgo.org.uk">www.lgo.org.uk</a></p>
Complaints that have been investigated by the Local Government Ombudsman	Once complaints have been investigated by the Local Government Ombudsman they will not be reconsidered by the Council.
Complaints made 12 months after the date that the complainant learnt that something had gone wrong	In certain circumstances this time limit may be extended, e.g. the complainant did not find out that the Council was responsible for creating a particular problem until after the 12 months time limit. Advice should be sought from the Corporate Complaints Officer and Chief Solicitor.
Some complaints from individuals where the decision has been made to restrict contact as they have been classified as unreasonably persistent or behaving unreasonably	Please see appendix 6 of the Corporate Complaints Policy
Freedom of Information (FOI) requests - Freedom of Information Act 2000	<p>From 1st January 2005 the Freedom of Information Act gave every person the right to access information recorded and held by local authorities subject to certain conditions and exemptions. The intention of the Act is to provide a culture of greater openness and accountability for public bodies.</p> <p>Hartlepool Borough Council has a duty to respond to information requests within 20 working days and will advise accordingly if information is available.</p> <p>To find out what information is available please in the first</p>

**6.4**  
**Appendix 1**

	<p>instance refer to our <a href="#">Publication Scheme page</a>.</p> <p>If the information you require is not shown in the Publication Scheme then please send your request in writing using the contact details set out below.</p> <p><b>Contact Details:</b></p> <p>Information Access Request Legal Services Division Civic Centre Hartlepool TS24 8AY</p> <p>Fax to 01429 523481</p> <p>Email <a href="mailto:Freedomofinformation@hartlepool.gov.uk">Freedomofinformation@hartlepool.gov.uk</a></p>
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<p>Data Protection Requests – Data Protection Act 1998</p>	<p>The Data Protection Act 1998 regulates the processing of information, relating to individuals including the obtaining, holding, use or disclosure of such information.</p> <p>The Act places a legal responsibility on the Council to ensure that data collected and processed receives the highest level of protection. The Act also provides individuals who are the subject of personal data (data subjects) with certain rights to ensure that data held is accurate and up to date.</p> <p>If you wish to make a subject access request to find out what information is held about you please send a request in writing using the contact details set out below. Hartlepool Borough Council is under a statutory duty to comply with your request within 40 calendar days.</p> <p>A £10 statutory fee will apply to all Subject Access Requests</p> <p><b>Contact Details:</b></p> <p>Information Access Request Legal Services Division Civic Centre Hartlepool TS24 8AY</p> <p>Fax to 01429 523481</p> <p>Email <a href="mailto:Freedomofinformation@hartlepool.gov.uk">Freedomofinformation@hartlepool.gov.uk</a></p>
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<p>Environmental Information Requests - Environment Information Regulations</p>	<p>The Environmental Information Regulations (EIR) 2004 were introduced on 1 January 2005 to give individuals right of access to environmental data held by local authorities and private bodies who carry out a public function e.g. utility companies. Examples of environmental records are of land use, waste, energy, food contamination, pest control, pollution, refuse, waste management, dog patrol etc.</p> <p>In complying with the Environmental Information Regulations Hartlepool Borough Council has a duty to:</p> <ul style="list-style-type: none"> <li>• Respond to all EIR requests within 20 working days</li> <li>• Offer advice and guidance, where appropriate to ensure you acquire the information you seek.</li> <li>• Respond to requests free of charge (subject to reasonable disbursements) unless one of the 'exceptions' set out in the Regulations applies.</li> <li>• Provide information in a suitable format.</li> </ul> <p>If part of an EIR request falls within Freedom of Information or Data Protection different exemptions, charges and timescales do apply.</p> <p>EIR requests can be made verbally, by telephone on 01429 523182 or in writing using the contact details set out below.</p> <p><b>Contact Details:</b></p> <p>Information Access Request Legal Services Division Civic Centre Hartlepool TS24 8AY</p> <p>Fax to 01429 523481</p> <p>Email <a href="mailto:Freedomofinformation@hartlepool.gov.uk">Freedomofinformation@hartlepool.gov.uk</a></p>
<p>Complaints outside of the Council's jurisdiction e.g. complaints about utilities companies, private business or other government</p>	<p>Complainant needs to contact organisation direct.</p>

bodies	
Complaints subject to legal proceedings	Complaints that are subject to legal proceedings or where legal action is intended or underway will not be processed through the Corporate Complaints Policy. Complaints investigations will be suspended if legal action starts during the investigation process.
Reporting of racist incidents	Incidents can be by contacting the Community Safety Team on (01429) 523100

## 2. Complaints about Elected Members

### 2.1 Complaints of breach of the Code of Conduct

Under Section 27 of the Localism Act, 2011, the Council has a duty to 'promote and maintain high standards of conduct by Members and co-opted members of the authority'. Anyone who considers that an Elected or Co-opted Member of the Council may have breached the Code of Conduct may make a complaint through the Council's Monitoring Officer. The Council under the Localism Act, 2011, must also have in place 'arrangements' (incorporating complaints received against Parish Councillors) under which allegations that a Member has failed to comply with the Council's Code can be investigated and decisions made on such allegations. A 'complaint form' is available on the Council's website, together with the following additional information;

- 'Assessment Criteria for dealing with Standards allegations under the Localism Act, 2011'.
- 'Arrangements for dealing with standards allegations under the Localism Act, 2011'
- 'Hearing Procedures'

2.2 The Monitoring Officer will acknowledge receipt of a complaint within 5 working days of receipt and will review the complaint with the Independent Person. This is a person who:

- has not been a member, co-opted member or officer of the Council within the last five years from the date of their appointment;
- has applied for this post following advertisement; and
- has been appointed by a positive vote from Council.

2.3 The aim is to complete the initial review within an average of 20 working days. In appropriate cases, the Monitoring Officer will seek to resolve the complaint informally through 'local resolution' without the need for a formal investigation. If the Monitoring Officer decides that the complaint merits formal investigation, a subsequent report will either conclude that there is evidence of a failure to comply with the Code of Conduct or there is not. If there is evidence of a failure to comply the Monitoring Officer, after consulting with the Independent



Person will determine whether the matter can proceed through local resolution or through a hearing of the Audit and Governance Committee (which has within its remit 'standards' functions) or through a Sub Committee.

2.4 Where a member has failed to comply with the Code of Conduct, the following action(s) can be taken:

- publication of findings;
- report findings to a meeting of Council;
- recommend to a Group Leader (or in the case of a Member not affiliated to a political group to Council) that the Member be removed from any or all Committees or Sub Committees;
- arrange training for the Member;
- remove the Member from all outside appointments to which they were appointed or nominated by the Council;
- withdraw facilities.

NOTE: If a complaint identifies criminal conduct or breach of any regulation, then the Monitoring Officer has the power to refer the matter to the Police or other appropriate regulatory agency. Section 34 of the Localism Act, 2011, has created a criminal offence of a person, without reasonable excuse, providing information which is false or misleading in relation to the disclosure of pecuniary interests on taking office and in matters considered at meetings of the authority.

2.5 **Complaints other than of breach of the Code of Conduct**

All other complaints about elected members will be dealt with by the Chief Executive initially who will decide whether or not they should be pursued and by whom. If pursued:

- complaints involving accusations of impropriety will be dealt with through existing mechanisms set up to specifically deal with such matters, such as the Council's Standards Committee or, where appropriate, the Police;
- complaints about the behaviour of elected members, e.g. failure to provide promised assistance, offensive behaviour etc., will generally be referred either to the political party organisations, where applicable, or, at the Chief Executive's discretion, to the Standards Committee.

2.6 **Where it is uncertain whether a complaint is about a breach of the Code of Conduct or not**

Where there is any doubt whether a complaint is intended to be a complaint of breach of the Code of Conduct or a complaint which may be dealt with by other means, the Monitoring Officer will decide which route it should take (after communicating with the Independent Person).

2.7 N.B. The Code of Conduct for Councillors and Co-opted Members is published in the [Council's Constitution, Part 5 – Codes and Protocols](#).

This is available on the Council's website, the Intranet or, if a paper copy is required, from:

Democratic Services Team,  
Corporate Strategy Division,  
Chief Executive's Department,  
Civic Centre,  
Victoria Road,  
Hartlepool,  
TS24 8AY

Email: [democratic.services@hartlepool.gov.uk](mailto:democratic.services@hartlepool.gov.uk)

## **Appendix 2 – Letter/Email Templates**

### **A. Acknowledgement of Complaint**

Dear ...*name of complainant*... ,

FORMAL COMPLAINT ABOUT .....*type of complaint*.....

Thank you for your letter/phone call/visit/e-mail of (*date*) to explain your complaint about .....*subject of complaint*.....

\*(I enclose a note of the information you provided/copy of a complaints form which sets out your complaint. Could you please read through it and let me know if there are any mistakes or anything missed out. If you wish it to be changed, can you please contact me as soon as possible to let me know.)\*

Your complaint will be investigated by .....*name of officer*..... of this department. We will be in touch with you within 20 working days, that is by ...*date*... , to let you know the outcome of the investigation. If the investigation is going to take longer to complete we will be in touch and let you know when you can expect to hear from us.

I enclose a copy of the complaints leaflet which explains how the Council's complaints procedure works.

Yours sincerely

Enc.

\* *When a complaint has been registered by phone or visit, complainants should be provided with a written account of their complaint, to ensure their agreement of what the complaint covers and what is to be investigated. This can be in the form of a completed complaints form or a note which covers the same topics.*

**B. Complaint excluded from complaints policy**

Dear ...*name of complainant*... ,

FORMAL COMPLAINT ABOUT .....*description of complaint*.....

Thank you for your letter/phone call/visit/e-mail of (*date*) to explain your complaint about .....*subject of complaint*.....

I have reviewed your complaint and am writing to advise that at this time I am unable to investigate it further at this time as it falls outside the remit of the Council's Corporate Complaints Procedure.

The reason for this is that other specific arrangements exist to deal with your query, as detailed below: -

*Insert relevant reason from appendix 1 below – adapt as appropriate*

- *Matters for which there is a right of appeal - an appeal within the council or to an independent tribunal - or where there is a legal remedy, e.g. appeal against a decision on eligibility for housing benefit or an equal opportunities appeal against a decision not to employ a job applicant;*
- *Matters which are likely to be the subject of civil proceedings, a police investigation or disciplinary proceedings, e.g. a compensation claim against the council, accusations of financial impropriety or criminal behaviour.*
- *Complaints by staff or former staff regarding a matter arising out of their employment.*

I would therefore ask that you contact ...*insert*... directly to take this matter forward.

Yours sincerely

### **C. Request for further information**

Dear ...*name of complainant*... ,

FORMAL COMPLAINT ABOUT .....*type of complaint*.....

Thank you for your letter/phone call/visit/e-mail of (*date*) to explain your complaint about .....*subject of complaint*.....

I am currently investigating your complaint but require some further information to enable a thorough investigation to take place. Please can you provide me with the following information.....*detail*..... in order to ensure I take all necessary information into account. Please can you ensure that you provide me with the information within the next 20 working days, that is by ...*date*... , in order for a timely investigation of your complaint to take place. If I do not receive the requested information within this timescale I will be unable to continue the investigation and the complaint will be closed.

I enclose a copy of the complaints leaflet which explains how the Council's complaints procedure works.

Yours sincerely

Enc.

**D. Holding letter – delay in investigation**

Dear ...*name of complainant*... ,

FORMAL COMPLAINT ABOUT .....*type of complaint*.....

Thank you for your letter/phone call/visit/e-mail of (*date*) to explain your complaint about .....*subject of complaint*.....

Your complaint is being investigated by .....*name of officer*..... of this department. Unfortunately due to unforeseen circumstances we are unable to meet the initial deadline set in the letter sent to you on...*date*..... However we are currently continuing to investigate your complaint and hope to be back in touch by ...*date*... , to let you know the outcome of the investigation.

I enclose a copy of the complaints leaflet which explains how the Council's complaints procedure works.

Yours sincerely

Enc.

## E. Outcome of complaint investigation

Dear ...*name of complainant*... ,

FORMAL COMPLAINT ABOUT .....*description of complaint*.....

As promised in our letter of ...*date*..., I am writing to let you know the outcome of our investigation of your complaint.

Your complaint to the Council is that..... *brief summary of complaint*

..... .

Your complaint has been investigated and the findings are set out below.

.....*A brief report of your investigation covering each element of the complaint in turn. This may include, for example, a summary of information collected/ a copy of the report by the investigating officer/a sequence of events/ reasons for Council decisions or actions/ factors taken into consideration when make judgement on the complaint/ etc., as appropriate.*

I trust that I have covered all the points raised in your formal complaint. Please contact me if you feel this is not the case. Having reviewed this case, I therefore conclude that your complaint is *upheld/partly upheld/not upheld*.

*(If “upheld” or “partly upheld”, a remedy of some sort should be offered. This can be an apology, a promise to ensure that it doesn’t happen again, arranging for a service to be provided, etc, etc. See Appendix 5 of Corporate Complaints Procedure.)*

I hope these comments indicate clearly the Council’s position in response to your complaint. If you wish to take this matter further with the Council, you have the right to appeal against the outcome. Any appeal would be referred to the Council’s ...*relevant Policy Committee/Chief Executive*... Chair who would review the complaint and documentation. If you wish your complaint to be reviewed by the Policy Committee Chair, please let me know within 20 working days, that is by ....*date*.....

If you remain unhappy with the way we have dealt with your complaint you have the right to refer the matter to the Local Government Ombudsman ([www.lgo.org.uk](http://www.lgo.org.uk) or 0300 061 0614) who can make an independent investigation of your complaint.

Yours sincerely

Enc.

**F. Outcome of Policy Committee Chair/Chief Executive Review –Appeal Not Upheld**

Dear ...*name of complainant*... ,

FORMAL COMPLAINT ABOUT .....*description of complaint*.....

As requested in your letter of ...*date*..., I am writing to let you know the outcome of the review into the Council's investigation of your complaint.

The Council's ... *relevant* Policy Committee Chair/ Chief Executive... has reviewed the evidence and concluded that the complaint has been investigated in line with the Council's complaints procedure. As a result he/she have decided that the original outcome should be upheld as the complaint has been fully and properly dealt with.

I appreciate that the decision not to take this matter further may not be the outcome you hoped for.

I enclose a leaflet explaining the Council's complaints procedure, which explains how to complain to the Local Government Ombudsman who can make an independent investigation of your complaint, if you remain unhappy with the way we have dealt with it.

Yours sincerely

Enc.



**G. Outcome of Policy Committee Chair/Chief Executive Review – Appeal Upheld**

Dear ...*name of complainant*... ,

FORMAL COMPLAINT ABOUT .....*description of complaint*.....

As requested in your letter of ...*date*..., I am writing to let you know the outcome of the review into the Council's investigation of your complaint.

The Council's ... *relevant Policy Committee Chair / Chief Executive*... has reviewed the evidence and concluded that, in this case, your appeal should be upheld. The *Policy Committee Chair/Chief Executive* has decided that ...*insert reason for decision*...

INSERT REMEDY TEXT

I also enclose a leaflet explaining the Council's complaints procedure, which explains how to complain to the Local Government Ombudsman who can make an independent investigation of your complaint, if you remain unhappy with the way we have dealt with it.

Yours sincerely

Enc.

**Appendix 3 – Guidelines for Good Investigative Practice****1. Introduction**

- 1.1 The majority of complaints are likely to be dealt with speedily and simply. For cases where a more substantial inquiry is required, these notes are intended as guidance for investigating officers. All investigating officers should record their investigations using the Investigation Report Template set out in Appendix 4.

**2. The Complaint**

- 2.1 Check if there are any previous complaints from this person.
- 2.2 Make sure that you have a clear account of the complaint. It is strongly recommended that the investigator has a meeting or telephone conversation with the complainant to clarify the complaint, what outcome the person desires and whether this can be achieved.
- 2.3 Set out in writing your understanding of the complaint and, if necessary, provide a copy for the complainant. This may be necessary in cases where, for example, the complainant has registered their complaint in person or over the phone and gives the complainant an opportunity to amend your description of the complaint if they wish
- 2.4 Clarify the outcome sought by the complainant.
- 2.5 Check whether the complainant needs support of any kind, or has poor sight or hearing, or a language difficulty, and check what help the complainant needs so as to be able to understand the discussion properly. Check what their preferred method of contact is.
- 2.6 Make sure that the complainant is informed about the investigation procedure and if necessary, provide them with a copy of the complaints leaflet.

**3. The Investigation**

- 3.1 Brief yourself on the relevant legal, policy and administrative background to the complaint.
- 3.2 Assess whether the complaints procedure is the most appropriate way of handling this complaint. Consider possible alternative procedures, for example:
- an appeal to a tribunal;
  - legal action; or
  - police involvement.
- Discuss the alternatives with the complainant as appropriate. As consideration of the complaint proceeds, the question of whether the

complaints procedure is the appropriate mechanism should be reviewed as necessary. Consult with the Chief Solicitor and/or the Corporate Complaints Officer if you are in any doubt.

- 3.3 Consider whether the complaint could be resolved without further investigation.
- 3.4 If the complaint is about a proposed action of the council, consider whether the action should be deferred while the complaint is investigated.
- 3.5 Obtain all relevant documents (ensuring that you see the originals or scanned originals, not copies). These may include files, logbooks and time sheets. Get copies of all the documents you need. Complaints files should be securely stored and should not be kept longer than is necessary.
- 3.6 If appropriate, consider whether it would be worthwhile making an unannounced visit to the establishment complained about to check normal practices.
- 3.7 Establish the relevant sequence of events from the files and also the names of the officers/members most directly involved in the matters complained of. Decide which, if any, of these people you need to interview.

#### **4. Interviews**

- 4.1 Prepare the line of questioning for each person to be interviewed:
  - use open, not leading, questions;
  - do not express opinions in words or in your body language; and
  - ask single, not multiple, questions.
- 4.2 Arrange the order of interviews so that, where you need to establish what procedure are normally followed, you do this first with more senior officers and end with the officers most directly involved in the matters complained of.
- 4.3 Inform all those to be interviewed that they can be accompanied by a friend or union representative, provided the friend is not the supervisor of the interviewee. Explain the complaint clearly to them.
- 4.4 Consider whether you need a witness to an interview that may be particularly difficult.
- 4.5 Interviews should be conducted in an informal and relaxed manner, but persist with your questions, if necessary. Do not be afraid to ask the same question twice. Make notes of each answer given.

- 4.6 Try to separate hearsay evidence from fact by asking interviewees how they know a particular fact.
- 4.7 Deal with conflicts of evidence by seeking corroborative evidence. If this is not available, then as an exceptional measure, consideration can be given to organising a meeting between the conflicting witnesses.
- 4.8 At the end of the interview, summarise the main points covered and ask if the interviewee has anything to add.
- 4.9 Make a formal record of the interview from your written notes as soon as possible after the interview, while your memory is still fresh. Never leave it longer than the next day.

## **5. Reporting on the Investigation**

- 5.1 Complainants should be informed in the initial, written acknowledgement of their complaint when they should expect to hear the outcome of the investigation. If this original deadline is not going to be met, complainants should be kept informed of the progress of their complaint. They should be informed of the reason for the delay and given a revised date for the completion of the investigation.
- 5.2 Investigating Officers should complete an Investigation Report setting out the evidence obtained, adding your conclusions as to whether it was upheld in part or not upheld. Where appropriate, suggest a remedy (See Appendix 5). Where an investigation has been particularly complex, e.g. where a number of people have been interviewed, you may wish to consider writing a draft report setting out the evidence obtained. This could be circulated for checking of factual accuracy to all those interviewed, including the complainant, unless there are special reasons not to do so. This can help ensure that your account of events and understanding of the case is as accurate as possible. Having considered any comments received, the report would be amended as necessary, adding conclusions and, if appropriate, a suggested remedy for the complainant. The report should consider any lessons to be learnt from the complaint and what changes should be made or considered to procedures, systems etc.
- 5.3 Circulate the final report to all those interviewed and inform the complainant of the outcome of the investigation by preferred method of contact. Offer the complainant the opportunity to have their complaint reviewed by the **relevant Policy Committee Chair/Chief Executive**, if they are dissatisfied with the outcome. Finally, once the Council's process has been exhausted remind them that they may complain to the Local Government Ombudsman.

## **Appendix 4 – Investigation Report Template**

Investigating Officers should use the following template to record complaints investigations:

### **Complaint Investigation Report**

Complaint Reference Number: This should be provided by your Departmental Complaints Officer.

Complainant Details: For the person making the complaint insert name, contact details & note how they prefer to be contacted. Where this is different from the person that the complaint relates to e.g. they are complaining on behalf of a family member please note their details too. Also note any special requirements that they have e.g. large print etc.

Detail of Original Complaint: Outline what the complaint is about in as much detail as available.

Updates to Original Complaint: Outline any additional information/clarification about the complaint.

Methodology: Outline who was interviewed including when and where, also set out any key documents that have been used e.g. council policies, procedures including the versions used in the investigation as appendices.

Detail of the Investigation Findings: Include as appropriate the chronology of events, evidence found, interview notes,

Conclusion & Recommendations: Set out for each element of the complaint whether it has been upheld, partly upheld or not upheld and why. Include in this section the remedy's suggested including those to be received by the complainant directly and suggested changes to services/processes for the Department to consider

**Appendix 5 – Remedies for Complaints****1. Introduction**

- 1.1 Where a complaint is upheld, the Council should always offer some type of remedy for it. An apology will normally be appropriate and other action may also be justified.
- 1.2 If the council is found to have been at fault, it will be necessary to consider whether it caused injustice to the complainant and, if so, what the injustice was.

**2. Types of Action for Consideration**

- 2.1 The general aim of a remedy is that, as far as possible, complainants should be put in the position they would have been in if things had not gone wrong. The remedy needs to be appropriate and proportionate to the injustice suffered by the complainant. The remedy should also prevent similar failure, and therefore injustice, happening again
- 2.2 Possible remedies include:
- an apology;
  - an clear explanation of what happened and why it happened;
  - an assurance that it will not happen again and that the situation will be monitored to ensure this;
  - action that can be taken to put things right, e.g. back dating of benefit claim or providing the service required by the complainant;
  - action that can be taken to mitigate the injustice if it cannot be put right, e.g. providing specialist equipment or additional tuition for a child whose education has been adversely affected by maladministration in assessing for special educational need; and
  - financial compensation, where appropriate.

**3. Financial Compensation**

- 3.1 A financial remedy can be part of injustice that has been caused by maladministration or service failure along with various forms of restorative justice. If a person has been put to unnecessary expense as a result of the council's actions, the Council may wish to recompense them. A financial remedy is for the injustice suffered, not for the maladministration/fault. Each case will need to be judged on its merits.
- 3.2 The Local Government Ombudsman recommends the following key principles should be applied in deciding whether and what financial remedy is appropriate:

- A financial remedy is for injustice suffered, not for the maladministration/fault. Therefore the reason for any financial remedy should always be linked explicitly to the injustice. Wherever possible, a financial remedy should relate to an actual, quantifiable loss incurred by the complainant as a result of the injustice.
  - Financial remedies of a 'notional amount' (i.e. where it is not possible to identify a quantifiable loss) should only be recommended after other forms of restorative justice have been properly considered.
  - A financial remedy in respect of a complainant's time and trouble should be quantified wherever possible and only recommended if the complainant has had to ensure delays and/or difficulties which are clearly over and above what would reasonably be expected. These remedies should not be recommended as a matter of standard practice, or for simply having to negotiate a complaints process.
  - Similarly, a payment for distress should only be recommended where the complainant has clearly suffered significantly more than if the situation had been managed correctly. Such payments should be exceptional, not standard, practice.
  - Financial remedies should only be recommended where there is significant injustice. An apology may suffice for injustice of a lower level.
  - From the outset, written and verbal communication with complainants should ensure that they do not have unrealistic expectations about financial remedy.
- 3.3 Cases where significant compensation is being requested or considered and those where compensation is being considered for distress or worry caused by the Council, will be decided on by the Chief Officer or Director concerned, in consultation with the Corporate Complaints Officer, the Chief Solicitor and, where appropriate, elected members.
- 4. Reviews**
- 4.1 If a complaint is upheld, the council should, as a matter of routine, consider whether there is a need for a change in procedures or whether there are some lessons to be learnt which may have wider application.

**5. Timescales**

- 5.1 The department(s) dealing with the complaint should specify, and adhere to, a timescale within which the remedy will be implemented.

N.B Further advice on remedies and information on how they are dealt with by the Local Government Ombudsman is available in “Remedies – Guidance on Good Practice 6”, Commission for Local Administration, February 2005 (LGO 307 (02.05)) and also “The use of financial Remedies”, Local Government Ombudsman, July 2011. Website: [www.lgo.org.uk](http://www.lgo.org.uk)



**Appendix 6 – Dealing with Persistent and Unreasonable Complaints and Complainants****1. Introduction**

- 1.1 In general, dealing with a complaint is a straightforward process, but in a minority of cases people pursue their complaints in a way that can impede the investigation of their complaint or can have significant resource implications for the authority. This policy has been formulated to deal with the very small number of complainants whose frequency of contact with the authority, insoluble and persistent complaints, or unacceptable behaviour makes it necessary for special measures to be taken.
- 1.2 Before implementing any of the provisions in this policy, officers must consider whether the Council's procedures have been followed correctly, whether full and reasonable responses have already been given and whether the complainant is now inappropriately persistent or behaving unreasonably.

**2. Unreasonably persistent complainants and/or unreasonable complainant behaviour**

- 2.1 The following list, whilst not exhaustive, outlines some of the actions and behaviours of unreasonable and unreasonably persistent complainants.
- Having insufficient or no grounds for their complaint and making the complaint only to annoy or inconvenience the Council;
  - Refusing to specify the complaint, despite offers of assistance with this from the Council's staff;
  - Refusing to co-operate with the complaints investigation process whilst still wishing their complaint to be resolved;
  - Refusing to accept that issues are not within the remit of a complaints procedure despite having been provided with information about the procedure's scope;
  - Insisting on the complaint being dealt with in ways which are incompatible with the complaints procedure or good practice (e.g. insisting that there is no written record made of the complaint);
  - Making unjustified complaints about the staff dealing with the complaints, and seeking to have them dismissed or replaced;
  - Changing the basis of the complaint as the investigation proceeds and/or denying statements made at an earlier stage;
  - Introducing new information not related or substantive to the original complaint but which the complainant expects to be taken into account and commented on, or raising large numbers of detailed but unimportant questions and insisting they are fully answered;

- Covertly recording meetings and conversations without the prior knowledge and consent of the other persons involved;
- Making unnecessarily excessive demands on the time and resources of staff whilst a complaint is being looked into by, for example, excessive telephoning or sending emails to numerous council staff, writing lengthy, complex letters every few days and expecting immediate responses;
- Submitting falsified documents from themselves or others;
- Submitting repeat complaints, after complaints processes have been completed, essentially about the same issues, with additions/variations which the complainant insists make these “new” complaints which should be put through the complaints procedure.
- Adopting a “scattergun” approach - pursuing parallel complaints on the same issues with a variety of other organisations;
- Refusing to accept a complaints decision – repeatedly arguing the point and complaining about the decision.
- Combinations of some or all of these

2.2 Abusive, offensive or threatening conduct may need to be dealt with through the Employee Protection Register Policy and Procedures. The authority has a duty to provide a safe working environment and system of work for its employees. This policy puts into place a register of people and addresses which constitute a potential threat to the safety of staff when they come into direct face to face contact.

### **3. Being reasonable**

- 3.1 It is reasonable for complainants to raise legitimate queries or criticisms of a complaints procedure as it progresses. For example, if agreed timescales are not met and a complainant expresses dissatisfaction, this should not, in itself, lead to someone being regarded as unreasonable or unreasonably persistent.
- 3.2 Similarly, the fact that a complainant is unhappy with the outcome of a complaint and seeks to challenge it, e.g. by requesting a member review and/or taking it to the Ombudsman, should not necessarily cause the complainant to be labelled as unreasonable or unreasonably persistent.
- 3.3 The Council should offer appropriate support to all complainants and be aware of and sensitive to any special needs of the complainant. Consideration should be given to putting people in touch with a suitable agency (e.g. CAB or an advocacy service) which can help them during the complaints process. There may also be a need for support through the translation of documents into appropriate languages or formats and interpretation services for meetings etc.

**4. Deciding to take action**

- 4.1 The decision to classify a complainant as unreasonably persistent or as behaving unreasonably should be made by the director of the service concerned, in consultation with the Corporate Complaints Officer and the Chief Solicitor. In the case of dispute about the classification of a complainant, the matter will be referred to **a Policy Committee Chair/Chief Executive for a final decision.**
- 4.2 A written record should be kept of why the complainant is believed to be unreasonable; what information has been considered; and how decisions have been made. The Council must be able to demonstrate that it has acted in a fair and objective way.
- 4.3 If more than one department is being contacted by the complainant, perhaps with different complaints, the Council must consider setting up a joint meeting to agree a cross-departmental approach and nominating a key officer to co-ordinate the Council's response.

**Initial notification**

- 4.4 When unreasonably persistent or unreasonable behaviour has been identified, the unacceptable behaviour should be explained to the complainant, usually by letter, and the complainant will be asked to modify their behaviour. An explanation of the action the Council is likely to take if the behaviour is not modified should also be given.

**5. Options for restricting a complainant's contact with the Council.**

- 5.1 If the complainant does not modify their behaviour, the options which the Council may consider are:
- a. Refusing to accept a complaint or to amend the terms of a complaint;
  - b. Requesting contact to be in a particular format (e.g. letters only);
  - c. Requiring contact to take place with one named member of staff only;
  - d. Restricting telephone calls to specified/times/days/duration;
  - e. Requiring any personal contact to take place in the presence of an appropriate witness;
  - f. Letting the complainant know that the Council will not reply or acknowledge any further contact from him or her on the specific topic of that complaint;
  - g. Restricting access to one or more Council premises. (N.B. Care must be taken not to interfere with a complainant's statutory rights, e.g. to attend Council meetings or view papers, when making such a restriction.)

- 5.2 These options are not exhaustive and other factors individual to the case or service may be relevant in deciding on an appropriate course of action. For example, any arrangements for restricting a complainant's contacts must take into account the complainant's circumstances such as age, disability, literacy level, race etc.
- 5.3 Once a decision is taken to apply restricted access, in whatever form, a letter must be sent to the complainant, with a copy of the policy to explain:
- Why the decision has been taken
  - What it means for his/her contacts with the authority
  - How long any restriction will last, and
  - What the complainant can do to have the decision reviewed
- 5.4 The Council must also keep adequate records to show:
- When a decision is taken not to apply the policy when a member of staff risks for this to be done.
  - When a decision is taken to make an exception to the policy once it has been applied
  - When a decision is taken not to put a further complaint from such a complainant through its complaints procedure for any reason
  - When a decision is taken not to respond to further correspondence make sure any further letters, faxes or emails from the complainant are checked to pick up any significant new information

When complaints about new issues are made these should be treated on their merits. Reconsideration is needed as to whether any restrictions previously applied are still appropriate and necessary

- 5.5 If none of the options listed at 5.1 offer the protection that staff are entitled to, other options may be available, such as issuing an injunction against a complainant or involving the police. These will be considered on a case by case basis, in consultation with the Chief Solicitor.

## **6. After a decision to restrict contact has been made**

- 6.1 When a decision has been made as to the appropriate restrictions to be used, the departmental director, in consultation with the Chief Solicitor and Corporate Complaints Officer, will write to the complainant explaining the Council's decision and what restrictions are being made and, if appropriate, for how long. A client's special needs, e.g. literacy problems or language difficulties, may make a face to face meeting appropriate to give this information to the complainant.
- 6.2 If the complainant feels that the authority is acting improperly or unfairly in making the restrictions, they have the option of complaining to the

Local Government Ombudsman. They should be informed of this option in the letter laying out the restrictions.

- 6.3 A copy of the decision letter and a note on the decision should be sent to the Corporate Complaints Officer, all departmental complaints co-ordinators and departmental directors.
- 6.4 The **Finance and Policy Committee Chair/Chief Executive** will be informed of any decisions to restrict contact.
- 6.5 Appropriate managers and staff, e.g. those likely to be involved in implementing the restrictions should be notified of the decision.

## **7. Reviewing decisions**

- 7.1 All restrictions will be subject to review, at least once every 12 months. Departments may wish to review within a shorter time period, to take account changes in circumstances and/or behaviour.
- 7.2 Reviews will be undertaken by the department concerned, in consultation with the Corporate Complaints Officer and the Chief Solicitor. Complainants should be notified that a review has taken place and of its outcome.
- 7.3 The outcomes of all reviews should be sent to the Corporate Complaints Officer, all departmental complaints co-ordinators and departmental directors.

# FINANCE AND POLICY COMMITTEE REPORT

18<sup>th</sup> October 2013



**Report of:** Corporate Management Team

**Subject:** STRATEGIC FINANCIAL MANAGEMENT REPORT -  
AS AT 31<sup>st</sup> AUGUST 2013

## 1. TYPE OF DECISION/APPLICABLE CATEGORY

Non Key Decision.

## 2. PURPOSE OF REPORT

2.1 The purposes of the report are to inform Members of:

- i) 2013/14 Forecast General Fund Outturn;
- ii) Corporate Income Collection;
- iii) Progress in achieving the capital receipts target; and
- iv) 2013/14 Capital Programme Monitoring.

## 3. BACKGROUND AND REPORTING ARRANGEMENTS 2013/14

- 3.1 As part of the Peer Review action plan it was agreed to submit bi-monthly financial management reports to Members. The availability and reporting of accurate and up to date financial information will become increasingly important as future budget cuts are implemented and one-off resources are used up.
- 3.2 This is the second of a series of detailed reports which will be submitted to this Committee during the current financial year.
- 3.3 To enable a wider number of Members to understand the financial position of the Council and their service specific areas each Policy Committee will receive a separate bi-monthly report providing:
- a brief summary of the overall financial position of the Council as reported to the Finance and Policy Committee;
  - the specific budget areas for their Committee; and
  - the total departmental budget where this is split across more than one Committee. This information will ensure Members can see the whole position for the departmental budget.

#### 4. 2013/14 FORECAST GENERAL FUND OUTTURN

- 4.1 As reported previously the Corporate Management Team is again seeking to achieve underspends to help address the significant financial challenges facing the Council over the next few years and to fund one-off commitments not provided for in the approved 2013/14 budget as these items were not known at the time. The Corporate Management Team will seek to achieve budget underspends through a combination of robust management actions, including;
- holding posts vacant, which will help reduce the number of compulsory redundancies required to balance the 2014/15 budget;
  - achieving planned 2014/15 savings earlier;
  - careful management of budgets to avoid expenditure where this does not have an adverse impact on services; and
  - savings in interest costs by taking advantage of current interest rates structures. As reported previously a comprehensive review of this area has been completed which secured a permanent budget saving of £1m from 2014/15 in interest and loan repayment costs.
- 4.2 An initial assessment of the forecast 2013/14 outturn was reported to Finance and Policy Committee on 23<sup>rd</sup> August, 2013. In addition, a report on the review of reserves was presented to Finance and Policy Committee on the 19<sup>th</sup> September, 2013. The projected forecast outturn including the reserves review was an underspend in the range £0.485m to £1.159m.
- 4.3 The latest position as at the 31<sup>st</sup> August, 2013 is summarised in the table overleaf. This shows a forecast underspend range of between £0.807m and £1.428m.
- 4.4 The increase in the forecast underspend is predominately owing to additional savings in interest costs as the Council has taken advantage of current interest rates structures. In addition, in the Child and Adult Services department further staffing savings have been made and contracts renegotiated resulting in a reduction in demographic pressures.
- 4.5 As previously reported the forecast underspend range reflects seasonal and demand lead budgets which will not be certain until later in the year. Therefore, it was previously recommended that these forecast resources should not be committed until the position is more certain.
- 4.6 In addition, Members have previously determined that a decision will not be taken on the use of these forecast resources until the actual grant cuts for 2014/15 and 2015/16 are known. Consultation proposal issued by the Government over the summer indicated that the grant cuts for 2014/15 and 2015/16 will be higher than indicated in the 2013 Spending Review and higher than the planning assumptions included in the Medium Term Financial Strategy, particularly for 2015/16. The availability of one-off resources from the 2013/14 outturn will not provide a permanent solution to higher grant cuts over the next two years. However, they will provide temporary funding and therefore provide a longer lead time to address higher grant cuts, if as expected these are

confirmed by the Government in the Local Government Finance Settlement for the next two years, which is expected in November/December 2013.

### 2013/14 General Fund – Forecast Outturn

	Worst Case £'000	Best Case £'000
<b>Departmental Managed Underspends</b> Range reflects seasonal and demand led budgets which are difficult to predict after only 3 months of actual activity and will be updated in future reports. Details of forecast Departmental Outturns are provided in Appendices B to D, which includes details of the main reasons for the forecast underspends.	1,175	1,515
<b>New Homes Bonus</b> In 2013/14 the Council will receive a one-off refund in respect of grant funding top sliced from the national Local Government funding pot to pay for the New Homes Bonus payments in 2012/13, which were lower than anticipated by the Government. As part of the update of the MTFS considered by Members on 2 <sup>nd</sup> August 2013 this amount has been earmarked towards the strategy to manage capital risks	211	211
<b>Property Running Costs</b> The budget for this area is £3m and covers the running costs for all Council buildings i.e. gas, electricity, rates and repairs. Worst case forecast outturn is an overspend of £0.2m and reflects anticipated seasonal expenditure if there is a requirement for increased maintenance and energy during the winter months. Best case shows that this would not be required.	(200)	135
<b>Corporate Budgets</b> The increase reflects a more detailed assessment of forecast net interest costs for 2013/14 based on actual activity to August 2013 and anticipated interest rates for the remainder of 2013/14.	1,700	1,700
<b>Reserves Review</b> On 19th September Finance and Policy Committee agreed to release £0.631m as a result of the review of reserves. It was also agreed that an additional £5,000 per Member would be allocated to Ward Member Budgets totalling £0.165m. This contribution is shown as a one off commitment below.	631	631
<b>Sub Total to be shown in Statement of Accounts</b>	3,517	4,192
<b>Less One- off commitments</b>		
Initial commitments reported 31st May 2013	(1,100)	(1,100)
Additional Commitments as reported 23rd August 2013	(851)	(851)
Contribution to specific departmental reserves	(594)	(594)
Contribution to Members' Ward Budgets	(165)	(165)
<b>Net Forecast uncommitted resources as at 31.08.13</b>	807	1,482
<b>Net Forecast uncommitted resources as at 30.06.13 ( includes impact of reserve review)</b>	485	1,159



- 4.7 Members have previously determined that a decision will not be taken on the use of these additional outturns until the 2014/15 Local Government Finance Settlement is known.

**5. Creation of Departmental Reserves**

- 5.1 The outturn projections detailed in the previous section reflects the ongoing assessment of financial risks and / or one-off expenditure commitments and the recommendation that specific reserves are created to manage these issues. This approach will protect the Council's medium term financial position and avoid having to make higher in-year budget cuts when these issues need to be funded.
- 5.2 The following table provides details of the reserves which it is recommended are created, which in broad terms cover the following issues:
- Reserves to fund the phasing of income and expenditure between financial years; or
  - Reserves to meet unavoidable one-off financial commitments.

<p><u>Reported in Q1 Strategic Financial Monitoring Report -Regeneration &amp; Neighbourhoods -Social Housing Major Repairs Reserve</u></p> <p>In line with the approved business case for this project, annual contributions need to be made to this reserve to fund future planned repairs to these properties to ensure houses remain in a good state of repair and the Council does not face unbudgeted repair costs in future years. Thereby, avoiding the repeat of underfunding of maintenance issues under the former HRA system.</p>	<p>£'000</p> <p>120</p>
<p><b><u>Additional Recommended Reserves</u></b></p> <p><u>Child &amp; Adult Services -Psychology Reserve</u></p> <p>It is proposed to create a reserve from additional external income generated by the Education Psychology Team.. The reserve would provide some temporary funding for the service in the event that schools convert to Academy status and cease to buy back the service..</p>	<p>100</p>
<p><u>Regeneration &amp; Neighbourhoods - Economic Regeneration Schemes</u></p> <p>The 'Going Forward Project' is projected to generate a surplus this year as it is expected to over deliver on outcomes. It is proposed to use this surplus to create a reserve to fund other projects designed to reduce youth unemployment across Hartlepool and the Tees Valley sub-region. This will include funding contract extensions and additional hours for staff employed on the Tees Valley Works project until March 2016</p>	<p>240</p>
<p><u>Regeneration &amp; Neighbourhoods - Coastal Protection - Headland</u></p> <p>It is proposed to create a reserve to support a future coastal defence scheme on the Headland. The Council is conducting a study into possible works required on the Headland and it is expected to deliver a major scheme in partnership with the Environment Agency. Any offer of grant funding is expected to require an element of match funding by the Council and it is proposed to earmark this funding for that purpose. The reserve can be created using a surplus which is expected to be generated in 2013/14 by the Engineering Design Team (£100k).</p>	<p>100</p>
<p><u>Chief Executives - Welfare Reform Grant</u></p> <p>On the 28th June Members approved proposals for using one off Department for Works and Pensions Welfare Reform Funding to appoint for a 12 month period an additional Housing Benefits Assessment Officer, a Housing Advice Officer and a Revenues and Benefits Modern Apprentice. As these 12 month contracts will be spread over 2 financial years part if this funding will be carried forward as an Earmarked Reserve at the year end.</p>	<p>34</p>
	<p>594</p>

## 6. Corporate Income Collection

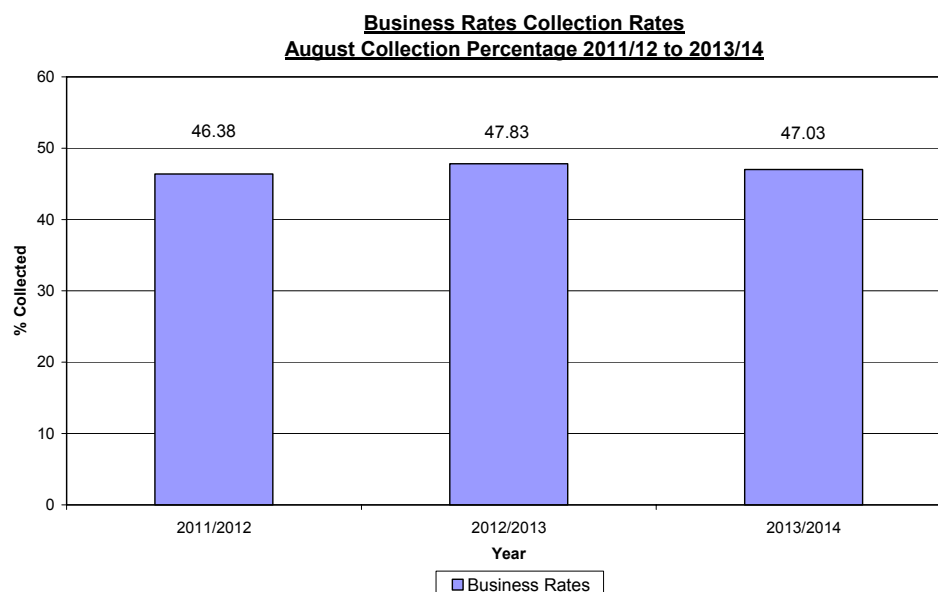
6.1 The 2013/14 Medium Term Financial Strategy report advised Members that significant changes were implemented with effect from 1<sup>st</sup> April 2013 to re-localise Business Rates and implement Local Council Tax Support schemes. As a result of these changes approximately 45% (i.e. £44 million) of the net General Fund budget is funded from a combination of Business Rates and Council Tax collected locally. The following paragraphs provide more information on the impact of these changes and also progress in collecting Sundry debts.

### 6.2 Business Rates Income

6.3 The re-localisation of Business Rates is a significant additional financial risk for Local Authorities to manage as 50% of any shortfall arising from either non payment by businesses, or reductions arising from the Valuation Office re-assessing rateable falls on individual authorities. A 'safety net' system is in operation, although this only compensates authorities for any shortfalls above 7.5% of the safety net figure. Prior to 2013/14 any shortfall in Business Rates collected was funded at a national level from the overall Business Rates pool.

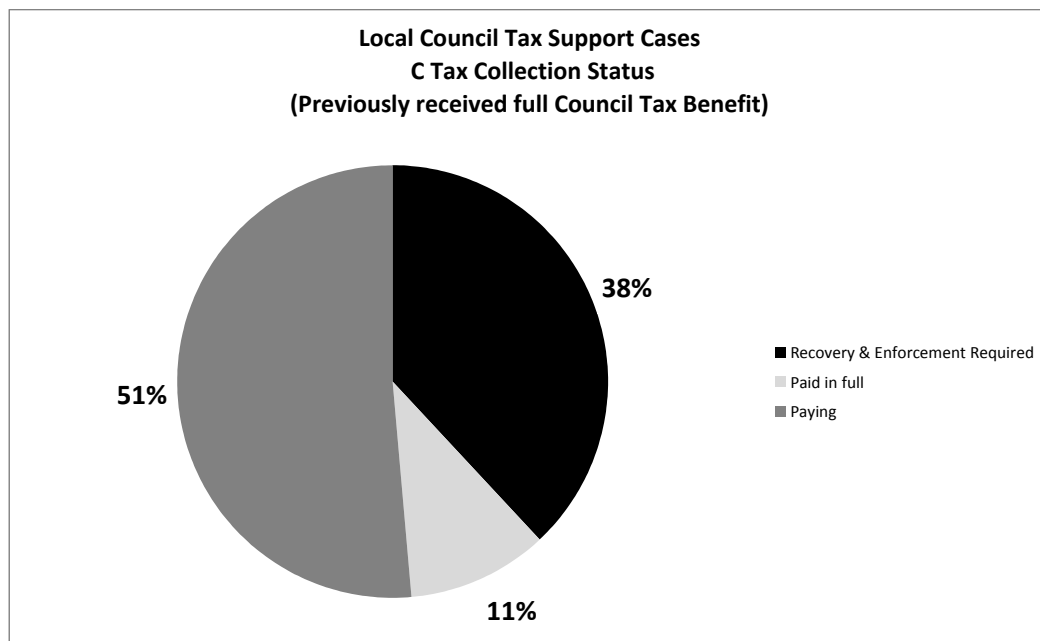
6.4 Whilst, collecting Business Rates has always been an important responsibility and the Council has typically collected 98% in year (national average 97.1% for unitary and metropolitan councils), the changes implemented in April make this an even more important issue for the Council.

6.5 In terms of the overall Business Rates collection rate, at the 31<sup>st</sup> August 2013 this is down slightly by 0.80%, compared to the same period last year, as summarised in the graph below. It is anticipated that the annual target of 98% collection will still be achieved.



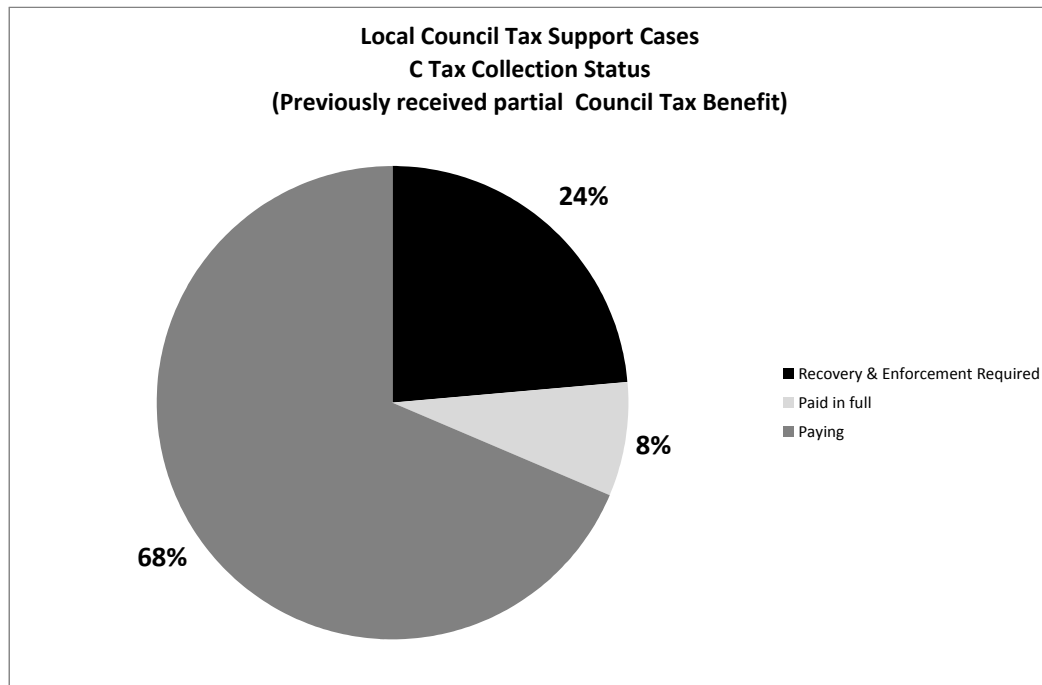
## 6.6 Council Tax

- 6.7 The overall Council Tax collection rate, at the 31<sup>st</sup> August 2013 was 45.92% compared to 46.66% for the same period last year, down slightly by 0.74%. This position largely reflects the impact of the Local Tax Support Scheme and the associated challenge of recovering Council Tax from those affected by the national welfare policy changes, as well as from the introduction of new Government regulations that allow households to choose to spread the payment of their Council Tax over 12 months rather than over 10 months as applied in previous financial years.
- 6.8 Members previously requested Council Tax collection information in relation to working age households supported by the Local Council Tax Support Scheme (LCTSS). Of the 6,000 households previously entitled to full Council Tax Benefit, the chart below shows that 11% have paid in full and over half of households are paying regularly. This position reflects the Council's arrangements for making payment as convenient and flexible as possible. Over 2,600 Paypoint Cards have been issued to these households.
- 6.9 Recovery action is progressing against 38% of households supported by the LCTS scheme. Over 1,500 Court Liability Orders have been secured. There are 730 cases where the Department for Work and Pensions has already commenced weekly deductions from other welfare benefits to pay the council tax liability.



- 6.10 Of the 2,600 working age households that were previously only entitled to partial Council Tax Benefit, the chart below shows that over three quarters of these households have either paid or are paying.

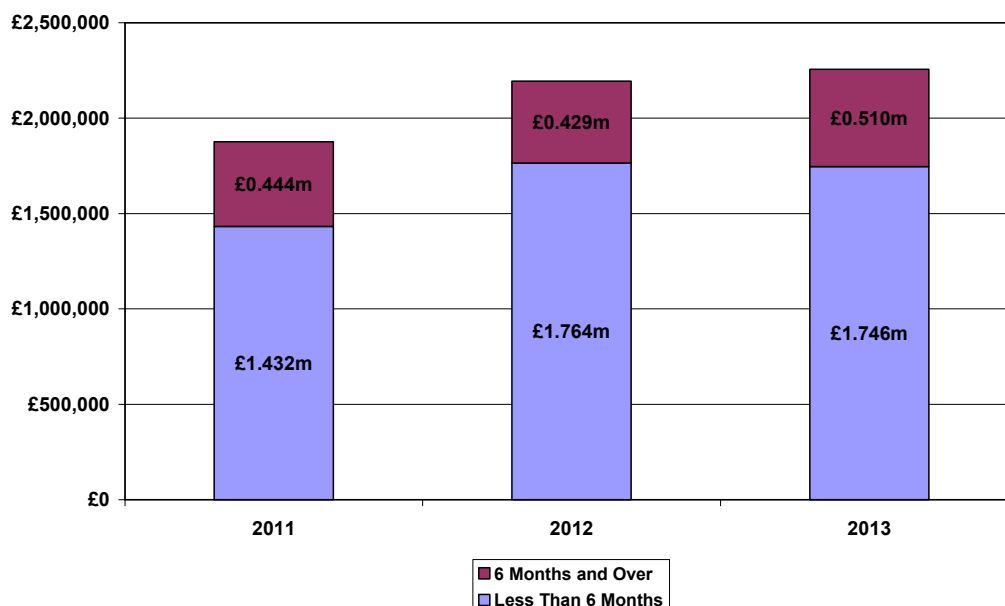
- 6.11 The chart shows 24% (624) of these households are currently the subject of standard recovery procedures. As at 30<sup>th</sup> September Court Liability Orders have been served for 436 of these 624 households. Further recovery activity including Court action is currently being progressed for the remaining 188 cases.



- 6.12 At the end of August collection of Council Tax from Local Council Tax Support (LCTS) households is within the financial planning parameters that underpin the 2013/14 LCTS scheme.

### 6.13 Sundry Debts

- 6.14 The Council also collects significant Sundry Debts income for the payment of services provided by the Council. In total £23.6m of sundry debts were raised in 2012/13. To date £23.4m (99.1%) of this amount has been collected.
- 6.15 Robust procedures for collecting the remaining outstanding debt are in place. The following graph shows the comparable positions at 31<sup>st</sup> August for the last three years for long term debt and current debt which has been outstanding for less than six months: -

**Comparison of Sundry Debt as at 31st August**

- 6.16 Total Debtors at 31<sup>st</sup> August totaled £2.255m, of which, £1.746m (77.40%) relates to current debts which are less than 6 months old. The remaining debtors total £0.510m; of this amount, 94.61% is under recovery action and 5.39% is unrecoverable and is pending write off (£0.027m)

## **7. Progress against Capital Receipts Target**

- 7.1 A detailed report on the progress of achieving the capital receipts target is elsewhere on this Agenda which outlines the significant challenge of achieving the capital receipts target over the next 3 years. This position will need to be managed carefully and regular updates on progress will be submitted to future meetings.

## **8. Capital Monitoring 2013/14**

- 8.1 The 2013/14 MTFS set out planned capital expenditure for the period 2013/14 to 2015/16.
- 8.2 Expenditure for all departments to the 30<sup>th</sup> August, 2013 is summarised in the table below.

Department	2013/14 Budget	2013/14 Actual to 31/08/13	2013/14 Remaining Expenditure	2014/15 Re-phased Expenditure	2013/14 Variance from budget Adverse/ (Favourable)
	£'000	£'000	£'000	£'000	£'000
Child & Adult Services	10,772	1,381	4,973	4,418	0
Chief Executive	102	0	102	0	0
Corporate	1,697	20	1,677	0	0
Regeneration & Neighbourhoods	30,048	5,597	22,284	2,167	0
<b>Total Capital Expenditure</b>	<b>42,619</b>	<b>6,998</b>	<b>29,036</b>	<b>6,585</b>	<b>0</b>

8.3 The table above shows actual expenditure to 31<sup>st</sup> August 2013 of £6.998m compared a budget of £42.619m leaving £29.036m to be spent in 2013/14. At this stage anticipated expenditure and resources of £6.585m will be re-phased into 2014/15. This primarily relates to the phasing of the ICT BSF contract and the procurement of vehicles some of which have been deferred as a result of extending the useful life of existing vehicles before they are replaced in order to generate operational savings.

8.4 As indicated in previous reports there is a longer lead in time for capital schemes and therefore it is not unusual for expenditure to be low in the few months of the year, as the profile of expenditure for many of the schemes is usually in the second half of the year.

## 8.5 Council Capital Fund (CCF)

8.6 The CCF exists to fund local capital priorities which cannot be funded external capital funding. An annual programme of work is approved as part of the overall MTFS by Council, which reflects the prioritisation of schemes. A number of issues have arisen since the 2013/14 CCT programme was approved and the following proposed revisions to the programme are recommended:

### i) Grayfields Boiler Replacement

The existing heating boilers at Grayfields changing facilities have unexpectedly failed. Repairs to these types of boilers are not possible and an urgent replacement boiler is required. Arrangements have been made for the provision of hot water, however, the building is without heating as we approach the winter period and the service department may have to consider cancellation of booked sessions. The cost of the boiler replacement will be in the region of £30,000 which could be funded from the unallocated Corporate Capital Fund (CCF) of £36,000. In accordance with authority delegated by Council in February 2013 this Committee can approve the use of this funding for this scheme. It is therefore recommended this project is approved.

ii) Christ Church Mechanical Plant Replacement ( ie Boiler, Electrical and associated works)

Condition surveys on the boilers at Christ Church Art Gallery have indicated they will need replacing. This scheme had been identified as part of the proposals for the 2014/15 CCF monies for consideration by Members. However, the boilers have deteriorated significantly. It is therefore recommended that the replacement of the boiler takes place as soon as practicable before the winter period to ensure the building remains open.

The existing mechanical plant at Christ church is below ground. As Christ Church is a grade II listed building this solution is the most economical as opposed to bringing the mechanical plant above ground. The location and limited space within the existing plant room requires a bespoke design and the boiler house requires additional protective and early warning measures to alert staff both in and out of normal office hours of unforeseen problems such as flooding.

The project also includes a link to the Councils Building Management System in order to be able to monitor and control the temperature remotely. This project will cost in the region of £80,000. To enable this to be brought forward into the current financial year work on the Civic Centre Capital Maintenance Project will be delayed until 2014/15 and the resources used to replace the boilers. In accordance with Financial Procedure Rules this Committee is asked to refer this to full Council for approval.

- 8.7 There is a £20,000 savings from the Stockton Street Underpass Capital Project which will be returned to the Unallocated CCF for future allocation and approval by Council.



## 9. CONCLUSIONS

- 9.1 As reported in the MTFS update report on 2<sup>nd</sup> August 2013 the Council is facing greater financial challenges over the next three years than it has faced since becoming a unitary authority in 1996.
- 9.2 The initial assessment of the forecast outturn reported in May 2013 enabled Members to begin to address these issues by earmarking one-off resources to support the 2014/15 budget, support the development of the Local Council Tax Support Scheme for 2014/15 to 2016/17 and to earmark resources to manage Business Rates risks, particularly in relation to the Power Station.
- 9.3 This report provides an update of the initial outturn forecasts for 2013/14 including those resources identified as part of the reserve review. The uncommitted underspend is projected at the year end of between **£807,000 and £1,482,000**. At this stage it is not recommended that this amount is committed until the position on demand lead/seasonal budgets is more certain and the actual 2014/15 and 2015/16 Local Government Finance Settlement is known. This approach will provide one-off resources to help the Council manage the impact of a higher grant cut in 2014/15 and a significantly higher grant cut in 2015/16 as proposed in the detailed consultation proposals issued by the Government over the summer.
- 9.4 In relation to collection of Business Rates and Council Tax these issues are impacted by the significant changes implemented in April 2013 and the ongoing difficult economic climate. At the 31st August 2013 collection rates for the current year are slightly lower than the same period last year, as summarised below. Robust recovery action will continue to be pursued over the remainder of the financial year to maximise in-year collection rates.

	<b>31.08.11</b>	<b>31.08.12</b>	<b>31.08.13</b>
<b>Business Rates Collected</b>	46.38 %	47.83%	47.03%
<b>Council Tax Collected</b>	46.52%	46.66%	45.92%

## 10. RECOMMENDATIONS

- 10.1 It is recommended that Members:
- i) Note the report;
  - ii) Defer a decision on the potential use of the forecast uncommitted outturn of £807,000 to £1,482,000 until the position on demand lead/seasonal budget is more certain and the actual 2014/15 and 2015/16 Local Government Finance Settlement is known.

- iii) Approve the boiler replacement at Grayfields changing facilities at a cost of approximately £30,000 and to note this will be funded from the unallocated CCF Capital budget.
- iv) Seek Council approval to delay some works on the Civic Centre Capital Maintenance Project until 2014/15 to enable the boiler to be replaced at Christ Church Art Gallery at an estimated cost of £80,000 in the current year.

## **11. REASONS FOR RECOMMENDATIONS**

To update the Finance and Policy Committee on the Council's financial position and to enable Members to make decisions as part of the overall budget process for 2014/15 later in the year.

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

Appendices A to E provide detailed financial information on the Councils revenue budgets.

Appendices F to I provide detailed financial information on the Councils capital budgets.

## **13. BACKGROUND PAPERS**

Medium Term Financial Strategy Report referred to Finance and Policy Committee 31<sup>st</sup> May 2013 and 2<sup>nd</sup> August 2013.

Quarter 1 Strategic Financial Management Report. 23<sup>rd</sup> August, 2013

## **14. CONTACT OFFICER**

Chris Little  
Chief Finance Officer  
[Chris.little@hartlepool.gov.uk](mailto:Chris.little@hartlepool.gov.uk)  
01429 523003

Budget	Description of Expenditure	August Projected Outturn Adverse/ (Favourable) Worst Case	August Projected Outturn Adverse/ (Favourable) Best Case	Comments
£'000		£'000	£'000	
31,530	Adult Committee	(329)	(354)	Underspends predominantly owing to staffing costs and management of contracted services offset by demographic pressures for services. The favourable outturn projection has increased owing to further underspends on staffing budgets and managed contract reductions, reducing the demographic pressures within this area.
21,199	Child Committee	99	(86)	Overspend predominantly relates to Children and Families pressures. The range reflects the highly unpredictable and differing care needs within this area. This has been offset by a favourable variance in relation to Education Psychology arising from increased income generation. However it is proposed that a reserve is created for £100k to provide certainty of funding for the service as schools convert to Academy status.
<b>52,729</b>	<b>Total Child &amp; Adult</b>	<b>(230)</b>	<b>(440)</b>	
1,862	Finance & Policy Committee	10	10	This area includes adverse variances of £140k on the Functions Catering Trading Account and £50k on Building Maintenance Trading Account. This is being offset by favourable variances on Logistics of £80k and underspends on Departmental Staffing budgets of £100k.
3,914	Regeneration Committee	(250)	(270)	Favourable variance of £120k relates to the planned contribution to the Major Repairs Reserve on Social Housing. Also included is a £240k surplus on the 'Going Forward' project following successful completion of outcomes. The proposal is to use this surplus to create a reserve to extend existing economic development schemes to March 2016. An adverse variance of £90k on Cultural Services relates to a shortfall in Income at the Maritime Experience and Borough Hall. Building Control and Development Control are projecting an adverse variance on income of between £100k and £260k but this will be covered by the existing income risk reserve.
17,661	Neighbourhoods Committee	(180)	(270)	This includes a favourable variance on Waste Management of £200k owing to recycling income and falling tonnages, and the renegotiation of Concessionary Fares has resulted in a favourable variance of £150k. A surplus is expected in Engineering Services of £100k and approval is being sought to create a reserve for this amount to support future Coastal Protection works on the Headland. A favourable variance is also forecast on Passenger Transport of £70k relating to additional grant income received. An adverse variance is expected on Car Parking of £120k and this relates to an increase in Rates and shortfall in income. Grounds Maintenance is expected to have an adverse variance of £100k and this relates to the cost of additional works required in the Summer and a reduction in Trading Income. Also included is an adverse variance of between £70k - £120k on Street Lighting which reflects a projected increase in energy prices and the cost of the LED pilot £50k which will result in lower future operating costs.
<b>23,437</b>	<b>Total Regeneration &amp; Neighbourhoods</b>	<b>(420)</b>	<b>(530)</b>	
4,671	Finance & Policy Committee	(600)	(600)	This favourable variance mainly arises from staffing vacancies ( £240k), incremental drift and advanced 2014/15 savings ( £70k). In addition, work on the projected Housing Benefit Subsidy has indicated a favourable variance if £200k.
<b>4,671</b>	<b>Total Chief Executive</b>	<b>(600)</b>	<b>(600)</b>	
1,488	Finance & Policy Committee	15	(5)	
(83)	Regeneration Committee	60	60	The adverse variance relates to an income shortfall on Markets of £60k and a possible shortfall on licensing income of £20k worst case.
<b>1,405</b>	<b>Total Public Health</b>	<b>75</b>	<b>55</b>	
<b>82,242</b>	<b>Sub-Total Departmental Budgets</b>	<b>(1,175)</b>	<b>(1,515)</b>	
<b>82,242</b>	<b>Sub-Total Brought Forward</b>	<b>(1,175)</b>	<b>(1,515)</b>	

Budget	Description of Expenditure	August Projected Outturn Adverse/ (Favourable) Worst Case	August Projected Outturn Adverse/ (Favourable) Best Case	Comments
£'000		£'000	£'000	
(1,188)	Additional New Homes Bonus Grant	(211)	(211)	This is a one-off refund of resources previously top-sliced from the national Revenue Support Grant to pay for this initiative as New Homes Bonus payments were less than forecast by the Government.
3,058	Property Running Costs	200	(135)	Worst case scenario reflects demand led and seasonal budget fluctuations.
9,738	Corporate Budgets	(1,700)	(1,700)	As reported on 23rd August 2013 and initial assessment of Corporate budgets indicated an forecast underspend of £1.3m. The update forecast is a £1.7m underspend and the increase reflects a more favourable outturn for net interest costs.
11,608	<b>Total Corporate</b>	<b>(1,711)</b>	<b>(2,046)</b>	
-	<b>Reserve Review</b>	<b>(631)</b>	<b>(631)</b>	On 19th September Finance and Policy Committee agreed to release £0.631m as a result of the review of reserves. It was also agreed that an additional £5,000 per Member would be allocated to Ward Member Budgets totalling £0.165m. This contribution is shown as a one off commitment below.
93,850	<b>Sub-Total Corporate &amp; Departmental carried forward to next page</b>	<b>(3,517)</b>	<b>(4,192)</b>	
	<b><u>Commitments to be funded from forecast underspend</u></b>			
	Initial commitments reported 31st May 2013	1,100	1,100	This amount is part of an overall funding package of £2.64m, which is earmarked to support the 2014/15 budget £0.680m, Local Council Tax Support Scheme £0.860m and manage the Power Station Business Rates risk £0.9m.
	Proposed income risk reserve ( Hartlepool Maritime Experience/ Building Control 2014/15)	200	200	In the current year 2013/14 these adverse income trends have been covered within the forecast Departmental outturns detailed above. As these underspends cannot be relied upon in 2014/15 it is recommended that a reserve is established from the 2013/14 overall outturn to offset these shortfall in 2014/15. In the event these trends continue beyond 2014/15 a permanent strategy for addressing these shortfalls will need to be developed as part of the 2015/16 budget.
	Tall Ships Settlement	110	110	Members will recall that when the estimated financial outturn for this event was reported a risk reserve was established to fund the finalisation of outstanding financial issues. These issues have recently been resolved and the final outturn totals £0.197m which is £0.110m more than the available risk reserve.
	Council Tax - HMR Empty Properties	80	80	These costs relate to Council Tax paid on properties purchased by the Council. There will be a corresponding benefit to the Collection Fund at the end of 2013/14, which will either feed through as a Collection Fund Surplus for the 2014/15 budget setting, or a lower Collection Fund deficit.
	People Collaboration Savings Shortfall	250	250	This proposed saving will not now been achieved and in 2013/14 needs to be offset by managed underspends on other budgets. This issue has been addressed in the 2014/15 budget update.
	Contribution towards Capital Risk Strategy	211	211	As reported in the MTFS update on 02.08.13 the one-off New Homes Bonus grant is earmarked towards the strategy for funding ongoing capital risks.
	Creation of Departmental Reserves as per Section 5	594	594	
	Contribution to Members' Ward Budgets	165	165	
93,850	<b>Net uncommitted forecast outturn</b>	<b>(807)</b>	<b>(1,482)</b>	

## REVENUE FINANCIAL MONITORING REPORT FOR FINANCIAL YEAR 2013/14 as at 31st August, 2013

## Overview:

Approved 2013/2014 Budget  £'000	Description of Service Area	August		Director's Explanation of Variance
		Projected Outturn Variance - Adverse/ (Favourable) Worst Case £'000	Projected Outturn Variance - Adverse/ (Favourable) Best Case £'000	
Adult Committee				
0	Adult Education	0	0	
148	Carers & Assistive Technology	(5)	(5)	
3,596	Commissioning-Adults	(70)	(70)	
1,458	Commissioning-Mental Health	3	3	
10,126	Commissioning-Older People	105	80	This outturn projection is owing to continuing demographic pressures for Older People both in residential care and non-residential settings.
7,625	Commissioning-Working Age Adult	146	146	This outturn projection is owing to an increase in complex packages for individuals in the community.
183	Complaints & Public Information	7	7	
1,240	Departmental Running Costs	(107)	(107)	This favourable outturn relates to staffing underspends in this area.
1,173	Direct Care & Support Team	(150)	(150)	This favourable outturn relates to staffing underspends in this area. This area is volatile and can be impacted by external activity generated by hospital discharges.
375	LD & Transition Social Work	0	0	
2,332	Locality & Safeguarding Teams	(136)	(136)	This favourable outturn relates to staffing underspends in this area.
630	Mental Health Services	(47)	(47)	
1,081	OT & Disability Equipment	(95)	(95)	This favourable outturn relates to non-recurring underspends on various contracts.
381	Workforce Planning & Dev	0	0	
1,182	Working Age Adult Day Services	20	20	
31,530	Adult Committee Sub Total	(329)	(354)	
Children's Committee				
11,618	Children & Families	169	69	The outturn projection range reflects the highly unpredictable different care needs for Children and Families. This area is regularly reviewed to take into account the volatile nature of packages of care around individual children.
6,230	Early Intervention Services	0	0	
57	Information, Sharing & Assessment	0	0	
0	Play & Care	27	27	
455	Youth Offending Service	(76)	(76)	This favourable outturn relates to staffing underspends in this area.
541	Youth Service	0	0	
118	Access to Education	(25)	(33)	
733	Central Support Services	0	0	
520	Other School Related Expenditure	4	2	
504	Raising Educational Achievement	45	23	Children's Services Software Licence costs are greater than budgeted.
267	Special Educational Needs	(49)	(100)	Increased income generation within Education Psychology - Reserve to be created for any surplus
156	Strategic Management	4	2	
21,199	Children's Committee Sub Total	99	(86)	
52,729	Child and Adult Total - (before Creation of Reserves)	(230)	(440)	

## Creation of Reserves

0	Children's - Education Psychology	100	100	Planned creation arising from external income generation to provide some certainty of funding for the service as schools convert to Academy status.
52,729	<b>Child &amp; Adult Total - Net of Reserves</b>	<b>(130)</b>	<b>(340)</b>	

## PLANNED USE OF RESERVES

The above figures include the 2013/2014 approved budget along with the planned use of Departmental Reserves created in previous years.  
The details below provide a breakdown of these reserves

Approved 2013/2014 Budget £'000	Description of Service Area	Planned Usage 2012/2013 £'000	Variance Over/ (Under) £'000	Director's Explanation of Variance
<b>Adult Committee</b>				
30	PCT Carers into Employment	30	0	
40	PCT Carers Funding	40	0	
110	Social Care Delayed Hospital Discharges	110	0	
<b>180</b>	<b>Adult Committee Sub Total</b>	<b>180</b>	<b>0</b>	
<b>Children's Committee</b>				
247	Schools Transformation Team	201	(46)	
106	Education Psychology	0	(106)	External Income Generation means that the Reserve will not be required this year.
<b>353</b>	<b>Children's Committee Sub Total</b>	<b>201</b>	<b>(152)</b>	

<b>MEMO:-</b>				
<b>69,042</b>	<b>Dedicated Schools Grant</b>	<b>(723)</b>	<b>(1,414)</b>	Ring-Fenced underspends against LA element of DSG; Variations arise as a result of uncertainty around the level of eligibility and take-up of 2 year old free nursery entitlement and the SEN requirements of schools in the Autumn and Spring Terms.

## REVENUE FINANCIAL MONITORING REPORT FOR FINANCIAL YEAR 2013-14 - as at 31st August, 2013

## Overview:

		AUGUST		Budget Holders Comments
Approved 2013/2014 Budget	Description of Service Area	Projected Outturn Variance - Adverse/ (Favourable) Worst Case	Projected Outturn Variance - Adverse/ (Favourable) Best Case	
£'000		£'000	£'000	
Finance & Policy Committee				
1,068	Strategic Management, Admin & Service Development	0	0	
(18)	R&N Central Budgets Savings	(100)	(100)	Projected underspend on Departmental Salaries.
(84)	Logistics	(80)	(80)	It is projected that additional income generated from various external works will result in a favourable variance at year end.
70	Procurement and Reprographics	0	0	
(82)	Property Management	0	0	Income budgets are under pressure as external work reduces. The Corporate work is under review and this may compensate for any lost income.
100	Asset Management	0	0	
(139)	Building Consultancy	0	0	There are risks surrounding the level of fees chargeable for abortive works. At this stage it is assumed that this can be absorbed but this will be reviewed each month as decisions are made on future projects and the fees applicable.
24	Facilities Management - Functions Catering	140	140	This variance represents the projected deficit on the Functions Catering service. The future provision of Functions Catering is currently under review and this projection reflects actual income and expenditure to date and assumes that current arrangements continue.
97	Facilities Management - School Catering	0	0	
38	Facilities Management - Building Maintenance	50	50	This Trading Account is currently projecting an adverse variance at year end based on the work undertaken to date. Work is continuing to determine if additional works are chargeable on some schemes.
215	Facilities Management - Other	0	0	
572	Facilities Management - Building Cleaning	0	0	
1,862	Finance & Policy Committee Sub Total	10	10	
Regeneration Committee				
22	Archaeology Services	0	0	
115	Community Centres	(5)	(5)	
478	Cultural Services	92	92	Adverse variance relates to a shortfall on Income at the Maritime Experience and Borough Hall.
6	Grants to Community & Voluntary Organisations	0	0	
1,245	Libraries	0	0	
0	Renaissance in Regions	3	3	

Approved 2013/2014 Budget	Description of Service Area	Projected Outturn Variance - Adverse/ (Favourable) Worst Case	Projected Outturn Variance - Adverse/ (Favourable) Best Case	Budget Holders Comments
£'000		£'000	£'000	
<b>Regeneration Committee</b>				
(68)	Building Control	150	100	Projections still indicate that there is likely to be up to a £150k shortfall as the income budget is too high in this area. This budget is less affected by large scale developments and small scale or domestic work is reducing. Any variance is expected to be covered by the Income Shortfall Reserve in 13/14 (see reserves below).
0	Building Control - release of Corporate Income Shortfall Reserve as per the MTFS	(150)	(100)	Reserve to fund shortfall on Building Control Income as per the MTFS.
392	Planning Services	110	0	This variance relates to Development Control income. Best case estimate is that we will achieve the budgeted level of income, however if some developments don't go ahead there could be a shortfall of up to £110k. This is a volatile area and will be monitored closely each month. Any variance is expected to be covered by the Income Shortfall reserve in 13/14 (see reserves below).
0	Planning - release of Corporate Income Shortfall Reserve as per the MTFS	(90)	0	Reserve to fund shortfall on Planning Income above as per the MTFS.
637	Housing Services	0	0	
0	Social Housing	(120)	(120)	This variance relates to a saving on borrowing costs and rental income from the Community Housing project. Some of the permanent savings have been earmarked to fund the future borrowing costs associated with the Empty Homes project. In 2013/14 this variance will be transferred into the Major Repairs Reserve in line with the approved Business model for this scheme.
82	CADCAM	0	0	
1,005	Economic Regeneration	0	0	
0	Economic Regeneration - External Funding	(240)	(240)	£240k of this variance relates to a surplus generated on the 'Going Forward' project which is due to end in March 2014. This project has over delivered on outcomes and is therefore expected to generate a surplus at year end. The proposal is to create a reserve and earmark this funding to support other projects designed to support youth unemployment across Hartlepool and the Tees Valley sub-region. This will include £140k to cover the cost of extending the contracts of the Tees Valley Works Project Co-ordinator and Project Assistant for a further 2 years and increase the hours of a Connect2Work Project Officer. The remaining £100,000 will be available to fund other initiatives in the future.
<b>3,914</b>	<b>Regeneration Committee Sub Total</b>	<b>(250)</b>	<b>(270)</b>	



Approved 2013/2014 Budget	Description of Service Area	Projected Outturn Variance - Adverse/ (Favourable) Worst Case	Projected Outturn Variance - Adverse/ (Favourable) Best Case	Budget Holders Comments
£'000		£'000	£'000	
<b>Neighbourhood Committee</b>				
(24)	Cemetery and Crematoria	0	0	
417	Parks & Countryside	0	0	
33	Allotments	0	0	
17	Neighbourhood Management	0	0	
837	Neighbourhood Forum (N&C) - including Community Pool	0	0	
853	Neighbourhood Forum (S&C) - including Community Safety	0	0	
(670)	Car Parking	120	100	This projection assumes an overspend on Rates and the worst case scenario is based on a shortfall in income. This position will be closely monitored each month.
497	Engineering Services	(100)	(100)	This variance relates to a surplus generated by the Engineering and Design Service. It is possible that this area generates additional income again this year owing to the continuation of schemes which lead to a surplus in 12/13. The proposal is to create a reserve to fund future coastal works on the Headland - see below.
1,944	Grounds Maintenance	100	100	This variance relates to increased expenditure incurred to deal with additional work required in the Summer and a reduction in the level of income from fee earning work.
1,905	Highway Maintenance and Insurance	0	0	
(210)	Highways Trading	0	0	
493	Highways Traffic & Transport Management	0	0	
1,409	ITU Passenger Transport	(70)	(70)	The favourable variance projected relates to additional grant funding received in relation to Home to School Transport budgets (Extended Rights) and additional income generation.
239	ITU Road Safety	0	0	
0	ITU Strategic Management	0	0	
(194)	ITU Vehicle Fleet	0	0	
(2)	NDORS (National Driver Offender Rehabilitation Scheme)	0	0	
1,196	Network Infrastructure	120	70	This adverse variance relates to Street Lighting which reflects a projected increase in energy prices and the cost of the LED pilot £50k which is expanded will result in lower future operating costs.
0	Section 38's	0	0	
2,349	Sustainable Transport	(150)	(150)	Variance is as a result of a successful negotiation process with the providers where the new reimbursement methodology was not as costly as expected. Another factor was a drop in passenger numbers which is expected to continue. £100k has been offered up as part of review of pressures last year and another £100k has been offered up from 14/15 onwards.

Approved 2013/2014 Budget	Description of Service Area	Projected Outturn Variance - Adverse/ (Favourable) Worst Case	Projected Outturn Variance - Adverse/ (Favourable) Best Case	Budget Holders Comments
£'000		£'000	£'000	
<b>Neighbourhood Committee</b>				
1,769	Street Cleansing	0	0	
4,803	Waste & Environmental Services	(200)	(220)	The favourable variance forecast relates to an underspend on Waste Disposal as the volume of residual waste continues to fall, along with a favourable variance on income collected from Recyclable materials . Further work is ongoing to assess the sustainability of income generated to date.
17,661	<b>Neighbourhood Committee Sub Total</b>	(180)	(270)	
23,437	<b>Regeneration and Neighbourhoods Total - (before Creation of Reserves)</b>	(420)	(530)	

<b>Creation of Reserves</b>				
0	Social Housing - Creation of Reserve	120	120	Contribution to the Major Repairs Fund in line with the approved business model for the Empty Homes Project.
0	Economic Regeneration - External Funding	240	240	Creation of Reserve to support future Economic Regeneration Schemes.
0	Engineering/Coastal Protection - Headland Project	100	100	Creation of Reserve to fund future Coastal Protection schemes on the Headland.
0	<b>Regeneration and Neighbourhoods Total - Net of Reserves</b>	40	(70)	

## PLANNED USE OF RESERVES

The above figures include the 2013/2014 approved budget along with the planned use of Departmental Reserves created in previous years.

The details below provide a breakdown of these reserves

Approved 2013/2014 Budget £'000	Description of Service Area	Planned Usage 2013/2014 £'000	Variance Over/ (Under) £'000	Director's Explanation of Variance
<b>Finance &amp; Policy Committee</b>				
20	Fleet	20	0	
45	Passenger Transport	0	(45)	This reserve was earmarked to manage the risk that income may reduce in this area. In 2013/14 this area is on target to achieve income line with it's budget. This is relatively new trading area and may need to invest in order to sustain this income and this reserve will be carried forward into 2014/15 to provide funding to sustain this business.
40	Plant/Equipment	40	0	
<b>Regeneration Committee</b>				
39	Cad cam	39	0	
23	Connect to Work	23	0	
4	Job Smart Test Centre	4	0	
200	Seaside Grant	200	0	
27	Baden Street	27	0	
94	High Street Innovation Fund	94	0	
25	Furniture	25	0	
10	Worksmart	10	0	
93	Selective Licensing	93	0	
51	Housing Public Health	51	0	
17	Community Pool	17	0	
15	Specialist Domestic Violence	15	0	
19	Team Around Household	19	0	
20	Ward Profiles/Rural Plan	20	0	
<b>Neighbourhood Committee</b>				
50	Winter Maintenance	50	0	
23	Community Safety	23	0	
50	Engineering & Design	0	(50)	This reserve was earmarked to manage the risk that income may reduce in this area in future years. In 2013/14 this area is continuing to achieve income in line with it's budget.
16	Speed Cameras	16	0	
25	Bikeability	25	0	
<b>906</b>	<b>Total</b>	<b>811</b>	<b>(95)</b>	

## REVENUE FINANCIAL MONITORING REPORT FOR FINANCIAL YEAR 2013/14 as at 31st August, 2013

## Overview:

Approved 2013/2014 Budget	Description of Service Area	AUGUST		Director's Explanation of Variance
		Projected Outturn Variance - Adverse/ (Favourable) Worst Case	Projected Outturn Variance - Adverse/ (Favourable) Best Case	
£'000		£'000	£'000	
<b>Finance and Policy Committee</b>				
1,070	Corporate Finance	(50)	(50)	The favourable variance is in part owing to current staff banding differentials and maternity leave savings.
(635)	Benefits	(30)	(30)	The favourable variance is owing current staff vacancies, £22k of this was reported to Finance and Policy Committee on 23rd August, as it was not necessary to back fill a post after secondment to the Local Welfare Support Team.
(1,558)	Central Administration Recharges	0	0	
955	Hartlepool Connect	(135)	(135)	The favourable variance is owing to staff vacancies, banding differentials, secondment and pension budgets.
927	Corporate Strategy & Public Consultation	(78)	(78)	The favourable variance is owing to staff vacancies and maternity leave.
32	Housing Benefits Subsidy	(200)	(200)	The Housing Benefit budget generates £46 million in subsidy, this estimate has been based on the Mid Year Estimate submitted to the DWP, on the basis that any valid overpayments attracted 100% subsidy, which could then also be possibly be reclaimed from the claimant. Continued monitoring of the subsidy claim will be made during the year and the outturn projection adjusted as required.
187	Democratic	0	0	
127	Fraud	(30)	(30)	The favourable variance is owing to a current staff vacancy.
540	Human Resources & Health and Safety	40	40	
227	Internal Audit	(10)	(10)	
496	Legal Services	5	5	The adverse variance is owing to an anticipated reduction in property income generation and possible slippage at year end.
184	Municipal Elections and Registration of Electors	0	0	
77	Other Office Services	40	40	The adverse variance of £60k is owing to a further slow down in Local Land Searches, this is owing to the number of companies using Environmental Information Regulations. The adverse variance is then reduced £20k owing to maternity leave and pension budgets.
83	Public Relations	0	0	
(96)	Registration Services	0	0	
875	Revenues	0	0	
(84)	Revenue & Benefits Central	(110)	(110)	The favourable variance is owing to additional court cost awarded, after an increase in summonds during the year.
745	Shared Services	(10)	(10)	The favourable variance is owing to current staff banding differentials.
122	Support to Members	0	0	
37	Training & Equality	(15)	(15)	The favourable variance is owing to reduced expenditure on supplies and services.
360	Corporate Management Running Expenses	(17)	(17)	This favourable variance is based on the Trade Union budget projecting a £8k adverse variance, and the Central Council Subscriptions projecting a £25k favourable variance.

4,671	Finance and Policy Total (Before Creation of Reserves)	(600)	(600)	
Approved 2013/2014 Budget	Description of Service Area	Projected Outturn Variance - Adverse/ (Favourable) Worst Case	Projected Outturn Variance - Adverse/ (Favourable) Best Case	Director's Explanation of Variance
£'000		£'000	£'000	
Creation of Reserves				
0	Welfare Reforms Grant	34	34	Planned creation of a ring fenced grant reserve from anticipated favourable variance on the Welfare Reforms Grant as some of the approved expenditure reported to Finance and Policy Committee on 28th June has slipped into 2014-15.
4,671	Chief Executives Total - Net of Reserves	(566)	(566)	

## PLANNED USE OF RESERVES

The above figures include the 2013/2014 approved budget along with the planned use of Departmental Reserves created in previous years.

The details below provide a breakdown of these reserves

Approved 2013/2014 Budget £'000	Description of Service Area	Planned Usage 2013/2014 £'000	Variance Over/ (Under) £'000	Director's Explanation of Variance
<b>Finance and Policy Committee</b>				
32	Finance - IT Investment	62	30	Slippage from 2012-13, with all projects expected to be completed during 2013-14.
20	Finance R & B	20	0	
20	Finance - IT Developments R&B	16	(4)	
10	Finance R & B - Corporate Booking System	10	0	
10	Finance R & B - Software Projects	10	0	
50	Chief Executive's Department Ring Fenced Grants	75	25	New ring fenced grant in 2012-13 to be used in 2013-14.
55	Corporate Strategy - ICT System Development	55	0	
3	Finance R & B - FSM System	1	(2)	
20	Resource Investment - HR	0	(20)	
0	Corporate Strategy - Corporate Consultation	8	8	Slippage from 2012-13.
0	Corporate Strategy - Enhancing Council Profile	4	4	Slippage from 2012-13.
20	Finance - Accountancy Section	0	(20)	
15	Contact Centre	15	0	
10	Registrars	15	5	Slippage from 2012-13.
0	Corporate Strategy - Working from Home Surplus	13	13	Slippage from 2012-13.
0	Hartlepool Partnership	10	10	New reserve created in 2012-13 to support the Household Survey.
<b>265</b>	<b>Total</b>	<b>314</b>	<b>49</b>	

## REVENUE FINANCIAL MONITORING REPORT FOR FINANCIAL YEAR 2013/14 as at 31st August, 2013

Overview:

Approved 2013/2014 Budget  £'000	Description of Service Area	August		Director's Explanation of Variance
		Projected Outturn Variance - Adverse/ (Favourable) Worst Case £'000	Projected Outturn Variance - Adverse/ (Favourable) Best Case £'000	
Finance and Policy Committee				
605	Consumer Services	20	0	The adverse variance is worst case and assumes a shortfall on licensing income.
883	Sports & Recreation Facilities	(5)	(5)	These are general fund budgets that are part of the Public Health Department
1,488	Finance and Policy Sub Total	15	(5)	
Regeneration Committee				
(85)	Environmental Standards	60	60	This adverse variance relates to the Markets income shortfall which is expected to be in line with previous years.
2	Environmental Protection	0	0	
(83)	Regeneration Sub Total	60	60	
1,405	Public Health Total - before Reserves	75	55	

PLANNED USE OF RESERVES

The above figures include the 2013/2014 approved budget along with the planned use of Departmental Reserves created in previous years.

The details below provide a breakdown of these reserves

Approved 2013/2014 Budget £'000	Description of Service Area	Planned Usage 2012/2013 £'000	Variance Over/ (Under) £'000	Director's Explanation of Variance
<b>Regeneration Committee</b>				
15	Physical Activity - Sports & Leisure	15	0	
<b>15</b>	<b>Total</b>	<b>15</b>	<b>0</b>	

## CHILD AND ADULT SERVICES

## APPENDIX F

## CAPITAL MONITORING REPORT PERIOD ENDING 31st AUGUST 2013

Project Code	A  Scheme Title	EXPENDITURE IN CURRENT YEAR							2013/2014 COMMENTS
		B	C	D	E	F	G	H	
		2013/14 Budget £'000	2013/14 Actual as at 31/08/13 £'000	2013/14 Expenditure Remaining £'000	Expenditure Rephased 2014/15 £'000	C+D+E 2013/14 Total Expenditure £'000	F-B 2013/14 Variance from budget £'000	Type of financing	
Adult Committee									
7234	Chronically Sick and Disabled Persons Adaptations	245	1	244	0	245	0	MIX	
8284	DAT Accommodation	10	0	10	0	10	0	GRANT	
7723	Resettlement Capital Works - Campus Reprovisioning	115	0	115	0	115	0	GRANT	
8428	Havelock Upgrades Phase 2	204	15	189	0	204	0	MIX	Scheme on hold pending future plans and approvals.
8075	Short Break Capital Grants Pool	21	0	21	0	21	0	MIX	
8312	Social Care Transformation Capital Grant	367	0	378	0	378	11	GRANT	
8055	Warren Road Window Improvements	11	0	0	0	0	(11)	GRANT	Balance of unused grant returned from completed scheme ref 8055.
Adult Committee Sub Total		973	16	957	0	973	0		Scheme complete. Balance returned to project 8312 Social Care Transformation Capital Grant Pot in line with delegated authority given via MTFs and grant conditions.
Children's Committee									
7149	Children's Home	173	135	38	0	173	0	MIX	
7469	Children's Centre's Capital	23	0	23	0	23	0	MIX	
8282	Exmoor Grove Redevelopment / Change of Use	45	0	45	0	45	0	MIX	
8072	ICS Case Management Improvement	37	0	37	0	37	0	MIX	
8595	Miers Avenue Roofing Works	44	1	43	0	44	0	RCCO	
8218	Youth Service Portable MUGA (YCF)	7	0	7	0	7	0	GRANT	
8176	Barnard Grove School - Demolish Bungalow (was Replace Bungalow Floor)	15	1	16	0	17	2	GRANT	As reported to Children's Services Committee on 2nd July 2013 and 30th July 2013, the announcement by the Education Funding Agency (EFA) relating to the earlier timeframe and advancement of the Priority Schools Building Programme has resulted in a number of the proposed works at Barnard Grove school being cancelled as they would no longer be required. Funding will be transferred back into 'Schools General - Unallocated' and schools 'devolved capital' as appropriate.
8560	Barnard Grove School - Heat Source & Ventilation	81	0	0	0	0	(81)	GRANT	
8558	Barnard Grove School - Improve Drainage	3	4	0	0	4	1	GRANT	
8561	Barnard Grove School - Replace Windows/Doors & Cladding	38	4	28	0	32	(6)	GRANT	
8562	Barnard Grove School - Roofing Infant Block	102	0	0	0	0	(102)	GRANT	
7138	Barnard Grove School - Structural Modifications (Blocks A & B)	31	0	0	0	0	(31)	GRANT	This scheme is 100% funded by the school.
8532	Catcote School - Catcote Future Relocation to Brierton Site	191	167	24	0	191	0	GRANT	
8635	Catcote School - Redevelop BESD Unit	17	12	5	0	17	0	GRANT	Children's Portfolio Holder approved on 9th April 2013 the creation of contingency funding which allowed the Child & Adult Services Department dispensation and discretion to authorise works where a significant health and safety risk existed. These works fall under this category.
8602	Clavering School - Fire Detection System	30	0	30	0	30	0	MIX	
8593	Clavering School - Window Replacement	30	33	9	0	42	12	MIX	Portfolio Holder approval for scheme (April 13) was based on indicative costs; Following approval detailed cost estimates are determined and the budget will then need revising; Forecast outturn position reflects revised costings and impact of asbestos removal.
7384	Devolved Schools Capital	439	140	299	42	481	42	GRANT	This is a devolved budget. The rephased amount is an estimate and is dependent on individual schools spending plans.
8056	Eldon Grove - Extension for Teaching Space	0	1	0	0	1	1	GRANT	Residual Payment of scheme completed in 2012/13.
8603	Fens School - Disabled Adaptations	20	0	0	20	20	0	MIX	Plans are still in the process of being developed, the nature of the work is such that it is normally done in school holidays, therefore it is likely that this scheme will be rephased into 2014/15.
8522	Golden Flatts School - Mechanical Works	54	0	54	0	54	0	MIX	
8597	Golden Flatts School - Toilet / Roof Replacement	146	37	112	0	149	3	MIX	
8593	Grange School - Window Replacement	98	23	5	0	28	(70)	RCCO	Portfolio Holder approval for scheme (April 13) was based on indicative costs; Following approval detailed cost estimates are determined and the budget will then need revising; Forecast outturn position reflects revised costings and reduced specifications.
8594	Greatham School - Boiler Replacement	21	17	5	0	22	1	MIX	
8455	Greatham School - Fire Detection System	13	0	0	13	13	0	GRANT	This is currently being held as a reserve scheme subject to pricing on other schemes, therefore it is likely that this scheme will be rephased into 2014/15.



## CHILD AND ADULT SERVICES

## APPENDIX F

## CAPITAL MONITORING REPORT PERIOD ENDING 31st AUGUST 2013

Project Code	A Scheme Title	EXPENDITURE IN CURRENT YEAR							2013/2014 COMMENTS
		B	C	D	E	F	G	H	
		2013/14 Budget £'000	2013/14 Actual as at 31/08/13 £'000	2013/14 Expenditure Remaining £'000	Expenditure Rephased 2014/15 £'000	C+D+E 2013/14 Total Expenditure £'000	F-B 2013/14 Variance from budget £'000	Type of financing	
8594	Hart School - Boiler Replacement	41	25	11	0	36	(5)	MIX	Children's Portfolio Holder approved on 9th April 2013 the creation of contingency funding which allowed the Child & Adult Services Department dispensation and discretion to authorise works where a significant health and safety risk existed. These works fall under this category.
new	Hart School - Safeguarding Works to create wall & 2 new toilets	21	0	18	0	18	(3)	MIX	
8599	High Tunstall School - Changing Rooms Replacement	33	13	24	0	37	4	MIX	
8458	High Tunstall School - Development of a Vocational Education Centre	224	154	70	0	224	0	MIX	
8596	High Tunstall School - Electrical Works - Block H	6	1	6	0	7	1	MIX	
8598	High Tunstall School - Heating Distribution - Block G	88	1	0	87	88	0	MIX	Plans are still in the process of being developed, the nature of the work is such that it is normally done in school holidays, therefore it is likely that this scheme will be rephased into 2014/15.
8523	High Tunstall School - Heating Distribution / Boiler	115	8	65	0	73	(42)	MIX	
8595	High Tunstall School - Roofing - Block A	10	4	33	0	37	27	MIX	Portfolio Holder approval for scheme (April 13) was based on indicative costs; Following approval detailed cost estimates are determined and the budget will then need revising; Forecast outturn position reflects revised costings and provisional sums for water ingress.
8600	Lynnfield - External Walls	11	5	6	0	11	0	MIX	
8566	Manor College of Technology - Boiler Renewal & Water Storage Block A	99	40	75	0	115	16	RCCO	
8568	Manor College of Technology - Hot & Cold Water Distribution & Heating Emitters	19	0	0	0	0	(19)	RCCO	As reported to Children's Services Committee on 2nd July 2013 and 30th July 2013, the announcement by the Education Funding Agency (EFA) relating to the earlier timeframe and advancement of the Priority Schools Building Programme has resulted in a number of the proposed works at Manor College being cancelled as they would no longer be required. Funding will be transferred back into 'Schools General - Unallocated' and schools 'devolved capital' as appropriate.
8565	Manor College of Technology - Heating Emitters & Ventilation Fans Block A	95	0	0	0	0	(95)	RCCO	
7132	Manor College of Technology - Lighting Fittings / Wiring	65	0	0	0	0	(65)	GRANT	
8567	Manor College of Technology - Pool Hot & Cold Water Distribution	17	0	0	0	0	(17)	RCCO	
8563	Manor College of Technology - Replace Toilets & Renew Block D Windows	31	2	21		23	(8)	RCCO	
8564	Manor College of Technology - Rewire Drama & Science Block	114	29	0	0	29	(85)	RCCO	
8562	Manor College of Technology - Roof Renew Block A	110	15	95	0	110	0	RCCO	
8455	Owton Manor School - Fire Detection System	12	0	7	0	7	(5)	MIX	
8593	Owton Manor School - Window Replacement	69	35	6	0	41	(28)	MIX	Portfolio Holder approval for scheme (April 13) was based on indicative costs; Following approval detailed cost estimates are determined and the budget will then need revising; Forecast outturn position reflects revised costings.
7586	Purchase of Computer Equip - City Learning Centre Standards Fund	4	0	4	0	4	0	GRANT	
8060	Rift House School - Annexe 2 Heating	17	0	0	0	0	(17)	GRANT	Scheme not progressing - funding transferred back to 'Schools General - Unallocated'
8460	Rift House School - Development of Science Garden	11	6	0	0	6	(5)	RCCO	
8455	Rift House School - Fire Detection System	14	14	0	0	14	0	MIX	
TBC	Rift House School - Foundation Stage Outside Area	56	0	56	0	56	0	MIX	
8537	Rift House School - New Cold Water Distribution System	13	4	2	0	6	(7)	MIX	
8455	Rossmere School - Fire Detection System	8	0	0	0	0	(8)	MIX	Scheme completed in 12/13
8601	Rossmere School - Toilet Replacement	80	0	80	0	80	0	MIX	

## CHILD AND ADULT SERVICES

## APPENDIX F

## CAPITAL MONITORING REPORT PERIOD ENDING 31st AUGUST 2013

Project Code	A Scheme Title	EXPENDITURE IN CURRENT YEAR							2013/2014 COMMENTS
		B	C	D	E	F	G	H	
		2013/14 Budget £'000	2013/14 Actual as at 31/08/13 £'000	2013/14 Expenditure Remaining £'000	Expenditure Rephased 2014/15 £'000	C+D+E 2013/14 Total Expenditure £'000	F-B 2013/14 Variance from budget £'000	Type of financing	
8593	Rossmere School - Window Replacement	30	2	16	0	18	(12)	RCCO	Portfolio Holder approval for scheme (April 13) was based on indicative costs; Following approval detailed cost estimates are determined and the budget will then need revising; Forecast outturn position reflects revised costings.
8592	Rossmere School - Replace Concrete Lintels	37	26	11	0	37	0	GRANT	Children's Portfolio Holder approved on 9th April 2013 the creation of contingency funding which allowed the Child & Adult Services Department dispensation and discretion to authorise works where a significant health and safety risk existed. These works fall under this category.
7421	School Travel Plans	23	0	0	23	23	0	GRANT	This is a devolved budget. The rephased amount is an estimate and is dependent on individual schools spending plans.
7521	Schools General - 2 year old FNE Capacity Building	218	0	218	0	218	0	GRANT	
8138	Schools General - BSF - ICT	3,703	190	1,353	2,160	3,703	0	GRANT	English Martyrs and the Pupil Referral Unit are not due to join the BSF Managed Service until 2014/15.
8139	Schools General - BSF - ICT Infrastructure Costs	145	2	0	143	145	0	GRANT	
9004	Schools General - Contingency	60	0	0	0	0	(60)	GRANT	Balance at year end to be transferred back into Schools General - Unallocated
9004	Schools General - Funding Currently Unallocated	833	0	0	1,564	1,564	731	MIX	This includes the transferred funding from the Barnard Grove School and Manor College schemes which are either not progressing or have been reduced owing to the earlier commencement of the PSBP. Over and Underspend shown against the other schemes are also transferred here. This funding has not yet been allocated to schemes and, given that the majority of work at schools take place during the summer school holidays, it is likely to be rephased into 2014/15.
8594	Springwell School - Boiler Replacement	50	15	34	0	49	(1)	MIX	
8593	Springwell School - Window Replacement - Block A	23	2	17	0	19	(4)	MIX	
8192	St Helens School - Replace KS1 and KS2 Corner posts	18	0	0	0	0	(18)	RCCO	Scheme complete - no further work required; Funding transferred back to 'Schools General - Unallocated'
8595	St Helens School - Roofing - Block B	26	0	29	0	29	3	MIX	
8461	Stranton School - Development of two existing school changing rooms into two 'Experience Rooms'	11	0	0	0	0	(11)	RCCO	Scheme completed in 12/13
8593	Stranton School - Window Replacement	6	0	9	0	9	3	MIX	
8462	Throston School - Create External Hall Corridor & Learning Space	34	0	34	0	34	0	RCCO	
8596	Throston School - Electrical Works inc Fire Detection	200	52	91	0	143	(57)	RCCO	Portfolio Holder approval for schemes (April 13) was based on indicative costs; Following approval detailed cost estimates are determined and the budget will then need revising; Forecast outturn position reflects revised costings.
8595	Throston School - Roofing - Block A	60	18	58	0	76	16	MIX	
new	Throston School - Boiler Replacement	56	0	56	0	56	0	GRANT	Children's Portfolio Holder approved on 9th April 2013 the creation of contingency funding which allowed the Child & Adult Services Department dispensation and discretion to authorise works where a significant health and safety risk existed. These works fall under this category.
8463	West Park School - Creation of Foundation Stage Unit	15	0	15	0	15	0	GRANT	
8596	West Park School - Electrical Works inc Fire Detection	239	15	224	0	239	0	MIX	
8526	West Park School - Heating / Hot & Cold Water Distribution	75	8	63	0	71	(4)	GRANT	
8593	West Park School - Window Replacement	90	10	83	0	93	3	MIX	
7136	West View School - Early Years Foundation Stage improvements	185	0	0	185	185	0	MIX	Design is underway, works are programmed for summer 2014, therefore this budget will be rephased into 2014/15.
8528	West View School - Roofing - Block A (Various Phases)	303	40	132	131	303	0	MIX	This scheme is being completed in phases, the first phase has been completed. However further phases are programmed for future years and therefore the remaining budget has been rephased into 2014/15.
	Carlton works	3	1	2	0	3	0		
<b>Children's Committee Sub Total</b>		<b>9,484</b>	<b>1,312</b>	<b>3,804</b>	<b>4,368</b>	<b>9,484</b>	<b>0</b>		
<b>Regeneration Committee</b>									
7531	Adult Education - Office Accommodation	21	0	21	0	21	0	GRANT	

**CHILD AND ADULT SERVICES**

**APPENDIX F**

**CAPITAL MONITORING REPORT PERIOD ENDING 31st AUGUST 2013**

Project Code	A Scheme Title	EXPENDITURE IN CURRENT YEAR							2013/2014 COMMENTS
		B 2013/14 Budget £'000	C 2013/14 Actual as at 31/08/13 £'000	D 2013/14 Expenditure Remaining £'000	E Expenditure Rephased 2014/15 £'000	F C+D+E 2013/14 Total Expenditure £'000	G F-B 2013/14 Variance from budget £'000	H Type of financing	
8429	Adult Education - Replace IT Equipment	11	0	11	0	11	0	GRANT	
8394	Community Centres & Libraries improvements	70	0	70	0	70	0	MIX	
8408	Equipment Purchase	16	10	6	0	16	0	MIX	
7992	Junior Football Facilities	26	0	26	0	26	0	MIX	
8409	Sport and Youth Improvement Work	50	0	0	50	50	0	MIX	Funding is being carried forward to use as match funding in attracting additional grant income where opportunities are identified.
8419	Works to BMX Track	11	1	10	0	11	0	MIX	
8439	Brierton Site Development	38	31	7	0	38	0	MIX	
8536	Theatre Booking System	12	11	1	0	12	0	RCCO	
8103	Swimming Scheme	60	0	60	0	60	0	GRANT	
<b>Regeneration Committee Sub Total</b>		<b>315</b>	<b>53</b>	<b>212</b>	<b>50</b>	<b>315</b>	<b>0</b>		
<b>Child &amp; Adult Services Total</b>		<b>10,772</b>	<b>1,381</b>	<b>4,973</b>	<b>4,418</b>	<b>10,772</b>	<b>0</b>		

**Key**

RCCO Revenue Contribution towards Capital  
MIX Combination of Funding Types  
UCPB Unsupported Corporate Prudential Borrowing  
SCE ® Supported Capital Expenditure (Revenue)

GRANT Grant Funded  
CAP REC Capital Receipt  
UDPB Unsupported Departmental Prudential Borrowing  
SPB Supported Prudential Borrowing

## CHIEF EXECUTIVES

## APPENDIX G

## CAPITAL MONITORING REPORT PERIOD ENDING 31st AUGUST 2013

Project Code	A	EXPENDITURE IN CURRENT YEAR							2013/2014 COMMENTS
		B	C	D	E	F	G	H	
	Scheme Title	2013/2014 Budget £'000	2013/2014 Actual as at 30/06/13 £'000	2013/2014 Expenditure Remaining £'000	Expenditure Rephased 2014/15 £'000	C+D+E 2013/2014 Total Expenditure £'000	F-B 2013/2014 Variance from budget £'000	Type of financing	
Finance & Policy Committee						0	0		
7623	Corporate IT Projects	20	0	20	0	20	0	MIX	
8143	New Burdens - Council Tax	10	0	10	0	10	0	MIX	
8157	Northgate - New Server	4	0	4	0	4	0	MIX	
	Corporate Projects	68	0	68	0	68	0	MIX	
	TOTAL	102	0	102	0	102	0		

## Key

RCCO Revenue Contribution towards Capital  
MIX Combination of Funding Types  
UCPB Unsupported Corporate Prudential Borrowing  
SCE ® Supported Capital Expenditure (Revenue)

GRANT Grant Funded  
CAP REC Capital Receipt  
UDPB Unsupported Departmental Prudential Borrowing  
SPB Supported Prudential Borrowing

## CORPORATE

## APPENDIX H

## CAPITAL MONITORING REPORT PERIOD ENDING 31st AUGUST 2013

Project Code	A  Scheme Title	EXPENDITURE IN CURRENT YEAR							2013/2014 COMMENTS
		B	C	D	E	F	G	H	
		2013/2014 Budget  £'000	2013/2014 Actual as at 30/06/13 £'000	2013/2014 Expenditure Remaining £'000	Expenditure Rephased into 2014/15 £'000	C+D+E 2013/2014 Total Expenditure £'000	2013/2014 F-B Variance from budget £'000	Type of financing	
Finance & Policy Committee									
7115	Civic Centre Ramp	8	0	8	0	8	0	MIX	Works complete & final account agreed. Final payment to release.
7036	Unallocated Council Capital Fund	36	0	36	0	36	0	UCPB	
7041	Corporate Planned Maintenance Unallocated	15	0	15	0	15	0	MIX	
7150	Demolition of Eamont Gardens	11	1	10	0	11	0	MIX	Surfacing works completed 28-Jun-13. Additional fencing works still outstanding.
7152	Borough Hall - Replace Roof	30	4	26	0	30	0	RCCO	Scaffolding erected. Site delay due to nesting seagulls.
7200	Civic Centre Refurbishment	349	0	349	0	349	0	MIX	Works ongoing
8171	Corporate Planned Maintenance - Footpath Repair - Grayfields	16	0	16	0	16	0	MIX	Initial price received & further site meeting to discuss further works.
8321	Boiler Replacement - Warren Road	2	0	2	0	2	0	UCPB	Works complete & final account to agree.
8406	Throston DDA - Toilets	1	0	1	0	1	0	UCPB	Works complete & final account to agree.
8436	Demolition of Brierton School	15	15	0	0	15	0	MIX	Works complete & final account agreed. Final payment to release.
8440	Stockton St Underpass	22	0	22	0	22	0	MIX	Works complete & savings identified. *Savings of £20k to be returned to CCF
8442	DDA Works	37	0	37	0	37	0	MIX	
8450	Hpool Enterprise Centre Electrical Works	7	0	7	0	7	0	RCCO	Works complete & final account to agree.
8451	Civic Centre Heating Works	9	0	9	0	9	0	RCCO	Works complete & final account to agree.
8551	Underground Car Park Electrical Works	48	0	48	0	48	0	RCCO	Design underway.
8552	Multi Storey Car Park Electrical Works	122	0	122	0	122	0	RCCO	Design underway.
8556	Mill House Pool Pipework Renewal	114	0	114	0	114	0	MIX	Design complete & submitted for pricing.
8557	Historic Quay Replace Floor Track Lighting	32	0	32	0	32	0	RCCO	Design underway.
8611	Historic Quay Replace Anti Corrosion and Dock Gate Seal	30	0	30	0	30	0	RCCO	Due to start w/c 12-Aug-13 & awaiting confirmation of work programme.
8657	Historic Quay Office Suite Boiler	14	0	14	0	14	0	RCCO	Funded from Corporate Planned Maintenance CCF 2.7.13
8658	Brinkburn Youth Centre Boiler	13	0	13	0	13	0	RCCO	Funded from Corporate Planned Maintenance CCF 2.7.14
9006	Town Hall Dome Roof	10	0	10	0	10	0	RCCO	Costs submitted & approved 25-Jul-13. Scaffolding erected w/c 19-Aug-13. Due to commence 27-Aug-13.
new	Hart Primary School Boundary Wall	8	0	8	0	8	0	RCCO	Tender package currently being prepared.
new	Indoor Bowls Centre Refurbishment	200	0	200	0	200	0	RCCO	Revised price awaited for roofing works only.
new	School Kitchen Upgrades	200	0	200	0	200	0	RCCO	2 schemes programmed for 13/14 at Stranton & Owton Manor Primary. Commenced work on Stranton 12-Aug -13. Owton Manor dates to agree.
new	Hartlepool Enterprise Centre Improvements	113	0	113	0	113	0	RCCO	Finalising design with client.
new	Lynn Street Depot Fleet and Garage Roof	70	0	70	0	70	0	RCCO	Work to comprise cleaning/sealing outstanding area of workshop roof and erection of anti-seagull netting by specialist. Programme TBC (earliest start October 2013 to avoid breeding season)
new	Asbestos Re-Surveys	50	0	50	0	50	0	RCCO	Project not started
new	Maritime Experience Redecoration - Phase 1	40	0	40	0	40	0	RCCO	Phase 1 complete
new	Maritime Experience Redecoration - Phase 2	45	0	45	0	45	0	RCCO	
new	Invest to Save	0	0	0	0	0	0	RCCO	
new	Lynn Street Depot Replace Doors to Vehicle Shed	30	0	30	0	30	0	RCCO	Works managed by depot team.
	TOTAL	1,697	20	1,677	0	1,697	0		

## Key

RCCO Revenue Contribution towards Capital  
MIX Combination of Funding Types  
UCPB Unsupported Corporate Prudential Borrowing  
SCE ® Supported Capital Expenditure (Revenue)

GRANT Grant Funded  
CAP REC Capital Receipt  
UDPB Unsupported Departmental Prudential Borrowing  
SPB Supported Prudential Borrowing

REGENERATION & NEIGHBOURHOOD SERVICES

APPENDIX I

CAPITAL MONITORING REPORT PERIOD ENDING 31st AUGUST 2013

Project Code	A  Scheme Title	EXPENDITURE IN CURRENT YEAR							2013/2014 COMMENTS
			C	D	E	F	G	H	
		2013/2014 Budget £'000	2013/2014 Actual as at 31/08/13 £'000	2013/2014 Expenditure Remaining £'000	Expenditure Rephased into 2014/15 £'000	C+D+E 2013/2014 Total Expenditure £'000	F-B 2013/2014 Variance from budget £'000	Type of financing	
Finance & Policy Committee									
7466	DSO Vehicle Purchases	4,436	537	2,299	1,600	4,436	0	UDPB	Vehicle replacements have been deferred in an effort to make operational savings by extending the useful life of vehicles.
8142	Kitchen Renovations (Council's Capital Fund)	128	98	30	0	128	0	MIX	
8306	School Catering Equipment	81	0	81	0	81	0	CORP RES	
8327	Reed Street Depot Renovation (old Focus site)	8	8	0	0	8	0	MIX	
8425	PV Cells Installation (various buildings)	209	2	207	0	209	0	GRANT	
Finance & Policy Committee Sub Total		4,862	645	2,617	1,600	4,862	0		
Regeneration Committee									
7218	Disabled Facility Grants	596	174	422	0	596	0	MIX	
7220	Private Sector Housing Grants	20	5	15	0	20	0	GRANT	
7230	Housing Market Renewal - Carr Hopps	2,473	351	2,122	0	2,473	0	MIX	A report is currently being prepared to present options to members for the future strategy for property acquisition and demolition.
7895	Industrial & Commercial Grants to Businesses	41	0	41	0	41	0	UCPB	
8155	Preventing Repossession	43	5	38	0	43	0	GRANT	
8210	Key Vacant Buildings Grant Scheme	64	0	64	0	64	0	UCPB	
8326	Baden Street Project	156	30	126	0	156	0	MIX	
8387	Empty Homes - loan and lease scheme	248	0	248	0	248	0	GRANT	
8446	Empty Property Purchasing Scheme	4,245	57	4,188	0	4,245	0	MIX	
8578	South Management Unit Study	64	64	0	0	64	0	GRANT	
8587	Seaton Carew Coastal Defence	1,800	0	1,800	0	1,800	0	GRANT	
8588	Town Wall Coastal Defence	280	0	280	0	280	0	GRANT	
8589	Headland Structures Coastal Defence	80	0	80	0	80	0	GRANT	
8590	Block Sands Coastal Defence	40	0	40	0	40	0	GRANT	
Regeneration Committee Sub Total		10,150	686	9,464	0	10,150	0		
Neighbourhoods Committee									
Various	North & South Areas - Outstanding Minor Works	70	4	66	0	70	0	MIX	
7272	Wheelie Bin Replacements	45	45	0	0	45	0	UDPB	
7375	Countryside Development Work	14	0	14	0	14	0	CORP RES	
7382	Greatham Play Area Equipment	9	0	0	9	9	0	CORP RES	
7530	Section 106 Fund - To be Allocated	227	0	0	227	227	0	GRANT	This is unallocated funding received from developers to be used on future schemes in line with section 106 agreements.
7651	Burn Valley Beck	63	18	33	12	63	0	MIX	The Natural England funded Access to Nature scheme is nearing completion and it is expected that there will be a balance of £12k Environment Agency grant remaining which can be used to fund further developments such as artwork to compliment the main scheme. Options are yet to be decided.
7821	Household Waste Recycling Centre Improvements	216	118	98	0	216	0	MIX	
7990	Bandstand Shutters	5	0	0	5	5	0	CORP RES	The cost of replacement of the bandstand shutters with wood exceeds the available funding and has therefore been deferred until additional funding is being sought, potentially from section 106 agreements.
Various	Stranton Lodge & Cremators	780	291	488	1	780	0	MIX	
8299	Seaton Playbuilder	88	0	88	0	88	0	GRANT	
8417	Community Spaces Grant - North Cemetery	15	15	0	0	15	0	GRANT	
8447	Central Area Leisure Activities	125	0	0	125	125	0	CORP RES	This scheme is on hold until the capital receipt to fund it has been received.
8448	Foggy Furze - Replace Bowling Green	60	0	60	0	60	0	CORP RES	
8569	Brierton Site Development (including demolition and 3G Pitch)	2,462	66	2,396	0	2,462	0	GRANT	
8571	Tunstall Court Gates	8	0	8	0	8	0	GRANT	
8581	Briarfield Allotments Track Replacement	10	7	3	0	10	0	UDPB	

**REGENERATION & NEIGHBOURHOOD SERVICES**

**APPENDIX I**

**CAPITAL MONITORING REPORT PERIOD ENDING 31st AUGUST 2013**

Project Code	A  Scheme Title	EXPENDITURE IN CURRENT YEAR							2013/2014 COMMENTS
			C	D	E	F	G	H	
		2013/2014 Budget £'000	2013/2014 Actual as at 31/08/13 £'000	2013/2014 Expenditure Remaining £'000	Expenditure Rephased into 2014/15 £'000	C+D+E 2013/2014 Total Expenditure £'000	F-B 2013/2014 Variance from budget £'000	Type of financing	
8583	Brierton Allotment Fence	20	2	18	0	20	0	UDPB	The rephased element represents the net underspend on various highways schemes which will be used to fund schemes in next years programme.
8584	Chester Road Allotment Fence	70	1	69	0	70	0	UDPB	
8585	Nicholson Field Allotment Improvements	100	0	100	0	100	0	UDPB	
8586	Thompson Grove Allotment Fence	12	0	12	0	12	0	UDPB	
7084	Camera Partnership	14	0	14	0	14	0	GRANT	
Various	LTP - Highways Capital Maintenance Schemes	2,648	1,248	1,369	31	2,648	0	GRANT	
7245	LTP Cycle Parking	10	0	10	0	10	0	GRANT	
7508	Anhydrite Mine Monitoring	107	0	0	107	107	0	MIX	
7541	LTP-Safer Routes to School	10	0	10	0	10	0	GRANT	
7546	LTP-Road Safety Education & Training Equipment	15	0	15	0	15	0	GRANT	
7580	Highways Remedial Works - Marina	4	3	1	0	4	0	GRANT	Amount rephased is to carry out monitoring in future years.
7852	Section 106 - TESCO Highways Works	265	0	265	0	265	0	GRANT	
8015	Section 278 Funding - TESCO - New entrance/Junction/Lights	38	22	16	0	38	0	GRANT	
8123	Review of Strategy Study North Sands to Newburn Bridge	35	35	0	0	35	0	MIX	
Various	Tees Valley Bus Network Improvement Schemes	3,487	219	3,268	0	3,487	0	GRANT	
8437	Town Wall Coastal Construction - Toe protection & Set back wall	56	0	56	0	56	0	GRANT	
8444	Town Wall Strengthening	634	22	612	0	634	0	GRANT	
8445	Seaton Carew Coast Protection	2,394	1,484	910	0	2,394	0	GRANT	
8575	Environment Agency - Padstow Close Flood Resilience	60	3	57	0	60	0	GRANT	
8576	A689 Major Repairs - Wynyard	582	582	0	0	582	0	MIX	
8591	Coastal Management Strategy	100	0	100	0	100	0	RCCO	The full budget has not been spent this year as it has been decided to defer any further expenditure until a review of options, including collaboration with Stockton BC are considered by members.
8649	Motorcycle Training Equipment	10	0	10	0	10	0		
7878	Community Safety CCTV Upgrade	168	81	37	50	168	0	MIX	
	Neighbourhoods Committee Sub Total	15,036	4,266	10,203	567	15,036	0		
	Regeneration & Neighbourhoods Total	30,048	5,597	22,284	2,167	30,048	0		

<b>Key</b>		
RCCO	Revenue Contribution towards Capital	Grant Funded
MIX	Combination of Funding Types	Capital Receipt
UCPB	Unsupported Corporate Prudential Borrowing	Unsupported Departmental Prudential Borrowing
SCE	Supported Capital Expenditure (Revenue)	Supported Prudential Borrowing

# FINANCE AND POLICY COMMITTEE

18<sup>th</sup> October 2013



**Report of:** Director of Regeneration and Neighbourhoods

**Subject:** CORPORATE PROCUREMENT QUARTERLY  
REPORT ON CONTRACTS

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

1.1 For information.

**2. PURPOSE OF REPORT**

2.1 To satisfy the requirements of the Council's Contract Procedure Rules with regard to the Finance & Policy Committee:

- Receiving and examining quarterly reports on the outcome of contract letting procedures including those where the lowest/highest price is not payable/receivable.
- Receiving and examining reports on any exemptions granted to these Contract Procedure Rules.

**3. BACKGROUND**

3.1 The Council's Contract Procedure Rules require that the following information be presented to the Finance & Policy Committee on a quarterly basis:

Section of Contract Procedure Rules		Information to be reported
Introduction	Para 8 iii & Para 8 vi	Outcome of contract letting procedures
Part G	Para 12 v	



Introduction Part B	Para 8 iii Para 3 v	Basis of award decision if not lowest/highest price payable/receivable
Introduction	Para 8 vi	Contract Name & Reference Number
Part G	Para 12 v	
Introduction	Para 8 vi	Description of Goods/Services being procured
Part G	Para 12 v	
Introduction	Para 8 vi	Department/Service area procuring the goods/services
Part G	Para 12 v	
Introduction	Para 8 vi	Prices (separate to Bidders details to preserve commercial confidentiality)
Part G	Para 12 v	
Part G	Para 12 v	Details of Bidders

- 3.2 In addition to tender related information, details of exemptions granted to the Contract Procedure Rules are also reportable quarterly.

#### 4. INFORMATION FOR REVIEW

##### 4.1 Tender information

The table at **Appendix A** details the required information for each procurement tender issued since the last quarterly report.

- 4.2 The Committee may within the Contract Procedure Rules request further information or seek further monitoring reports on selected contracts.

- 4.3 In addition the Audit and Governance Committee may request a contract to be monitored under their specific responsibilities relating to the scrutiny of contracts.

##### 4.4 Exemption information

**Appendix B** provides details of the required information in relation to Contract Procedure Rules exemptions granted since the last Corporate Procurement Quarterly Report on Contracts.

- 4.5 The table at confidential **Appendix C** includes the commercial information in respect of the tenders received. **This item contains exempt information under Schedule 12A Local Government Act 1972 (as amended by the Local Government (Access to Information) (Variation) Order 2006) namely, paragraph 3) information relating to the financial or business affairs of any particular person (including the authority holding that information).**

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

- 5.1 There are no equality or diversity implications.

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

- 6.1 There are no implications under Section 17.

## **7. RECOMMENDATIONS**

- 7.1 That the Committee note and comment on the contents of the report.

## **8. REASONS FOR RECOMMENDATIONS**

- 8.1 The Committee is required to review the information supplied to ensure that monitoring in the award of contracts is carried out and evidenced.

## **9. BACKGROUND PAPERS**

- 9.1 No background papers.

## **10. CONTACT OFFICER**

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**Tender Information**

<b>Date of Contract Award</b>	<b>Contract Name and Reference Number</b>	<b>Description of Goods / Services being procured</b>	<b>Department / Service area procuring the goods / services</b>	<b>Details of Bidders</b>	<b>Location of Bidder</b>	<b>Basis of award decision if not lowest/highest price payable / receivable</b>	<b>Outcome of contract letting procedures</b>
2 <sup>nd</sup> September 2013	ICT Managed Services Ref:640	ICT Managed Services	Chief Executive's Dept.	Capita Northgate Serco	London Hertfordshire Hampshire	Most economically advantageous Tender	Awarded contract to Northgate
5 <sup>th</sup> July 2013	Shop & Amenity Block at Tanfield Nursery Ref:666	Construction of a shop and amenity block	Regeneration and Neighbourhoods	Esh Gus Robinsons Tangent Vest	Co Durham Hartlepool Tyne & Wear Co. Durham	Lowest Tender	Awarded Contract to Gus Robinsons
26 July 2013	Low Level Support Service for residents in Hartlepool Contract Reference 665/QTLE 973JJ6	The Service(s) will focus on maintaining independence and early intervention of those who access it and meet	Children & Adult Services – Commissioning	Hartlepool Voluntary Development Agency  Connected Care (Who Cares NE)	Hartlepool  Hartlepool	70% Quality 30% Finance	Awarded contract to Hartlepool Voluntary Development Agency

		the needs of the local community					
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**Exemption Information**

Dept	Service Unit	Company Name	Company Based at	Estimated Expenditure	Description	Approval
R&N	Parking Services	Control Group Services Limited	Chester	£5,467.40	Additional cleaning for Shopping Centre Basement Car Park.	16.08.13