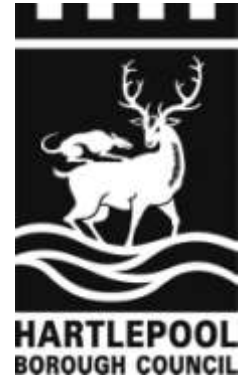


FINANCE AND POLICY COMMITTEE

AGENDA



Monday 5 September, 2016

at 10.00 am

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

MEMBERS: FINANCE AND POLICY COMMITTEE

Councillors C Akers-Belcher, Barclay, Beck, Clark, Cranney, Hind, James, Loynes, Moore, Thomas 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 25 July, 2016.
- 3.2 To receive the minutes of the meeting of the Health and Wellbeing Board held on 29 April, 2016.
- 3.3 To receive the minutes of the meeting of the Safer Hartlepool Partnership held on 17 June, 2016.
- 3.4 To receive the minutes of the meetings of the Tees Valley Combined Authority held on 4 April and 15 April, 2016.

4. BUDGET AND POLICY FRAMEWORK ITEMS

- 4.1 Final Outturn 2015/16 – *Corporate Management Team*

5. KEY DECISIONS

- 5.1 Acquisition of Assets – Victoria Road, Gladstone House – *Director of Regeneration and Neighbourhoods and Director of Public Health*



6. OTHER ITEMS REQUIRING DECISION

- 6.1 Quarter 1 Council Overview of Performance and Risk 2016/17 – *Assistant Chief Executive, Director of Regeneration & Neighbourhoods and Director of Public Health*
- 6.2 Tofts Road West Rent Review – *Director of Regeneration and Neighbourhoods*
- 6.3 Self Sufficient Local Government: 100% Business Rates Retention Consultation – *Chief Finance Officer*
- 6.4 Strategic Financial Management Report – as at 31st July 2016 – *Corporate Management Team*

7. ITEMS FOR INFORMATION

- 7.1 Employee Sickness Absence 1st Quarter 2016/17 – *Assistant Chief Executive*
- 7.2 Domestic Abuse Strategy 2016–19 – *Director of Regeneration and Neighbourhoods*
- 7.3 Corporate Procurement Quarterly Report on Contracts – *Director of Regeneration and Neighbourhoods*

8. ANY OTHER BUSINESS WHICH THE CHAIR CONSIDERS URGENT

FOR INFORMATION

Dates of forthcoming meetings –

Finance and Policy Committee - Monday 26 September at 10.00am in the Civic Centre, Hartlepool.

Joint meeting with Regeneration Services Committee – Friday 9 September at 11.30am in the Civic Centre, Hartlepool.



FINANCE AND POLICY COMMITTEE

MINUTES AND DECISION RECORD

25 JULY 2016

The meeting commenced at 10.00 am in the Civic Centre, Hartlepool

Present:

Councillor Christopher Akers Belcher (In the Chair)

Councillors: Paul Beck, Kevin Cranney, Marjorie James, Shane Moore, and Paul Thompson.

Also Present: In accordance with Council Procedure Rule 5.2 –
Councillor Jim Lindridge as substitute for Councillor Allan Barclay;
Councillor Dave Hunter as substitute for Councillor Alan Clark

Councillor David Riddle.

Officers: Andrew Atkin, Assistant Chief Executive
Chris Little, Chief Finance Officer
Peter Devlin, Chief Solicitor
Louise Wallace, Director of Public Health
Chris Catchpole, Head of Commissioning and Clinical Quality
Jill Harrison, Assistant Director, Adult Services
Mark Patton, Assistant Director, Education, Learning and Skills 0-19
Denise Ogden, Director of Regeneration and Neighbourhoods
Dale Clark, Estates and Regeneration Manager
Steve Hilton, Public Relations Officer
David Cosgrove, Democratic Services Team

12. Apologies for Absence

Councillors Allan Barclay, Alan Clark, Tom Hind, Brenda Loynes, Stephen Thomas.

13. Declarations of Interest

Councillors Beck, Hunter and Thompson declared personal interests in Min No. 17 “Provision for Adults with Additional Needs at Catcote Futures”.

14. Minutes of the meeting held on 20 June 2016

Confirmed.

15. Minutes of the meeting of the Safer Hartlepool Partnership held on 11 March 2016

Received.

16. Council Plan 2017/18 – Proposed Outcome Framework and Service Planning Timetable *(Assistant Chief Executive)*

Type of decision

Budget and Policy Framework.

Purpose of report

The purpose of the report was for Finance and Policy Committee to consider the proposed Outcome Framework for the 2017/18 Council Plan and agree the timetable for the service planning process.

Issue(s) for consideration

The Assistant Chief Executive reported that the first stage in developing the Council Plan for 2017/18 was to agree the proposed outcome framework around which the Plan would be developed. The existing framework had been in place for a number of years and although the number of PI's and Actions had been reduced recently no fundamental changes had been made in terms of the outcomes themselves. As a result the Council Plan is a large and fairly complex document meaning it is difficult to clearly ascertain what our key priority areas, and how we are performing against those priorities. Following on from the Hartlepool of the Future work undertaken by CMT, it was proposed that we put in place a new framework that reflects our priorities and clearly sets out our approach to realising our vision of where we want Hartlepool to be.

It was proposed that the new outcome framework would form part of the broader vision for Hartlepool in terms of what we want Hartlepool to be, what that actually means and how we would know if we were succeeding; the proposed framework for this was set in appendix 1 to the report. Appendix 2 to the report set out the new proposed outcome framework alongside the existing outcome framework to enable comparison.

The Chair commented that there was a need to re-look at some of the narrative in Appendix 1 to make it more relevant to the public.

Decision

1. That the proposed outcome framework for 2017/18 be approved subject to a review of the narrative in Appendix 1, 'Proposed Performance Framework', to make it more relevant to the public.

2. That the proposed timetable for the service planning process be approved.

17. Provision for Adults with Additional Needs at Catcote Futures *(Director of Child and Adult Services and Director of Regeneration and Neighbourhoods)*

Type of decision

Key Decision (test (ii)) Forward Plan Reference No. CAS052/16.

Purpose of report

To provide Members with an overview of the need to support children and young people with autistic spectrum disorders (ASD) in Hartlepool.

To seek approval to assign the lease of Warren Road Day Centre to Hartlepool Aspire Trust, hereinafter referred to as 'Cadcote Academy'.

Issue(s) for consideration

The Director of Regeneration and Neighbourhoods reported that the needs of adults (18 years-old plus) in Hartlepool with ASD were met through a range of local providers and provisions, including Hartlepool's Centre for Independent Living (CIL). A very small number of adults were also supported by Cadcote Academy through their provision called Cadcote Futures.

Cadcote Academy provides care and support for children and young people aged 11-19 years-old. However, the number of places in the academy would not be enough to cope with future demand for places. There were a growing number of children reaching adulthood with Autism. The Autism Act 2009 places a duty on Councils to ensure adequate provision was in place to meet local demand. Current estimates from the Hartlepool Joint Strategic Needs Assessment (JSNA 2015) showed that about 20% of adults and 35% of children with ASD were known to the local authority in Hartlepool.

The provision at Warren Road had previously been given accreditation by the National Autistic Society (NAS) to meet the needs of adults in Hartlepool with ASD. The provision had specialist facilities to support adults to become independent citizens. Services from Warren Road would cease following the opening of the new Centre for Independent Living. There are no current plans for the use of this site or these facilities.

Various options for the future of Warren Road had been considered but it was considered that assigning the lease to Cadcote Academy would provide a suitable space for the provision of their service for which demand exists in the town but also negated the Council's ongoing liability for the rent, rates

and repairs. Details of the proposed terms of the lease were set out in a confidential appendix to the report.

It was also proposed that a concordat be agreed with Catcote Academy regarding the use of Warren Road for the academy's post-19 learners to ensure that there was no duplication of current Council provision such as those delivered at the CIL, for example. The proposed concordat was set out in a confidential appendix to the report.

A Member questioned what services would be provided to the young people that attended Catcote Futures beyond the age of 19; would services be linked into youth employment initiatives similar to those provided for other 19 year olds. The Assistant Director, Education, Learning and Skills 0-19 commented that the services both through Catcote Futures and the CIL were aimed at encouraging and developing the young people to be able to independent; potentially living independently in the future or in supported accommodation. Part of this process would include exploring all the opportunities available and workers would work with employers and training providers as appropriate.

Decision

1. That approval be given to the assignment of the lease of Warren Road to Catcote Academy on the terms set out in Confidential Appendix 3 to the report. The appendix 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).
2. That approval be given to the implementation of the concordat set out in Confidential Appendix 3 to the report. The appendix 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. The Director of Regeneration and Neighbourhoods to be authorised to put in place appropriate security measures to cover any period of vacancy between vacation by the Council and TEWV and disposal of the property.

18. Substance Misuse Treatment Support Delivery Options Appraisal *(Director of Public Health)*

Type of decision

Key Decision test (i) and (ii) applies - Forward Plan Reference No PH03/16.

Purpose of report

To seek approval from the Finance and Policy Committee, to secure a Substance Misuse Treatment Service and associated support, to be funded through the ring fenced Public Health Grant to commence from 1st April 2017.

The report outlined 3 options for consideration to secure services and support including:

- Alignment of existing services.
- In house option for the provision of recovery support complemented by a commissioned specialist clinical prescribing service.
- Extension of existing contracts with existing providers.

The option of decommissioning of all services was considered and discounted. This was due to the potential serious negative impact the decommissioning of treatment services would have, on the circa 1000 individuals who are currently in treatment, their families and the community as a whole.

Issue(s) for consideration

The Director of Public Health set out the background to drug and alcohol abuse and the evidence base of misuse and the current prevention, treatment and recovery interventions available in Hartlepool.

Hartlepool Borough Council currently commissioned a specialist substance misuse prescribing service and substance misuse recovery support service for both adults and young people. These services were funded through the public health grant. These services were currently managed under two separate Public Health contracts and were delivered by two individual service providers, Addaction and Lifeline.

The contract values of the service provision prior to review was set out in confidential Appendix 2 which also outlined the cost and savings projections of each option and contained 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).

Currently both contracts were due to expire at the end of March 2017, therefore, there was an opportunity, through review, to realise further efficiencies while developing a sustainable substance misuse treatment services for the future.

The performance in relation to substance misuse services was well managed through the National Drug Treatment Data System (NDTMS).

Whilst successful treatment completions had reduced slightly, re-presentation rates for those who had successfully completed treatment had seen a significant improvement on the previous year. Opiate representations had fallen from 36.7% to 10.5% and non opiates had fallen from 15.4% to 5%.

This showed that although there were fewer people exiting treatment in a successful manner, those that do were far less likely to return to drug treatment services, leading to a much greater long term impact on Hartlepool's drug taking population and their families.

During recent consultation with service users and partner agencies, it was identified that there existed a perceived gap in relation to substance misuse service delivery, mental health services and specialist social care services. These are pressurised areas for which limited resources are available. Investment in these key areas would, therefore, improve effectiveness and reduce pressure on mainstream specialist service provision.

Taking account of the recommendations within the Advisory Council on the Misuse of Drugs (ACMD) report, local considerations, consultation feedback and acknowledging the need for further efficiencies due to budget constraints, the following options for the future provision of service had been identified.

- Option A - Alignment of existing services
- Option B - In house option for the provision of recovery support complemented by a commissioned specialist clinical prescribing service
- Option C - Extension of existing contracts with existing providers

The table of confidential Appendix 2 to the report outlined the cost and savings projections for each option and contained 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 Director stated that based on the detailed analysis of the options, as reported, the most cost effective option was Option B and it was this option that was recommended to the Committee.

Decision

That Option B – in house option for the provision of recovery support complemented by a commissioned specialist clinical prescribing service – be approved as the preferred option for future service delivery of the substance misuse service.

19. **Elwick By-Pass and Grade Separated Junction - Funding Proposals** *(Director of Regeneration and Neighbourhoods)*

Type of decision

Key Decision (test (i)) Forward Plan Reference No RN12/16.

Purpose of report

The purpose of the report was to seek approval to:-

- (i) accept the Growing Places Fund Loan to fund the feasibility study;
- (ii) bid for potential funding for the construction of a by-pass and grade separated junction at Elwick village;
- (iii) accept such funding if successful on the basis of repayment through developer contributions from those developments directly benefitting from the works.

Issue(s) for consideration

The Director of Regeneration and Neighbourhoods reported that one of the key proposals within the recently approved Hartlepool Local Plan Preferred Options Consultation Document was for a bypass to the north of Elwick Village and the construction of a new grade separated junction on the A19 at the northern Elwick entrance.

Committee's approval was sought for the submission of an early bid for Local Growth Funding (LGF) for circa £18 million to fund the major works. This funding would be a repayable grant and as such was provided on the basis that the money would be repaid when development commences. S106 agreements were expected to be put in place to generate the income to repay the grant over a 15 year period. The funding would enable the early implementation of the works, and unlock the development potential required in accordance with the Hartlepool Local Plan Preferred Options Consultation Document.

A Strategic Outline Business Case was in the process of being prepared to demonstrate the deliverability of the scheme. The cost of this (circa £20,000) was being funded from existing Local Transport Plan (LTP) and Planning budgets.

An application had been submitted for a Growing Places Fund loan for £600,000. This would enable a full business case to be prepared including detailed designs to be undertaken, and the purchase of any land, necessary to accommodate both pieces of highway infrastructure to be made. A full business case was required to provide the necessary due diligence information required to secure additional funding. This application had recently approved by the Tees Valley Combined Authority Board and, subject to approval by Members; Officers would work with the Combined Authority to agree the terms of the Growing Places Fund loan. This funding

was again a repayable grant and was expected to be repaid from developer contributions from developments directly benefiting from the work.

Local Growth Fund 3 programme-level bids, rather than scheme-based bids, were now being sought for the third round of the Local Growth Fund, which nationally was worth £1.8bn. Most of this funding would be released from 2018 and was subject to a competitive bidding process, with no area entitled to a particular share of the funding. The scheme could form part of the Tees Valley programme-level bid.

The Director also sought the Committee's approval to apply to other potential funding sources such as:

- Highways England Growth and Housing Fund
- Growing Places Fund
- Homes and Communities Agency Funding (Home Building Fund)

A Member questioned if the intention of the scheme was to provide access to additional development at Wynyard. The Director stated that the scheme would not provide any access to Wynyard and was to provide a grade separated junction by-passing Elwick village to enable development at the northwestern areas of Hartlepool..

Decision

1. That the acceptance of the successful bid for £600,000 through the Growing Places Fund, for the business case, advanced design works and land acquisition be approved.
2. That the submission of further bids to the Local Growth Fund and other funding pots for the remainder of the funding required to construct a grade separated junction and by-pass road at Elwick Village be approved, and that a further report be submitted before the Council was contractually committed to the main scheme.
3. That approval be given to underwriting the applications for the external interest free loan of £600,000, from either a future years managed under spend, or the un-earmarked General Fund Reserve – which would then need to be repaid - and to include this proposal in the Medium Term Financial Strategy proposals to be referred to Council.

20. Disposal of Surplus Assets – Land at Seaton Lane (*Director of Regeneration and Neighbourhoods*)

Type of decision

Key – test (i) applies Forward Plan Reference No. RN 13/09.

Purpose of report

To seek approval for the sale of land at Seaton Lane.

Issue(s) for consideration

The Director of Regeneration and Neighbourhoods reported that Brenda Rd Developments Ltd had obtained outline planning permission for the construction of a major care village development comprising a residential 70 bed care home, 300 residential apartments with care for persons aged 55 and over, 50 residential apartments, 80 key worker apartments, 80 homes, a community centre, retail units, workshops and offices together with parking spaces, and a bandstand. The plans also included areas of landscaping and open space.

The planning permission granted included the Council owned land shown on the plan at Appendix 1 to the report. On the basis of the layout provided for the outline planning permission, the currently Council owned land would be used to provide landscaping and open space areas.

Following negotiations with the developer's agent, terms had been agreed for the sale of the Council owned land to the developer on the basis outlined in confidential Appendix 2 to the report. The appendix contained 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).

A Member questioned if the valuation for the land detailed in the confidential appendix reflected market value for the land. The Estates and Regeneration Manager stated that the valuation did reflect market value for the land considering its position and potential alternative uses.

Decision

That approval be given to the sale in the terms outlined in Confidential Appendix 2 to the report. The appendix contained 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).

21. Leased Estate Policy (*Director of Regeneration and Neighbourhoods*)**Type of decision**

Key Test (1) applies- Forward Plan Reference RN 18/16.

Purpose of report

The purpose of the report was to propose adoption of a leased estate policy that sets out the principles for the Council to work to in order to maximise income from its leased estate.

Issue(s) for consideration

The report was deferred at the meeting.

Decision

That consideration of this matter be deferred to a future meeting.

22. Jacksons Landing Demolition (*Director of Regeneration and Neighbourhoods*)**Type of decision**

Non Key Decision.

Purpose of report

To seek approval to demolish Jacksons Landing subsequent to the “We are Family” music festival on 10 September, 2016 and to seek Council approval to allocate funding for the demolition costs.

Issue(s) for consideration

The Director of Regeneration and Neighbourhoods reported that the Regeneration Services Committee had considered a report at its meeting on 22 July 2016 relating to a proposal to demolish the Jackson’s Landing building. Members approved the proposal but as there was currently no budget provision allocated to fund the demolition costs for Jacksons Landing Regeneration Services Committee referred the funding proposal to this Committee to seek Council approval to allocate £40,000 to fund the costs from the resources previously allocated to cash back the potential repayment of the interest free loan if the sale proceeds did not cover the repayment costs. This funding proposal would reduce the cash backing for the Jackson’s Landing costs from 83% to 81%.

The Chair commented that he would not wish to recommend to Council reducing the cash backing of the Jackson’s Landing costs and proposed that the demolition costs be met from the 2016/17 managed outturn and that this be reflected in the MTFs report to Council in September. This proposal was seconded.

A Member questioned the need to demolish the Jackson’s Landing building and indicated that the Regeneration Services Committee had been informed that no developer had come forward since the Council took ownership of the property wishing to utilise the existing building. The

Director confirmed that as far as she was aware this was the case. The Member also sought confirmation that no works would be commenced until the folk festival at Jackson's Landing had been held and that the final decision on the costs would be taken by full Council. The Chair confirmed that the final decision on the funding would be taken at the meeting of Council on 8 September 2016.

Decision

1. That the funding of £40,000 be approved for the demolition of the existing Jacksons Landing building following the "We are Family" event on 10th September 2016, including retention of the existing concrete floor plate.
2. That the lack of budget provision allocated to fund the demolition costs for Jacksons Landing be noted and that approval, therefore, be sought from Council to allocate £40,000 to fund these costs from the 2016/17 managed outturn.

Councillors Moore and Thompson recorded their votes against the above decision.

23. Lease of Accommodation at New Centre for Independent Living (*Director of Regeneration and Neighbourhoods*)

Type of decision

Non Key Decision.

Purpose of report

To seek approval for the lease out of part of the new Centre for Independent Living currently under construction in Burbank Street.

Issue(s) for consideration

The Director of Regeneration and Neighbourhoods reported that, as Members were aware, the Council was currently building a new Centre for Independent Living (CIL) in Burbank Street on a site adjoining the existing centre, also known as the Havelock Centre. The new facility would replace the Havelock Centre and Warren Road Day Centre as well as other premises that have been leased by the Council on a short term basis.

Part of the Warren Road site was currently let to Tees Esk and Wear Valley NHS Trust (TEWV). The Trust work with the Council's services at Warren Road and in order to maintain this arrangement the Trust has agreed to re-locate to the new CIL. It was, therefore, proposed to grant a lease to the Trust of part of the first floor of the new CIL. The Trust would also formally surrender their existing lease. The terms agreed were outlined in

Confidential Appendix 2 to the report. The appendix contained 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 proposal was supported unanimously by the Committee.

Decision

That the termination of the existing TEWV lease and the grant of the new lease to the Trust at the new CIL be approved.

24. Hartfields Manor Lease: Day Opportunity Provision for Older People *(Director of Regeneration and Neighbourhoods and Director of Child and Adults)*

Type of decision

Non Key Decision.

Purpose of report

To seek approval to grant a lease for occupation of the space allocated for day opportunities at Hartfields Manor.

Issue(s) for consideration

The Director of Regeneration and Neighbourhoods reported that the Council leases space in the Hartfields Manor extra care housing scheme from the Joseph Rowntree Trust. The first floor area was used as offices and was shared with the NHS. The ground floor provided space for a day opportunity service. The lease was for a term of 15 years from 1 September 2008. When the space was first taken, the ground floor was let on licence to Blakelock Day Care Co-operative, who provided day services for older people under a contract with the Council.

In October 2014, the contract with Blakelock Day Care Co-operative was terminated and the Council's Child and Adult Services department supported people directly until the end of September 2015. From 1 October 2015, a new care contract was awarded to Hartlepool Care Services Ltd following a full tendering process. The contract included provision of a range of services, one of which is to provide day opportunities to support older people.

Under the terms of the contract, it was agreed that the service would continue to be based at Hartfields Manor for at least the first six months of the three year contract, but that thereafter it could be re-located elsewhere if Hartlepool Care Services could find other suitable accommodation in a more central and accessible location.

The provider has been unable to access alternative suitable accommodation and it had been agreed with Adult Services that the service should continue to operate from the space at Hartfields. The lease would be linked to the provision of the day opportunity service, should the service cease at any time in accordance with the contractual arrangements with Adult Services the lease will terminate. Details of the proposed lease were set out in Confidential Appendix 2 to the report. The appendix contained 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 proposal was supported unanimously by the Committee.

Decision

That the proposed letting on the terms detailed in Confidential Appendix 2 to the report be approved. The appendix contained 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) in order to ensure the continued delivery of day services for older people.

25. Update on Community Defibrillator Programme and Proposals for Future Development *(Director of Public Health)*

Type of decision

Non Key Decision.

Purpose of report

To update members on the progress of installing defibrillator ('defib') units at key locations across Hartlepool and the subsequent mapping exercise to identify any gaps.

To seek member approval to further develop the scheme in partnership with the Defibs4Hartlepool charity group by investing further Public Health resources into the initiative.

Issue(s) for consideration

The Director of Public Health reported that previous Public Health funding had provided 8 defib units plus spare equipment, and 5 external storage cabinets in key areas, which allowed the defibs to be accessed 24/7 by the community in an emergency (known as 'cPAD' or community public access

defibrillator sites). A mapping exercise had taken place with the North East Ambulance Service (NEAS) to register the new defib locations with the emergency services. Further 'static' defib units (which are only accessible when buildings are open) have also been identified and these were listed in the report.

It was proposed that a further £10,000 be sought from Public Health resources to provide defibrillator units at other key locations in community and workplace settings in addition to those reported. Locations would be chosen on a needs basis in consultation with NEAS, elected members and the wider community, considering ambulance response times, demographics of the area, football etc.

Requests had already been received for a cPAD defibrillator at the Fisherman's Arms pub at the Headland and Throston Grange Primary School via the Defibs 4 Hartlepool group. If further Public Health resources were approved these requests and further requests could be considered for funding.

Councillor Thompson reported that utilising Seaton Ward Councillors ward budgets, a defib unit had been installed at Seaton Football Club and was registered with NEAS. The Councillor suggested the location of a further unit on Seaton seafront be discussed further with the Director.

Decision

That £10,000 is identified from the Public Health to meet the costs of the additional defibrillator units and ongoing maintenance, as sites are identified.

26. Irrecoverable Debts – Council Tax and Business Rates *(Chief Finance Officer)*

Type of decision

Non Key Decision.

Purpose of report

To seek Members approval to write-out a number of Council Tax and Business Rates debts which are now considered to be irrecoverable.

Issue(s) for consideration

The Chief Finance Officer reported on a series of debts in relation to Council Tax and Business rates that had been identified as irrecoverable following a range of recovery actions. It was highlighted that the Council had pursued robust recovery action in relation to these debts, however these amounts were now deemed to be irrecoverable for the reasons detailed in the report.

The proposed business rates write outs reported amounted to £60,146.46, of which £32,271.71 would be charged against the Central Government National Non Domestic Rates Pool bad debt provision or would be borne by Central Government under the Business Rates Retention System and thereby would have no financial impact on the Council.

The total amount of Council Tax write amounted to £27,424.29 and were set out in appendices to the report, as follows:

Appendix A – C Tax Deceased Debts- £2,260.55

Appendix B – C Tax Absconder Debts - £7,566.68

Appendix C – C Tax Bankrupt / Debt Relief Order Debts - £12,670.39

Appendix D – C Tax Miscellaneous- £4,926.67

Appendix E – Business Rates Liquidation / Dissolved Company Debt - £60,146.46.

Appendices A, B, C and D contained exempt information under Schedule 12A Local Government Act 1972 (as amended by the Local Government (Access to Information) (Variation) Order 2006) namely (para3), information relating to the financial or business affairs of any particular person (including the authority holding that information).

Members raised concerns that it appeared that some individuals were using the law relating to bankrupt businesses to avoid paying business rates and appeared to be cyclically starting businesses often in the same location and with similar trading names and then going into liquidation. The Councillor suggested that some form of action should be taken against such individuals such as seeking to have them disbarred from being a company director. The Chief Finance Officer stated that, regrettably, there was little the Council could do in such cases as any residual assets would be called upon first by HMRC, who often did not recoup all of their outstanding debt. The Chief Solicitor commented that the issue of seeking the disbarment of such company directors was not within the legal powers of councils. However, the Chief Solicitor commented that new provisions introduced under the Small Business, Enterprise and Employment Act, 2015, which concentrated on greater transparency and more pragmatic approaches to proceeding to disqualify a person who is considered 'unfit' to hold such a position may provide such a means for the Council refer such cases to the relevant authorities for consideration.

The Chief Finance Officer assured Members that officers did exhaust all possible means of recovering debts before proposing any write off. Action was taken at the earliest opportunity and all appropriate means, such as using bailiffs, were used to recover outstanding debt.

Decision

1. That approval be given to the write-out of irrecoverable Council Tax of £27,424.29 and Business Rates debts to the value of £60,146.46

and that it was noted that £32,271.71 of this Business Rates write out would be the responsibility of Central Government which would have no financial impact on Hartlepool.

2. That the Chief Finance Officer and Chief Solicitor examine any potential means of referring serial business rate payers who default on business rates liabilities to the relevant authorities to seek their disbarment from being a company director.

27. Housing Schemes Evaluation *(Director of Regeneration and Neighbourhoods and Chief Finance Officer)*

Type of decision

None – for information only.

Purpose of report

The purposes of the report were:

- (i) To update Members on the progress to date in relation to the social housing schemes completed by the Council since 2010;
- (ii) To evaluate how these schemes have performed compared to the original business case planning assumptions;
- (iii) To provide an update on the implications of recent Government Policy Changes and the requirement to re-open the Housing Revenue Account (HRA).

Issue(s) for consideration

The Director of Regeneration and Neighbourhoods indicated that the report demonstrated that the Council has successfully delivered this scheme on budget and secured significant grant funding from the Homes and Communities Agency.

The Director reported that in 2010 the Council took advantage of a change in funding regimes and successfully applied for Social Housing Grant to partly fund the provision of new housing, which resulted in the construction of 82 new homes. The Council was successful in achieving lower than expected borrowing costs for this development, and this benefit helped to create a 'subsidy' which it was agreed would be reinvested to acquire additional housing stock.

This led to the development of the Empty Properties Purchasing scheme and further grant funding was obtained from the DCLG at an attractive rate of 50%. This resulted in the acquisition and renovation of 100 properties. The Council was successful in achieving this and was able to carry out the majority of the renovation work in house.

In addition to these schemes the Council had also increased its portfolio of

new build properties by acquiring 21 new bungalows on the former Raby Road Housing Market Renewal site and 3 new build discounted affordable homes on the Tanfield site. These were financed by a combination of Homes and Communities Agency (HCA) funding, Section 106 Developer Contributions and borrowing funded from ongoing rental income.

The Council was now embarking on the second phase of Empty Homes, which would result in a further 60 properties being acquired by March 2018. This was being funded from a combination of HCA Grant, Section 106 Developer Contributions and Prudential Borrowing to be repaid from ongoing rental income.

The Council initially contracted with Housing Hartlepool to manage the initial housing stock. However, as the stock increased it became financially viable for the Council to undertake management of all of its housing stock. This has helped to improve the quality of service to tenants, improved key areas of performance such as rent collection, letting of voids and repairs response times. It has also enabled the Council to achieve significant ongoing budget savings of £100,000 as a result of using existing staff to carry out the functions and provide opportunities for income generation from the creation of a Social Lettings Agency using the same staff and systems.

The report included a detailed evaluation of the schemes completed since 2010.

The Director highlighted, however, that despite the Council's initial success, the Government had now introduced measures which would have an adverse impact on the long term financial viability of the social housing sector; these were:

- Rent Cut - an annual rent cut of 1% and removal of the inflation index for rent setting. This change was part of the Government's measure to reduce Welfare Spending as rent increases impacted on Housing Benefit costs.
- Right to Buy - changes to the 'Right to Buy' including increasing discounts up to 70%.
- High Value Void Levy - the proposed introduction of a 'High Value Void Levy'.

The Director reported that in addition to the new measures introduced by Government, as set out above, the model would also be affected by the requirement for the Council to re-open the Housing Revenue Account (HRA). The HRA was a ring-fenced account with a prescribed accounting framework and specific regulations.

The main HRA changes involved:-

- Borrowing – new borrowing has been limited by the imposition of a borrowing cap.
- Management and Administration Costs – the HRA is required to bear

- the true cost of any services used.
- Accounting for Repairs and Maintenance – the level of future expenditure required on Major Repairs was now determined by the Depreciation charge.

The Director indicated that the robust approach taken to the initial business case enable the Council to manage these issues for this project. However, the Director also indicated that the ability to meet the Council's aspirations for new housing within the HRA framework was now limited by the ring fencing of resources and Government imposed limit on borrowing. The available resources for new housing investment consist of the following:

- The current borrowing headroom after funding Empty Properties Phase 2 is £390,000.
- The Right to Buy Receipts from Housing Hartlepool, which include £203,000 received in 2015/16 and any future receipts, which are expected to be a similar level in the current year – less any cost associated with the High Value Void Levy.
- Future funding from section 106.

It was, therefore, recommended that the next MTFS include proposals to earmark the above to fund new housing development in the future. In particular for any match funding opportunities that may arise in the future – such as the availability of new HCA grants and RTB replacement units.

Clarification of the HRA regime demonstrated that there was only limited opportunity to expand the HRA. Therefore, officers were currently exploring alternative vehicles for delivery, such as a 'wholly Owned Company' and would report the finding to members later in the year. The interim Project Manager for Regeneration was currently reviewing whether there may be a business case for establishing a Council-Owned Development Company that could intervene directly to stimulate housing growth and regeneration. It was expected that this review would be concluded shortly and its conclusions and recommendations reported to Committee in early autumn.

Members welcomed the report and the success of the Council's housing schemes. Members commented that there was a lack of new bungalows in new housing developments and the inclusion of bungalows in the council's scheme was welcomed. However, it was commented that where there were bungalows in developments, they were often restricted to those over 55 and there was a demand for bungalows from people under that age restriction that was going unmet. It was also suggested that the potential of purchasing some of the vacant properties in the new development adjacent to the Nursery public house should be examined as the properties had remained unoccupied since construction. It was indicated at the meeting that some of the vacant properties near the Nursery public house were to be brought back into use by Place First. The Chair added that the issue of the demand for bungalows was reflected in the draft Local Plan.

Members acknowledged the work that had been undertaken by officers in

the development of the housing schemes and bringing empty properties back into use and wished that their appreciation of the success of these schemes be passed back to those involved.

Decision

1. That the contents of the report are noted;
2. That the successful delivery of a £15.7m investment, which secured £7.4m of grant funding from the Homes and Communities Agency and the provision of 206 homes for rent is noted;
3. That the next MTFS include proposals to earmark the following to fund new housing development in the future:
 - The current borrowing headroom of £390,000.
 - The Right to Buy Receipts from Housing Hartlepool, less any cost associated with the High Value Void Levy
 - Future funding from section 106 affordable housing contributions.
4. That it is noted that the interim Project Manager for Regeneration is currently reviewing whether there may be a business case for establishing a Council-Owned Development Company that could intervene directly to stimulate housing growth and regeneration. It was expected that this review would be concluded shortly and its conclusions and recommendations reported to committee in early autumn.

28. Any Other Items which the Chairman Considers are Urgent

None.

The Committee noted that the next meeting would be held on Monday 5 September, 2016 commencing at 10.00 am in the Civic Centre.

The meeting concluded at 10.55 am.

P J DEVLIN

CHIEF SOLICITOR

PUBLICATION DATE: 2 AUGUST 2016

HEALTH AND WELLBEING BOARD

MINUTES AND DECISION RECORD

29th April 2016

The meeting commenced at 9.30 am in the Civic Centre, Hartlepool

Present:

Councillor C Akers-Belcher, Leader of Council (In the Chair)

Prescribed Members:

Elected Members, Hartlepool Borough Council – Councillors Cranney (as substitute for Councillor Richardson) and Chris Simmons

Representatives of Hartlepool and Stockton-on-Tees Clinical Commissioning Group – Dr Schock and Karen Hawkins (as substitute for Alison Wilson)

Representative of Healthwatch –Margaret Wrenn

Other Members:

Representative of Cleveland Police – Chief Superintendent Gordon Lang (as substitute for Simon Nickless)

Officers: Kelly Bainbridge, Better Care Fund Project Manager
Joan Stevens, Scrutiny Manager
Amanda Whitaker, Democratic Services Team

61. Apologies for Absence

Elected Members, Hartlepool Borough Council – Councillors Carl Richardson and Paul Thompson

Representative of Hartlepool and Stockton-on-Tees Clinical Commissioning Group – Alison Wilson

Director of Child and Adult Services, Hartlepool Borough Council – Sally Robinson

Director of Public Health, Hartlepool Borough Council - Louise Wallace

Chief Executive, Hartlepool Borough Council – Gill Alexander

Representative of Hartlepool Voluntary and Community Sector – Tracy Woodhall

Representative of Cleveland Police – Simon Nickless

Representative of Healthwatch - Ruby Marshall

Representative of Tees Esk and Wear Valley NHS Trust – David Brown

62. Declarations of interest by Members

None

63. Minutes

The minutes of the meeting held on 14 March 2016 were confirmed.

64. Better Care Fund Plan *(Director of Child and Adult Services)*

The Better Care Fund Plan for 2016/17 was presented to the Board for approval. Guidance had been published on 23 February 2016 regarding Better Care Fund Planning Requirements for 2016/17. The guidance set out eight conditions which local areas needed to meet as detailed in the report.

Also presented were the following planning requirements together with the timetable for submissions:-

- A jointly agreed narrative plan including details of how national conditions are being addressed;
- Confirmed funding contributions from each partner organisation including arrangements in relation to funding within the BCF for specific purposes;
- A scheme level spending plan demonstrating how the fund will be spent;
- Quarterly plan figures for the national metrics.

It was noted that the Plan for 2016/17 had been developed by the Council and the CCG with input from providers and built on the priorities agreed in the 2015/16 plan. The BCF Plan narrative document for 2016/17 was appended to the report. The planning template that supported the narrative plan set out in further detail the specific funding requirements; expenditure plan for 2016/17 and target setting for metrics. The BCF Planning Template for 2016/17 was appended to the report.

Board Members were advised that there was a requirement in 2015/16 for quarterly performance reports to be signed off by the Health and Wellbeing Board and submitted to the Department of Health, with the Q4 return for 2015/16 due to be submitted by 27 May 2016. This reporting requirement would continue for 2016/17 but dates for quarterly returns to be submitted had not been issued.

It was noted that the BCF Pooled Budget had been fully committed in 2015/16 with slippage used to support one off pressures in adult social care and Disabled Facilities Grants. Plans had been agreed that fully committed the budget for 2016/17 and the budget would continue to be monitored throughout the year through the Pooled Budget Partnership Board. There was a requirement to have a signed s75 Partnership Agreement in place by 30 June 2016.

The Better Care Fund Project Manager and the Associate Director of Commissioning and Delivery responded to questions arising from the report. It was recognised that there was a necessity for the Plan to accord with the

concept of bespoke community hubs. Discussion followed on issues associated with social isolation and the role of GPs in ensuring connectivity with other agencies and health professionals. The Board was assured that the Better Care Fund Plan aimed to bring together other plans and a proactive approach was envisaged. An allocation to care co-ordination would be in place this year in GP practices and would link to early intervention services, although it was recognised that not all access was through GPs.

Board Members highlighted staffing issues and difficulties associated with the recruitment of nurses. A number of areas were identified in relation to addressing recruitment issues, although it was recognised that not all those issues could be addressed through the Better Care Fund Plan. Reference was made to the operation of a 6 day model of working and the Chair of the Board advised that the Finance and Policy Committee had agreed to locate social workers at hospital based on a 7 day business case model. The Chair highlighted that the change to the model had not been reported to Finance and Policy Committee. The Board was advised that the decision had been made by Pooled Budget Partnership Board. However, the Chair advised that there had been a charge against the Local Authority budget. It was considered that an update report should have been submitted to Committee in relation to arrangements which it was recognised were outside the remit of the Better Care Fund.

The Chair sought clarification regarding a proposal to 'means test' telehealth and telecare services and how that would accord with the Better Care Fund. Whilst endorsing the Better Care Fund Plan, it was requested that a report be submitted to the Board on the impact of the Fund. The Board was advised that it would be necessary to set performance measures and outcomes. Stockton Borough Council had recently been successful in a bid relating to funding impact and that work would be linked to Hartlepool. A Working group had been convened to determine reporting and performance measures to determine outcomes delivered by services and a model was being worked up.

The Chair requested that for each scheme funded through the Better Care Fund monies, there was a clear overview and review of each service to identify the outcomes that would be delivered. The Chair requested that this be provided in the future alongside the performance reports to the Board.

In response to clarification sought from an Elected Member, the representative of Cleveland Police acknowledged that it was essential for Partners to work together and advised the Board of a number of preventative initiatives which had been introduced including Cleveland Connected.

Decision

- (i) The Board approved the 2016/17 BCF Plan and agreed to receive quarterly updates throughout the year.

- (ii) It was agreed that a report be submitted to the Board detailing the impact of the Better Care Fund.

Meeting concluded at 10.20 a.m.

CHAIR

SAFER HARTLEPOOL PARTNERSHIP MINUTES AND DECISION RECORD

17 June 2016

The meeting commenced at 10 a.m. in the Civic Centre, Hartlepool

Present:

Councillor Christopher Akers-Belcher (In the Chair)
Councillor Marjorie James
Denise Ogden, Director of Regeneration and Neighbourhoods
Clare Clark, Head of Community Safety and Engagement
Louise Wallace, Director of Public Health
Steve Johnson, District Manager, Cleveland Fire Brigade
John Bentley, Voluntary and Community Sector Representative, Safe in Tees Valley

Inspector Mal Suggitt was in attendance as substitute for Chief Inspector Lynn Beeston and Chief Superintendent Gordon Lang, Rachelle Kipling as substitute for Barry Coppinger and Gilly Marshall as substitute for Stewart Tagg.

Also present: David Mead, Victim Care and Advice Service, Cleveland and Durham

Officers: Lisa Olroyd, Community Safety Research and Development Co-ordinator
Rachel Parker, Community Safety Research Officer
Amanda Whitaker, Democratic Services Team.

Prior to the commencement of business, the Chair referred in terms of regret to the recent tragic death of Jo Cox MP. Partnership Members stood in silence as a mark of respect.

1. Apologies for Absence

Apologies for absence were submitted on behalf of Chief Inspector Lynn Beeston, Chair of Youth Offending Board, Chief Superintendent Gordon Lang, Cleveland Police, Barry Coppinger, Police and Crime Commissioner for Cleveland, Stewart Tagg, Housing Hartlepool, Julie Allan, National Probation Service, Sally Robinson, Director of Child and Adult Services, Hartlepool Borough Council

2. Declarations of Interest

None

3. Minutes

The minutes of the meeting held on 11 March 2016 were confirmed.

Further to minute 55 relating to a request that all funding stream options be explored for the Taxi Marshalling Scheme, the Council's Head of Community Safety and Engagement advised the Board that donations of £1000 had been contributed by both the Office of Police and Crime Commissioner for Cleveland and the Clinical Commissioning Group.

Further to minute 55 with reference to Early Morning Restriction Orders, the Head of Community Safety and Engagement advised the Partnership that following analysis, it was suggested that the Partnership pursues an alternative night time economy option that builds on existing national and local good practice.

4. Domestic Abuse Strategy 2016-19 *(Director of Regeneration and Neighbourhoods)*

Purpose of report

To seek approval from the Safer Hartlepool Partnership on the first draft of the Domestic Abuse Strategy 2016-19 and proposed consultation process.

Issue(s) for consideration

The report set out how the first draft of Domestic Abuse Strategy 2016-19 had been developed and the proposed consultation process. The development of the Strategy had been overseen by the Safer Hartlepool Partnership Domestic Violence & Abuse Task Group. Using a wide range of quantitative and qualitative data sources from Cleveland Police, Hartlepool Borough Council Child & Adult Services, Safe Lives, Hartlepool Borough Council Public Health, Harbour Support Services, North Tees & Hartlepool NHS Foundation Trust and local consultation exercises; a local needs assessment had been undertaken to ascertain the extent of domestic violence and abuse in Hartlepool and understand the impact it had on those affected by this issue, key findings would be presented to the Partnership in September.

The Partnership was advised by way of a presentation by the Council's Community Safety Research and Development Co-ordinator of the key findings from the needs assessment which had been used to inform the

development of the strategy, appended to the report, including the identification of proposed strategic objectives, which were set out in the report. Subject to approval by the Partnership, the draft Domestic Abuse Strategy would be subject to an eight week consultation period with the consultation exercise. It was anticipated that the finalised strategy would be presented to the Partnership in September 2016.

Partnership Members debated issues arising from consideration of the Strategy and the Community Research and Development Team Co-ordinator provided clarification on aspects of the data presented. Improvements were noted in relation to early intervention and support for children who had witnessed domestic abuse. Concerns were expressed regarding the implications for children who were family members but had not necessarily witnessed domestic abuse.

The implications of universal credit were highlighted. The Chair proposed that the Strategy should include reference to the Financial Inclusion Partnership and that consideration be given also to the inclusion of a representative from the Financial Inclusion Partnership as an additional member on the Domestic Abuse Strategic Group.

Decision

- (i) That subject to consideration of the issues raised by Partnership Members at the meeting, the Partnership approved the first draft of the Domestic Abuse Strategy 2016-19 as a first step in the consultation process.
- (ii) It was agreed that an invite be extended to key stakeholders to an event to consider the results of the consultation in the development of the strategy and its first year action plan, alongside an opportunity to shape the scope of the domestic abuse service to be commissioned in early 2017.
- (iii) That concerns expressed regarding early intervention and support implications for children who were family members but had not necessarily witnessed domestic abuse be given further consideration.
- (iv) It was agreed that the Strategy should include reference to the Financial Inclusion Partnership and that consideration be given also to the inclusion of a representative from the Financial Inclusion Partnership as an additional member on the Domestic Abuse Strategic Group.

5. Victim Care and Advocacy Service Presentation

The Partnership received a comprehensive presentation by Dave Mead, Cleveland Team Leader, Victim Care and Advice Service (Cleveland and Durham). Partnership Members were advised that in October 2015 the Cleveland and Durham Police and Crime Commissioners had put the Victim Referral Service out to tender. Following a competitive process Safe in Tees Valley had been successful in their bid to develop and deliver a new Victim Care and Advice Service (VCAS). This change had provided an opportunity to develop a new service to improve levels of victim satisfaction. The presentation provided an outline of the new service in terms of the following:-

- Strategic Aims and Objectives
- Delivery Model
- Referral Process
- Internal Process
- Links with the Police
- Restorative Justice

Mr Mead highlighted opportunities that were available to provide a better service for victims together with the challenges for the transition of the Victim Care and Advice Service. During the presentation, Mr Mead paid tribute to the Council's Victim Services Officer who worked with his organisation.

Following the presentation, Partnership Members discussed issues arising from the presentation. In relation to the Action Fraud initiative, the Director of Public Health suggested that contact be established with the Council's Trading Standards & Licensing Manager. Assurances were provided in relation to vulnerability assessments on those occasions when victims of crime are not visited by the police. In terms of plans for extending victims service, the Partnership received an explanation of the current arrangements and noted that the issue would be considered through the victim strategic planning group. Clarification was sought from the Chairman in relation to communication with victims when perpetrators fail to attend court hearings. It was acknowledged that a more co-ordinated approach was required in relation to services commissioned by different agencies and that discussions were being held nationally.

Decision

The presentation was noted.

6. Safer Hartlepool Partnership Performance *(Director of Regeneration and Neighbourhoods)*

Purpose of report

To provide an overview of Safer Hartlepool Partnership performance for 2015/16.

Issue(s) for consideration

The Community Safety Plan 2014-17 had been published in 2014 and had outlined the Safer Hartlepool Partnership strategic objectives, annual priorities and key performance indicators 2015/16. The report set out an overview of Safer Hartlepool Partnership performance during 2015/16 was provided, comparing end of year performance to the previous year 2014/15, where appropriate.

The Community Safety Research Officer highlighted the salient points included in the report with further explanation provided by the District Manager, Cleveland Fire Brigade. Partnership Members discussed issues arising from the report. It was suggested that it would be beneficial to include, where appropriate, the financial implications associated with the data. Concern was expressed regarding terminology with reference to 'non victim based crime' and 'police generated offences'. The Chair suggested that consideration be given to an alternative descriptor to include in future covering reports, submitted to the Partnership.

Decision

The report was noted.

7. Modern Day Crime Prevention Strategy *(Director of Regeneration and Neighbourhoods)*

Purpose of report

To inform the Safer Hartlepool Partnership of the new Modern Day Crime Prevention Strategy published by the Home Office at the end of March 2016, and to discuss as a Partnership, how local responses to Preventing Crime and Disorder fit with the national direction.

Issue(s) for consideration

The 'Modern Day Crime Prevention Strategy', appended to the report, had been published by the Home Office in March 2016. The strategy recognised that whilst at a national level crime had reduced significantly over the last 20 years due to better preventative action, that the crime prevention challenge had evolved, with growing evidence of child sexual abuse, rape, and domestic violence, and the scale of on-line fraud and cyber crime. Underpinning the effectiveness of the new strategy was the need for strong Partnership working and the use of new technologies to prevent crime with a particular focus on the following six key drivers of crime, details of which were set out in the report. Locally, Partners were each responding to these challenges developing and evolving new ways of working through activities such as the Victims Services and Security Project, the Troubled Families Programme, Operation Encompass, Integrated Offender Management, work to disrupt Organised Crime Groups, and the restructuring of Policing to address demand with a refocus on vulnerable individuals and localities. The Partnership was also developing a new domestic abuse strategy and a substance misuse strategy which would address gaps and incorporate learning from elsewhere to inform local responses to these issues which were crucially important to improving safety in Hartlepool.

Decision

The Partnership noted the report.

8. Any Other Items which the Chairman Considers are Urgent

The Chairman ruled that the following items of business should be considered by the Committee as a matter of urgency in accordance with the provisions of Section 100(B) (4)(b) of the Local Government Act 1972 in order that the matter could be dealt with without delay.

9. Hartlepool Magistrates Court – Video Link

The Partnership was advised that the Police and Crime Commissioner had attended a Harbour service user panel which met at the Hartlepool Refuge. As part of the discussions a concern had been raised about closure of the Hartlepool Magistrates Court. A representative of Harbour had requested whether consideration could be given to exploring a video link to be based at an agreed location in Hartlepool, to assist victims and witnesses in giving evidence.

Decision

The Partnership agreed that the suggestion was worthy of exploration and

that the proposal should be considered in conjunction with future Local Authority commissioning considerations and community hubs work streams. In relation to future commissioning arrangements it was agreed that the Office of the Police and Crime Commissioner would be invited to participate.

The meeting concluded at 11.20 a.m.

CHAIR



Minutes

TEES VALLEY COMBINED AUTHORITY BOARD

Meeting held at The Curve at 11.00am on Monday, 4th April 2016

ATTENDEES

Members

Councillor Sue Jeffrey (Chair)	Leader of Redcar and Cleveland Borough Council	Chair
Councillor Bill Dixon	Leader of Darlington Borough Council	DBC
Councillor Christopher Akers-Belcher	Leader of Hartlepool Council	HBC
Mayor David Budd	Mayor of Middlesbrough Council	MBC
Councillor Bob Cook	Leader of Stockton-on-Tees Borough Council	SBC
Paul Booth	Chair of Tees Valley LEP	LEP

Associate Members

Phil Cook	Member of Tees Valley LEP	LEP
Ian Kinnery	Member of Tees Valley LEP	LEP
Alastair MacColl	Member of Tees Valley LEP	LEP
Nigel Perry	Member of Tees Valley LEP	LEP
David Robinson	Member of Tees Valley LEP	LEP
David Soley	Member of Tees Valley LEP	LEP
Alison Thain	Member of Tees Valley LEP	LEP

Apologies for absence

Paul Croney	Member of Tees Valley LEP	LEP
Naz Parkar	Member of Tees Valley LEP	LEP

Officers

Gill Alexander	Chief Executive of Hartlepool Borough Council	HBC
Peter Bell	Stockton-on-Tees Borough Council	SBC
David Bond	Monitoring Officer (Stockton-on-Tees Borough Council)	SBC
James Bromiley	Redcar and Cleveland Borough Council	R&CBC
Ada Burns	Chief Executive of Darlington Borough Council	DBC
Garry Cummings	Section 151 Officer (Stockton-on-Tees Borough Council)	SBC

Linda Edworthy	TVU	TVU
Nigel Hart	Stockton-on-Tees Borough Council	SBC
Neil Kenley	TVU	TVU
Rob Mitchell	Redcar and Cleveland Borough Council	R&CBC
Mike Robinson	Chief Executive of Middlesbrough Council	MBC
Neil Schneider	Chief Executive of Stockton-on-Tees Borough Council	SBC
Amanda Skelton	Chief Executive of Redcar and Cleveland Borough Council	R&CBC

Action**TVCA CONFIRMATION OF MEMBERSHIP****1/16**

RESOLVED that:-

1. The constituent Tees Valley Council Members appointed to the Tees Valley Combined Authority be noted.
2. The nomination of Paul Booth from the Tees Valley Local Enterprise Partnership be agreed.
3. The Associate Membership of the Tees Valley Combined Authority be agreed.

TVCA APPOINTMENT OF CHAIR**2/16**

RESOLVED that Councillor Sue Jeffrey be appointed Chair for the period up until the date of the 2016 Annual Meeting of the Tees Valley Combined Authority.

TVCA CHAIR'S WELCOME**3/16**

The Chair welcomed everyone to the first meeting of the Tees Valley Combined Authority and outlined the aspirations for the Authority going forward.

TVCA APPOINTMENT OF VICE CHAIR**4/16**

RESOLVED that Councillor David Budd be appointed Vice Chair for the period up until the date of the 2016 Annual Meeting of the Tees Valley Combined Authority.

TVCA ROTATION OF CHAIR OF TEES VALLEY COMBINED AUTHORITY**5/16**

RESOLVED that the position of Chair will be rotated between the 5 Tees Valley Local Authorities.

TVCA TEES VALLEY COMBINED AUTHORITY'S CONSTITUTION**6/16**

RESOLVED that the Tees Valley Combined Authority's Constitution be approved.

TVCA DECLARATIONS OF INTEREST**7/16**

There were no interests declared.

TVCA 8/16 APPOINTMENT OF STATUTORY OFFICERS

RESOLVED that:-

1. The appointment of the Head of Paid Service be deferred to a future meeting.
2. David Bond (Stockton-on-Tees Borough Council) be appointed Monitoring Officer.
3. Garry Cummings (Stockton-on-Tees Borough Council) be appointed Section 151 Officer.

TVCA 9/16 DATE OF THE ANNUAL MEETING

RESOLVED that the date of the Annual Meeting be 7th June 2016 at 10.00am.

TVCA 10/16 MEDIUM TERM FINANCIAL PLAN

Consideration was given to a report that set out the Tees Valley Combined Authority (TVCA) revenue and capital budgets for 2016/17 and presented provisional figures across the medium term.

This was the first formal budget for the TVCA which built upon those budgets inherited from Tees Valley Unlimited (TVU). It also included proposed transport budgets to be transferred from Tees Valley Authorities to the new organisation and information on investment funds available.

The budget was presented based on the organisation and arrangements around the Combined Authority which were linked to the current funding streams and Local Authority contribution levels.

As previously agreed by the Tees Valley Leaders and Mayor, there would be a further staffing review required following the establishment of the Combined Authority and in preparation for the future requirements of the Devolution Deal. A further report would be presented to the Combined Authority Board outlining the financial implications at that time which would need to be considered alongside the funding available.

A table within the report identified the proposed core budgets that were required to operate the CA and were based on the agreement that the running costs of the CA would not increase over and above those agreed for TVU.

The Tees Valley Leaders & Mayors had previously discussed and agreed the need to undertake a review of Management and capacity once details of the Devolution Deal were finalized. Any costs associated with this could be funded from the Core Funding Capacity Grant or a small top-slice to the Investment Funds available from EZ

income, Single Capital Pot, etc.

In line with the agreements in place around the funding of TVU and the constitution of the Combined Authority the contributions required for 2016/17 were outlined within the report. The comparative figures for 2015/16 were also shown. The future level of contributions would need to be considered alongside the review of the structure and use of future Combined Authority Resources.

In December 2015 DCLG confirmed that they would continue to pay £250,000 of core funding and £250,000 Capacity Funding to each LEP for 2016/17. Confirmation of funding for subsequent years was still awaited.

An additional £500,000 would therefore be available on top of the originally approved expenditure plans.

A table within the report identified the estimated funds available and the commitments that had been previously approved by the TVU Leadership Board. In advance of the wider review of the organisational structure, it was recognised that there was a need to appoint a temporary Director of Transport and Infrastructure for a period of two years at an estimated cost of £216,000 and this proposal was agreed in February 2016 through utilising this funding. This would clearly be considered as part of the future review of organisational capacity.

The Tees Valley Combined Authority Order 2016 placed specific transport powers on the TVCA and these costs had to be attributable across the constituent councils by the way of a contribution in such proportions as they agreed. In this instance the apportionment was based on the same proportion each council had budgeted to spend in the year prior to the transfer of functions.

The total net 2016/17 expenditure for transport related specifically to those associated with Concessionary Fares. In 2015/16 the Tees Valley budgets were £16.6m and following negotiations it was anticipated that the costs in 2016/17 would be the same as 2016/17.

At 31 March 2016, the level of balances were expected to be £850,000. TVU Leadership Board had previously earmarked £39,000 to support expenditure in future years as follows:

- a. Marketing & Communications £17,000
- b. Combined Authority Programme Management £17,000
- c. LEP Network £5,000

It was recommended that the Combined Authority endorse these previous approvals.

In line with financial Best Practice and Audit guidelines, there would be a requirement to establish a General Reserve, commonly referred to as General Fund Balances in order to manage any unforeseen events. The overall budget of the new Authority was uncertain going forward and would be largely determined by investment funding. Previously a Reserve had been held to cover redundancy costs etc. It was recommended that the uncommitted Reserve of £811,000 be held as General Fund Balances and that this was considered further in the year when funding levels and associated risks were clarified.

TVU had received a Local Growth Fund Allocation of £96.6m covering 2015/16 – 2019/20. The 2015/16 and 2016/17 allocations of £53m had been confirmed, with the other 3 years being indicative allocations. Schemes totalling £33.84m had been approved and these were shown on the Capital Programme which was attached to the report. A number of additional schemes covering the balance of funding were identified subject to satisfactory diligence.

In 2015 the TV Shadow Combined Authority agreed a Devolution Deal in principle with the Government which would result in the allocation of funding of £450m, based on £15m per year for 30 years, subject to Gateway reviews every five years, and also subject to the appointment of a Mayor. Indications from Government were that this would be incorporated within a Single Capital Pot, together with the balance of the Local Growth Fund and elements of transport funds. Negotiations with Government were still ongoing around the level and certainty of funding and the flexibilities available and further detail would be submitted to the Combined Authority when clarity was ascertained.

There were eight Enterprise Zones within the Tees Valley where it had been agreed that the business rates growth that was generated from these sites were paid over to the Combined Authority for 25 years. The TVU Shadow Combined Authority also approved the use of EZ income to fund the Digital City scheme which was £468,000. It was estimated that this would generate £18m over the next 5 years. Three of the original four locally funded EZ sites would become Government funded from April 2016. 50% of the business rates growth from these three sites would come to the Combined Authority with the remainder going to the relevant Local Authority.

The Growing Places Fund was a revolving loans fund which was allocated by the Government to unlock economic growth by addressing immediate infrastructure constraints. £8.5m was originally awarded by the Government and to date TV Unlimited had allocated approximately £5.3m. At present there were no commitments against the remaining balance and over the next few years loan repayments would begin to be repaid increasing the amount of funds available to invest.

Given that elements of the funding were Revenue, this created the option of prudentially borrowing if the Strategic Economic Plan identified transformational projects and initiatives where early implementation would be beneficial.

The Authority was required to approve a Treasury Management and

Investment Strategy each year. The document set out projections for borrowing and investments, and the guidelines under which Treasury Management officers would operate to ensure the security and liquidity of TVCA's funds.

A number of Treasury Management Indicators and Prudential Indicators were set out to be agreed to enable monitoring of the delivery of this strategy.

The full Treasury Management and Investment Strategy and Prudential Indicators were attached to the report.

RESOLVED that:-

1. The 2016/17 budget and indicative 2017-19 Medium Term Financial Plan outlined in paragraph 2 of the report be approved.
2. The use of £39,000 of the TVU reserve held at 31 March 2016 as outlined at paragraph 10 be approved with the balance of £811,000 being used to create a General Balances Reserve.
3. The use of LEP Core and Capacity Funding outlined in paragraph 7 be approved.
4. The balance of LEP and Core Capacity Funding of £397,000 be held in a separate Reserve to be allocated by the Combined Authority following consultation with LEP Members as part of a future report.
5. The Capital Programme at Appendix A of the report be approved.
6. The previous decision of the Tees Valley Leaders & Mayor to use EZ income to fund Digital City be endorsed and the estimate of resources available for investment be noted.
7. The Treasury Management Strategy, Minimum Revenue Provision Statement and Prudential Indicators, as set out at Appendix B of the report be approved.

TVCA 11/16 TEES VALLEY STRATEGIC TRANSPORT PRIORITIES – PRESENTATION

A presentation was given to Members on Tees Valley Strategic Transport Priorities. The presentation covered the following key areas:-

1. Transformational Growth
2. Independent Economic Review
3. Tees Valley Growth Sectors and Devolution Deal
4. Northern Transport Strategy
5. Darlington Train Station Layout Issues and Vision
6. New Tees Crossing
7. East-West Connectivity

8. Electrification
9. Middlesbrough Train Station
10. Enhancing Local Connectivity

Members were then given the opportunity to ask questions and make comment on the presentation.

RESOLVED that the presentation be received.

TVCA 12/16 INWARD INVESTMENT BY SIRIUS MINERALS PLC - PRESENTATION

A presentation was given to Members by Sirius Minerals PLC. The presentation covered the following key areas:-

1. Project Highlights and Market Demand
2. World's Largest and Highest Grade Polyhalite Reserve
3. The Attractions of Polyhalite
4. Development Plan and Approval Update
5. A New Benchmark in Sustainability
6. Mine Site and Mineral Transport System
7. Materials Handling Facility
8. Materials Handling and Harbour Facilities
9. Greenfield Port Facilities and Harbour Facilities
10. Sirius Minerals Agronomy Programme
11. POLY4 Outperforms Traditional Products
12. Growing Market Demand and Economic Benefits
13. Section 106 Commitments
14. Employing Local People and Local Supply Chain
15. Project Schedule and Next Steps

Members were then given the opportunity to ask questions and make comment on the presentation.

RESOLVED that the presentation be received.

TVCA 13/16 EDUCATION & SKILLS BOARD UPDATE

Consideration was given to a report on progress in dialogue with respective Government Departments, regarding responsibilities to be devolved for Education, Employment and Skills, subject to the Combined Authority finalising the Devolution Deal with Government. It would consider the scope of those responsibilities and the pace of change required to prepare for them.

The report also recommended the appropriate governance structure required to service this broad policy area both in relation to existing activities at the Tees Valley level and those that could be devolved to the area.

In addition to Education Employment and Skills responsibilities already undertaken at a Tees Valley level, the Combined Authority could have

additional responsibilities under the Devolution Deal, subject to the overall Deal being finalised with Government. Listed within the report were those funding / activity areas which Government agreed would benefit from a more localised approach through devolution, together with an update on the latest developments within that process.

It was noted that no formal decision had been taken to devolve the funds and the Combined Authority was not yet being asked to formally take on these responsibilities. A report would be brought to the Combined Authority once the position was clear about the overall Deal and there was a more detailed understanding of the implications both in terms of responsibilities and resource implications for this area of activity.

It was timely to review the governance arrangements for the existing education, employment and skills activities at the Tees Valley level and to prepare for any devolved responsibilities that the Combined Authority agreed to take on. This would need to cover the full range of education, employment and skills responsibilities including those for all ages, abilities and business sectors.

This included the need to understand the resources available, the type and level of provision already offered / needed and to make decisions on what should be procured (using the appropriate procurement guidance). In addition there was a need to review ongoing provider delivery, which would in turn inform future funding decisions.

Members were asked to agree, in principle, to a new Education, Employment and Skills governance structure under the Tees Valley Combined Authority. The proposed structure was attached to the report.

It was not considered appropriate for any of the groups operating under the Local Enterprise Partnership to take on the new TVEES Partnership Board responsibilities as the remit of the new groups would be different, but rather the existing TVU Employment, Learning and Skills Group should be discontinued and the mechanisms used for wider stakeholder / partner engagement be refreshed.

All existing TVU Employment, Learning and Skills Group member agencies would be invited to access wider communications being developed to ensure that all partners, including schools, providers and employers, continue to be aware of and included in developments in so far as they affect Tees Valley. Some members might be included in the new Education, Employment and Skills Partnership Board or within task and finish groups as appropriate.

If agreed, terms of reference for the new TVEES Partnership Board and the supporting arrangements would be developed around three key themes:

- Development and delivery of a shared and coherent Education, Employment and Skills Strategy for the Tees Valley.
- Monitoring the delivery of that Strategy.
- Leading on the wider engagement programme.

It would be important for the TVEES Partnership Board to have a senior level of membership in order to provide the appropriate levels of

responsibility, experience and breadth of skills necessary to ensure that it could take key decisions on behalf of the Combined Authority. A detailed membership list for each group would be developed as part of the terms of reference exercise. Full terms of reference and membership would be further developed under the broad headings identified above.

The detailed Terms of Reference for the proposed governance arrangements, including proposed membership would be developed and brought to the Combined Authority for consideration in due course.

RESOLVED that the following proposals be agreed in principle:-

1. An appropriate Education, Employment and Skills governance structure be developed for the Combined Authority to include:
 - Formation of a new Tees Valley Education, Employment and Skills (TVEES) Partnership Board.
 - Formation of a new TVEES Joint Commissioning Group to undertake Education, Employment and Skills related appropriate commissioning activity on behalf of the Combined Authority.
2. The existing Tees Valley Unlimited Employment and Skills Group to be discontinued.
3. Detailed Terms of Reference, including proposed membership for these arrangements be developed and brought to the Combined Authority for consideration

TVCA ENTERPRISE ZONES

14/16

Consideration was given to a report on the Tees Valley Enterprise Zones.

In July 2015 the government opened a competitive process for a further round of Enterprise Zones with a deadline for applications to be received by Department of Communities and Local Government (DCLG) of 18th September 2015.

The Tees Valley application focussed on three sites:

- Central Park (Darlington),
- Northshore (Stockton) and
- Historic Quarter (Middlesbrough).

These sites covered the existing locally funded Enterprise Zones. A copy of the plans was attached to the report.

The government announced on 25th November 2015, the creation of 18 new Enterprise Zones and extended 8 Enterprise Zones as part of its spending review.

The Tees Valley application, Enterprise Zone Growth Extension was included in this announcement.

The application process stated that the incentives for the new Enterprise Zones would be:

- Local Enterprise Partnerships retaining 100% of business rate growth for 25 years. Government's expectation is that this will be used to fund development required on the Enterprise Zone sites.

- A business rate discount for occupiers. Central government will reimburse a 100% discount for five years up to the maximum state aid de minimis threshold, for businesses that enter the zone before 31 March 2022, e.g. if a business enters the zone on 31 March 2022, it can receive the discount (subject to de minimis) until 30 March 2027.

The Tees Valley Application stated:

“This submission is being made alongside the Tees Valley Powerhouse Plan which seeks devolution of funding and powers to the Tees Valley. As part of devolution, the emerging Combined Authority would wish the income arising from the Enterprise Zone to be allocated 50% to the Combined Authority and 50% to the local authority from which the rates arise. We recognise that this is not the current EZ model or the criteria set out in this competition, but are submitting this proposal on this basis.”

The process also allowed for the creation of Enterprise Zones with Enhanced Capital Allowances (ECA) however this was not applied for in the Tees Valley application.

Local Authorities and Local Enterprise Partnerships / CA's responsible for operating Enterprise Zones would be asked to agree to a memorandum of understanding with DCLG to confirm the incentives and other benefits local partnerships could expect from establishing the zone whilst giving assurance to Ministers about the arrangements for delivering the Enterprise Zone.

The MOU was expected to cover four elements: Operation, Governance, Communications and Monitoring.

Operation - The Local Authority / LEP / CA, through the Enterprise Zone nominated person and procedures, would:-

- Provide maps and confirmation re: location incentives sought and commencement dates for each site. (Complete)
- Submit a 5-year delivery plan to the Secretary of State setting out how the Enterprise Zone would be set up and operated.
- Secure expertise needed to establish and operate the Enterprise Zone.
- Provide DCLG with a named contact for the Enterprise Zone and regularly notifying DCLG regarding progress.

Operation - DCLG would:-

- Permit Local Authorities to retain 100% of business rate growth for 25 years from the commencement date of the Enterprise Zone, on the condition that this was spent on the Local Enterprise Partnerships growth priorities. The expectation was that this would initially be to fund development required on the Enterprise Zone.
- Reimburse 100% of the discount in business rates (provided by the Local Authority on which the Enterprise Zone was sited) to businesses that occupy an Enterprise Zone site before 31 March 2022 for a period of 5 years up to the maximum state aid de minimis threshold.

Governance - The Local Authority/LEP/CA, through the Enterprise

Zone nominated person and procedures, would:-

- Agree governance structure with local partners and arrange regular meetings.
- Enter into agreements with each Local Authority with Enterprise Zones covering key delivery issues including arrangements for fast-track planning and other approvals, use of business rates retained by the local authority, collection and reporting of monitoring data etc....
- Provide DCLG with copies of board papers and the opportunity to attend meetings.

Governance - DCLG would:-

- Provide a named contact for the Enterprise Zone to advise on establishing the zones and resolving issues arising in relation to Government procedures and support.

Communications - The Local Authority/LEP/CA, through the Enterprise Zone nominated person and procedures, would:-

- Develop and implement plans for marketing the Enterprise Zone.
- Use the national Enterprise Zone logo on marketing materials and signage.

Communications - DCLG would:-

- Promote Enterprise Zone programme and good practice via press releases, website, Twitter account, LinkedIn group etc....
- Provide the opportunity for senior leaders of LEPs/Enterprise Zones with the opportunity to meet to discuss progress, challenges and good practice with senior government officials and Ministers.

Monitoring - The Local Authority / LEP / CA, through the Enterprise Zone nominated person and procedures, would:-

- Collect data on employment, business activity etc.... and report quarterly to DCLG in an agreed format.

Monitoring - DCLG would:-

- Advise on data monitoring and arrangements for returning monitoring data.
- Publishing summaries of national and regional Enterprise Zone activity, which allowed local areas to judge their own performance.

RESOLVED that the proposals outlined within the report be endorsed.

Chair.....



Minutes

TEES VALLEY COMBINED AUTHORITY BOARD

Friday, 15th April 2016

ATTENDEES

Members

Councillor Sue Jeffrey (Chair)	Leader of Redcar and Cleveland Borough Council	Chair
Councillor Bill Dixon	Leader of Darlington Borough Council	DBC
Councillor Bob Cook	Leader of Stockton-on-Tees Borough Council	SBC
Paul Booth	Chair of Tees Valley LEP	LEP

Apologies for absence

Councillor Christopher Akers-Belcher	Leader of Hartlepool Borough Council	HBC
Mayor David Budd	Mayor of Middlesbrough Council	MBC
Phil Cook	Member of Tees Valley LEP	LEP
Paul Croney	Member of Tees Valley LEP	LEP
Ian Kinnery	Member of Tees Valley LEP	LEP
Alastair MacColl	Member of Tees Valley LEP	LEP
Naz Parkar	Member of Tees Valley LEP	LEP
Nigel Perry	Member of Tees Valley LEP	LEP
David Robinson	Member of Tees Valley LEP	LEP
David Soley	Member of Tees Valley LEP	LEP
Alison Thain	Member of Tees Valley LEP	LEP

Officers

Peter Bell	Stockton-on-Tees Borough Council	SBC
Rebecca Brown	Stockton-on-Tees Borough Council	SBC
Jonathan Nertney	Deputy Monitoring Officer (Stockton-on-Tees Borough Council)	SBC
Mike Robinson	Chief Executive of Middlesbrough Council	MBC

Action

TVCA 15/16 DECLARATIONS OF INTEREST

There were no interests declared.

TVCA 16/16 APPOINTMENT OF STATUTORY OFFICER – HEAD OF PAID SERVICE

Consideration was given to a report on the appointment of the Head of Paid Service for Tees Valley Combined Authority (TVCA) in accordance with paragraph 3 of Section 4.4 of the TVCA Constitution. The report set out a summary of the recruitment and selection process which had been undertaken and made a recommendation for appointment.

A recruitment process to identify a Head of Paid Service for TVCA was initially started in early autumn 2015. The aim being to identify a successor for Mr Stephen Catchpole (MD of TVU) who would take over following Mr Catchpole's planned retirement on 31/3/2015. However, the initial process was paused In November 2015 to allow time for consideration of the Devolution Deal and to reassess requirements in the light of the deal.

A new selection process was begun in January 2016. This process involved:

- a. A comprehensive search process using Recruitment Consultant's Gatenby Sanderson. The Search was supported with national and local advertising and attracted a high number of applications.
- b. The selection process had then involved a comprehensive process of shortlisting based on reviews of applications, references, personality profiling and initial interviews.
- c. This process culminated in a final selection process on 7 April 2016 which involved a final assessment of candidates by members of the TVCA Board, a panel of business representatives, a panel of public sector and LEP representatives and a panel of the Local Authority Chief Executives.

The final stage in the process was the formal approval of the appointment from the TVCA Board in line with the requirements as set out in para 3 of Section 4.4 of the TVCA Constitution.

RESOLVED that Mr Andrew Lewis MA(Cantab) MPhil (Oxon) FRSA be appointed Head of Paid Service.

Chair.....

FINANCE AND POLICY COMMITTEE

5th September 2016



Report of: Corporate Management Team

Subject: FINAL OUTTURN 2015/16

1. TYPE OF DECISION / APPLICABLE CATEGORY

1.1 Budget and Policy Framework Decision.

2. PURPOSE OF REPORT

2.1 To provide details of the final outturns for 2015/16 and to approve the recommendation that a strategy to use the final 2015/16 uncommitted revenue outturn of £51,000 be developed as part of the 2017/18 budget process.

3. BACKGROUND

3.1 In response to the impact of the significant cut in Government grant for 2016/17 and anticipated additional cuts in future years the Council continued to implement robust budget management arrangements during 2015/16. This included action by the Corporate Management Team to deliver a managed budget under spend by holding posts vacant and avoiding spending where this was possible. This did not have an adverse impact on services.

3.2 This approach provided the following benefits:

- Achieved the best possible long term use of the Council's finite financial resources;
- Enabled the Council to achieve the best possible financial foundations in the current financial climate by earmarking one-off resources to manage specific risks and to enhance the Budget Support Fund available to help protect services over the period of the Medium Term Financial Strategy (MTFS).
- Minimised the number of compulsory redundancies required as part of the 2016/17 budget by holding posts vacant to facilitate service reconfiguration and staff redeployment.

3.3 The external audit of the 2015/16 accounts is progressing and it is not anticipated there will be any changes to the figures detailed in this report arising from the external audit process.

4. 2015/16 REVENUE OUTTURN

- 4.1 The gross 2015/16 Revenue budget was £209m, of which £128m was funded from specific grants and income streams which left £81m to be funded from Council Tax, Revenue Support Grant and the Council's share of Business Rate income. The Council is therefore managing both income streams and expenditure budgets which are affected by activity and demand for services.
- 4.2 The detailed outturn strategy for 2015/16 was approved as part of the MTFS proposals referred to full Council in February 2016. The approved strategy advised Members that the final outturn for a range of budgets would depend on the impact of seasonal and demand factors in the final three months of the financial year. As a range of factors remained uncertain the approved strategy identified a potential uncommitted outturn of £1.457m which was allocated to the Budget Support fund.
- 4.3 The actual uncommitted outturn is £91,000 higher than forecast. The increase reflects a range of factors, including continued robust budget management in the final three months of the financial year and the impact of seasonal/demand factors. Of the uncommitted outturn £40,000 has been allocated for the demolition of Jackson's Landing.
- 4.4 Appendix A provides a summary of the outturn position and appendices B to F detail outturns for individual departments.
- 4.5 **Strategy for use of 2015/16 Uncommitted Outturn**
- 4.6 Taking account of the above factors the uncommitted outturn is £51,000 and it is recommended that a strategy to use the final 2015/16 uncommitted revenue outturn of £51,000 be developed as part of the 2017/18 budget process.

5. 2015/16 CAPITAL PROGRAMME OUTTURN

- 5.1 Details of actual capital expenditure against the capital programme are provided in Appendices G to K. The actual level of capital expenditure to be funded in the year was £20.992m.
- 5.2 Capital expenditure of £12.881m will be re-phased to 2016/17 and capital resources will be carried forward to fund these commitments. In overall terms it is currently anticipated that the capital programme will be within budget.

6. CONCLUSION

- 6.1 Government funding for Councils has been reduced on an unprecedented basis over the period 2011/12 to 2016/17 and further cuts will continue to 2019/20. As reported previously these cuts have had a disproportionate impact on Councils serving more deprived communities where there is higher demand and need for Council services, but less ability to fund services locally from Council Tax. For Hartlepool continued cuts mean that by 2019/20 the level of Government grant

will be £44.2m less than it was in 2010/11 – which is a total cut of 57%. This includes a further cut for the period 2017/18 to 2019/20 of £9.8m

- 6.2 In response to this situation the Council has developed a multi-year financial strategy to reduce budgets and manage existing resources as effectively as possible. A key component of this strategy has been the effective in-year management of budgets to achieve managed under spends which has provided resources to support the budget in future years, to underpin financial risks and fund unavoidable one-off costs. This approach has enabled the Council, within the current financial climate, to achieve the best possible financial foundations to manage the significant ongoing financial challenges facing the Council.
- 6.3 A detailed outturn strategy for 2015/16 was developed during the year and these proposals were approved in February as part of the MTFS. This report provides details of the 2015/16 final outturns for a range of issues.

7. RECOMMENDATIONS

- 7.1 It is recommended that Members:
- i) Note the report;
 - ii) Approve the recommendation that a strategy for using the final 2015/16 uncommitted revenue outturn of £51,000 is developed as part of the 2017/18 budget process.

8. REASON FOR RECOMMENDATIONS

- 8.1 To enable a strategy for using the final 2015/16 outturns to be developed, with the objective of continuing to protect the medium term financial position of the Council.

9. BACKGROUND PAPERS

Medium Term Financial Strategy 2016/17 to 2018/19 report to Finance and Policy Committee 23.11.15.

Medium Term Financial Strategy 2016/17 to 2018/19 report to Finance and Policy Committee 11.01.16.

Medium Term Financial Strategy 2017/18 to 2019/20 report to Finance and Policy Committee 20.06.16.

10. CONTACT OFFICER

Chris Little

Chief Finance Officer

Chris.Little@hartlepool.gov.uk

Tel: 01429 523002

Outturn 2015/16 Details

	Outturn £'000
Departmental Budgets	
Child and Adult Services	(712)
Regeneration and Neighbourhoods	(673)
Chief Executive's Dept	(832)
Public Health General Fund	(725)
Sub Total - Departmental Budgets	(2,942)
Non Departmental issues	
1. Corporate Budgets	(387)
2. Property Running Costs	(159)
3. Centralised Estimates - In line with the approved Treasury Management Strategy a budget saving was included in the 2015/16 budget. This saving was taken earlier than the actual Treasury Management saving will be achieved. On a temporary basis the budget shortfall will be funded from the Treasury Management Risk Reserve, in line with the strategy previously approved by Members. The reserve contribution is detailed below at line 5.	66
4. Business Rates Risk Provision - The MTFS approved in February 2015 indicated that billed Business Rates income exceeded the amount included in the MTFS. Owing to the uncertainty regarding Business Rates Appeals it was agreed that this amount should be allocated to partly offset successful appeals. This will be added to the Business Rates Risk Reserve and will help the Council manage the impact of the significant reduction in the Power Station rateable value.	(586)
5. Release Treasury Management Reserve - see 3 Above	(66)
6. Lower Core Grant reduction - Previous MTFS reports provided an assessment of the impact of changes in the Council's core Revenue Support Grant and the linkages to the impact of schools converting to academies. These changes retain funding which it was anticipated would be top sliced from the Core Revenue Grant allocation and do not impact on the funding available for schools from the Dedicated Schools Grant. Previous MTFS reports advised Members that the impact of this funding change would reflect the timing of decisions by individual schools to convert to academy status. As the position on conversion of individual schools was uncertain when the 2015/16 budget was set a prudent impact on the core revenue grant was forecast. As the actual numbers of schools converting to academy status is less than forecast the core grant reduction is less than forecast.	(502)
7. Secure Accommodation Costs - To fund the costs of secure accommodation in 2015/16, not covered within the base budget or existing risk reserve.	70
8. Reserves Review - As reported to the Finance and Policy Committee this amount has been released following a review of existing reserves and financial risks. This amount is earmarked to avoid specific cuts in 2015/16, to provide funding for potential protection costs arising from the implement of Terms and Conditions savings and to support the MTFS.	(389)
Sub Total - Corporate Budgets	(1,953)
Sub Total to be shown in Statement of Accounts	(4,895)
Approved contribution to Departmental Reserves	1,527
Departmental Ring Fenced Grants	1,893
Approved contribtution to Social Housing Scheme	106
Approved contribution to Budget Support Fund	1,278
Uncommitted Outturn - transferred to General Fund	(91)

Budget £'000	Description of Expenditure	Outturn Variance Adverse/ (Favourable) £'000	Comments
29,342	Adult Committee - Core Services	(992)	The favourable variance mainly relates to Direct Payments Support Services contingency funding, CCG income and Care Act grant for which reserves are to be created.
-	Adult Committee - Projected Deprivation of Liberty Safeguard (DoLS) Pressure	216	These are the unbudgeted costs of implementing the DoLS implications following the recent Supreme Court judgement.
29,342	Sub-Total Adult Committee	(776)	
18,283	Children's Committee	62	
47,625	Total Child & Adult	(712)	
2,128	Finance & Policy Committee	239	The variance includes a favourable variance on Reprographics and Logistics relating to additional income generation. This has been offset by an adverse variance in relation to external income generated by Building Consultancy, Estates Management and Functions Catering and additional costs incurred on CCTV equipment.
3,190	Regeneration Committee - Core Services	(362)	The favourable variance relates mainly to Planning Income. This has been partly off-set by an adverse variance in relation to Hartlepool Maritime Experience income.
-	Regeneration Committee - Social Housing	(106)	Favourable variance relates to the planned contribution to the Major Repairs Reserve on Social Housing as identified in the business case.
15,343	Neighbourhoods Committee	(444)	Favourable variance includes S38 income, Fleet vehicle costs, an underspend on the Coastal protection budget as a result of ongoing major capital investments and a favourable variance on Passenger Transport/Home to School Transport and Waste and Environmental Services. This has been partly offset by an Adverse variance on Highways Maintenance and Car Park running costs.
20,661	Total Regeneration & Neighbourhoods	(673)	
4,392	Finance & Policy Committee	(832)	This favourable variance is mainly owing to vacant posts which are being held in advance of 2015/16 savings.
4,392	Total Chief Executive	(832)	
669	Finance & Policy Committee	(889)	The favourable variance relates to an underspend on the Public Health Grant and a ringfenced reserve has been created in line with the Grant Conditions. The favourable variance includes reduced placements within substance misuse and a contingency amount set aside to fund any potential outbreak of communicable disease.
452	Regeneration Committee	164	The expected adverse variance relates to income pressures at the Borough Hall and Outdoor Markets as previously reported to Members.
1,121	Total Public Health	(725)	
73,799	Sub-Total Departmental Budgets	(2,942)	
2,129	Property Running Costs	(159)	Variance reflects demand led and seasonal budget fluctuations.
5,381	Corporate Budgets	(387)	The favourable variance is owing to reduced capital financing costs.
7,510	Total Corporate	(546)	
81,309	Sub-Total Corporate & Departmental	(3,488)	
	Centralised Estimates	66	
	Business Rates Risk Review	(586)	
	Release Treasury Management Reserve	(66)	
	Lower Core Grant reduction/Business Rates income	(502)	
	Secure Accommodation Costs	70	
	Reserve Review	(389)	
	Reserves - Departmental	1,527	
	Reserves - Ring-fenced Grants	1,893	
	Reserves - Social Housing Scheme	106	
	Reserves - Budget Support Fund	1,278	
81,309	Net uncommitted forecast outturn	(91)	

REVENUE FINANCIAL OUTTURN REPORT FOR FINANCIAL YEAR 2015/16

4.1

Approved 2015/2016 Budget £'000	Description of Service Area	Outturn Variance Adverse/ (Favourable) £'000	Director's Explanation of Variance
Adult Committee			
1	Carers & Assistive Technology	(29)	
3,555	Commissioning & Adults General	(524)	The underspend relates to receipt of a number of 'one-off' grants including £151k from BCF which has been transferred to a specific BCF Risk-Sharing and ICT reserve. The balance relates to one off grants in respect of Care Act implementation and reducing delayed hospital discharges (Helping People Home) which will not be received in future years, and a small amount of system resilience (winter pressures) funding.
1,256	Commissioning-Mental Health	126	The overspend mainly relates to the back-dating of costs relating to retrospective s117 reviews and the need to refund client contributions where applicable.
9,909	Commissioning-Older People	(594)	Historic budget pressures have been funded from the Better Care Fund (BCF) as part of the programme to reduce care home and hospital admissions. The underspend relates to additional one off BCF funding which has been transferred to the specific BCF Risk-Sharing and ICT reserve and 2016/17 savings achieved in advance. The positive outturn position is not sustainable in the context of demographic pressures.
7,804	Commissioning-Working Age Adult	450	Historic and ongoing budget pressures within Learning Disability services mainly arising from an increase in the number of young adults with complex needs.
205	Complaints & Public Information	22	
459	Departmental Running Costs	(77)	The underspend mainly relates to incremental drift on salaries and early achievement of 2016/17 budget savings.
734	Direct Care & Support Team	0	
383	LD & Transition Social Work	(32)	
2,672	Locality & Safeguarding Teams	(315)	Underspend relates to vacant posts, vacant hours and incremental drift for Social Workers and Social Care Officers who are on career grades which results in a range of bandings depending on qualifications and experience. Budgets are set prudently to reflect payment at the top of scale and the underspend reflects the fact there have been a number of new workers appointed at the lower end of the scale resulting in a short term saving of up to £10k per worker. A departmental salary abatement target has been created as part of the 2016/17 budget savings proposals.
649	Mental Health Services	(58)	Underspend relates to vacant posts (now filled), incremental drift and some non-pay budgets which contributed towards 2016/17 budget savings.
373	OT & Disability Equipment	4	
198	Workforce Planning & Dev	4	
1,144	Working Age Adult Day Services	31	
29,342	Sub Total	(992)	
0	Deprivation of Liberty Standards (DoLS) - Pressure	216	The overspend relates to increased requirements due to a 1600% increase in activity following a Supreme Court Judgement.
29,342	Adult Committee Sub Total	(776)	
Children's Committee			
11,806	Children & Families	942	The overspend reflects increased numbers of residential placements and looked after children throughout the year and historic pressures against Residence Order, Special Guardianship Allowances and Direct Payments.
4,376	Early Intervention Services	(352)	The underspend mainly relates to vacant posts throughout the year, incremental drift on salaries and early achievement of 2016/17 budget savings.
4	Play & Care	11	
418	Youth Offending Service	0	
197	Access to Education	10	The net overspend relates to a shortfall in income relating to school buybacks which are off set by a saving relating to consultancy fees.
108	Central Support Services	8	
537	Other School Related Expenditure	(23)	In year pension savings which have been identified as savings for the 2016/17 MTFS
556	Raising Educational Achievement	(52)	Restructuring savings achieved in year. The permanent savings are included in the 2016/17 MTFS.
225	Special Educational Needs	(71)	The saving relates to one off vacancy savings
56	Strategic Management	(411)	The saving relates to one off vacancy savings and ringfenced income of £0.378 relating to the Tees Education and Schools Improvement Project
18,283	Children's Committee Sub Total	62	
47,625	Child and Adult Total - (before Creation of Reserves)	(712)	

Creation of Reserves

0	Adults - BCF Risk-Sharing & ICT Reserve	430	This reserve was created from BCF grant income and will provide a contingency against the 2016/17 BCF risk share agreement with the CCG and will also fund HBC's contribution towards the shared IT solution currently being developed.
0	Adults - Demand Management (BCF)	50	This reserve was created from grant income and will be transferred to the existing reserve to support the department over the next few years in trying to reduce demand for services and achieve associated budget savings.
0	Adults - CCG Grant Income for LD Transformation Programme	50	This funding was received from the CCG for specific purposes relating to the LD Transformation Programme and this reserve will be used in 2016/17.
0	Children's - Greggs Grant Trust	2	This is ring-fenced grant funding which was not fully spent in year and is therefore being carried forward to support the Hardship Fund in 2016/17.
0	Children's - Independent Support/Short Breaks	1	This is ring-fenced grant funding which was not fully spent in year and is therefore being carried forward to support the Short Breaks Programme in 2016/17.
0	Children's - Local Safeguarding Children's Board	18	This relates to the balance carried forward on this multi-agency partnership budget.
0	Children's - Transformation Challenge/Better Childhood Programme	154	This is ring-fenced grant funding which was not fully spent in year and is therefore being carried forward to support the Better Childhood Programme in 2016/17.
0	Tees Education & School Improvement	378	This is funding is pooled resources from the local authorities of Hartlepool, Middlesbrough, Stockton and Redcar & Cleveland, to enable a collaborated approach to tackle the root cause of underperformance and deliver a first class education and skills system.
47,625	Child & Adult Total - Net of Reserves	371	

PLANNED USE OF RESERVES

4.1

The above figures include the 2015/2016 approved budget along with the planned use of Departmental Reserves created in previous years. The details below provide a breakdown of these reserves

Approved 2015/2016 Budget £'000	Description of Service Area	Actual Usage 2015/2016 £'000	Variance Over/ (Under) £'000	Director's Explanation of Variance
Adult Committee				
(25)	Social Inclusion & Lifestyle pathways contract extension	(25)	0	
(25)	Adult Committee Sub Total	(25)	0	
Children's Committee				
(102)	Schools Transformation Team	(55)	47	Restructuring and contract expiry of the BSF scheme resulted in savings in year requiring less funding.
(56)	Data Team	(66)	(10)	Additional contribution made from reserves to fund software license costs
(55)	School Improvement	(167)	(112)	The budget included reserve funding for a temporary member of staff , which was not filled. In addition £0.167m was used in year to fund school improvement projects in schools.
0	Education Commission	(86)	(86)	The in year costs of setting the Commission and delivery of projects.
0	High Needs Reserve	(107)	(107)	Funding used to support the High Needs Block overspend, the overspend relates to the increase in demand for independent educational placements.
0	Raising the Participation Age	(3)	(3)	Ringfenced grant funding to support participation projects which promote further education.
0	Tees Education & Skills Improvement	378	378	The net transfer to reserves relating to the regional partnership which the Council are the host authority
0	Demand Management - Children's	(16)	(16)	This reflects the funding required to balance the Troubled Families Programme outturn position.
0	Looked After Children	(22)	(22)	The overspends within the LAC budgets were mainly covered by underspends elsewhere across Child & Adults - this reflects the required balance of funding.
(264)	Secure Remand Placements	(264)	0	
(141)	Youth Offending Reserve	(80)	61	The in-year reduction in YJB grant was funded by underspends elsewhere within YOS to help protect the remaining reserve to support the budget in 2016/17 following further cuts in the YJB grant.
(32)	Adoption Reform Grant	(32)	0	
(169)	Children's Social Care & Early Intervention	(169)	0	
(819)	Children's Committee Sub Total	(689)	130	

MEMO:-	Dedicated Schools Grant	Actual	Outturn Variance Adverse/ (Favourable)	
4,588	Early Years	4,631	43	The funding for Early years is based upon participation levels. This is lagged funding, this will be reimbursed in 2016/17.
7,971	High Needs	8,158	187	A full review is currently underway to manage this volatile demand led budget. The overspend has been funded using brought forward Earmarked & DSG reserve balances.
36,778	Schools	36,755	(23)	The surplus relates to in year business rate adjustments.
0	Net Contribution from reserves	(207)	(207)	A contribution from earmarked reserves of £0.107m funded the overspend on the High Needs block, the remaining in year overspend £0.123m was funded from the Early Years block.
49,337	Dedicated Schools Grant Total	49,337	0	

REVENUE FINANCIAL OUTTURN REPORT FOR FINANCIAL YEAR 2015/16

4.1

Approved 2015/2016 Budget	Description of Service Area	Outturn Variance Adverse/ (Favourable)	Director's Explanation of Variance
£'000		£'000	
Finance & Policy Committee			
990	Community Safety & Engagement	2	
660	Strategic Management, Admin & Service Development	(21)	The favourable variance relates to an underspend on salary costs.
(93)	Logistics	(61)	The favourable variance relates to the continuation of work which generates external income in year.
58	Procurement and Reprographics	(29)	This variance relates to a favourable variance on Reprographics consisting of an underspend on leasing charges
(24)	Estates & Asset Management	72	The variance relates to a shortfall in TOS income generated.
(369)	Building Consultancy	272	The variance relates to a shortfall in TOS income generated.
906	Facilities Management	4	This is a volatile area which includes a number of Trading Activities. The adverse variance mainly relates to an adverse variance in Functions Catering, the Garden Centre and Building Maintenance. These are offset by a favourable variance on School Catering resulting from an increase in take up on School Meals, and small surplus on Building Cleaning. The surplus of £80k on School Catering and £9k on Building Cleaning will be used to create Trading Account reserves to manage the risk on income over the next few years, and support the replacement of equipment where required.
2,128	Finance & Policy Committee Sub Total	239	
Regeneration Committee - Core Services			
0	Adult Education	(150)	Adult Education is 100% Grant Funded. In accordance with the grant conditions any variance will be transferred into a ringfenced reserve to fund Adult Education costs.
20	Archaeology Services	0	
55	Community Centres	(3)	
523	Cultural Services	95	The variance mainly relates to a shortfall in income at the Hartlepool Maritime Experience and Town Hall.
1,041	Libraries	(11)	The variance relates to an underspend on various supplies and services costs across the service area.
(24)	Building Control	104	The outturn reflects the volatile nature of external income on this account. The Income Risk Reserve is available to fund this pressure in future years.
220	Planning Services	(91)	The favourable variance relates to planning income generated from fees and the current income levels have exceeded the budget. The income risk reserve set aside to cover potential shortfalls in Building Control and Development Control are not needed this year and this reserve will be rephased to next year to cover potential shortfalls in future years.
561	Housing Services	(86)	This variance relates to income generated from the Selective Licensing Scheme. This income is required to fund the running costs of the scheme over years and a reserve has therefore been created to carry this income forward.
0	CADCAM	(2)	
794	Economic Regeneration	(218)	This variance is the net surplus generated on Economic Regeneration projects which have come to end this year. Where projects have over delivered on outcomes the Council is permitted to retain the net surplus generated.
3,190	Regeneration Committee - Core Services Sub Total	(362)	
Regeneration Committee - Social Housing			
0	Social Housing	(106)	The favourable variance relates to rental income received which needs to be earmarked to cover the future cost of repairs and maintenance to the housing stock. This variance will therefore be transferred into the Major Repairs Reserve as per the approved business model for this scheme.
0	Regeneration Committee - Social Housing Sub Total	(106)	
Approved 2015/2016 Budget	Description of Service Area	Projected Outturn Variance - Adverse/ (Favourable) Worst Case	Director's Explanation of Variance
£'000		£'000	
(124)	Cemetery and Crematoria	(187)	The variance includes an underspend on the maintenance budget resulting from the major Capital investment in the Crematorium last year, and additional income generated from fees and charges. The underspend on maintenance has been transferred into a reserve which will be earmarked to cover specific repairs and maintenance liabilities in the future.
461	Heritage, Countryside and Parks	78	The adverse variance relates to an overspend on maintenance costs associated with Children's Playgrounds. This has been offset by additional income generated for Ecology surveys and reports (£14k).
29	Allotments	0	
(524)	Car Parking	101	The adverse variance on Car Parking relates mainly to a shortfall on income of £124k. This variance has been offset by a favourable variance on the Blue Badge Scheme at year end.
406	Engineering Services	(250)	This variance includes an underspend on the revenue Coastal Protection budget £160k, arising as a result of major Capital investments, an overachievement of TOS income generated by Engineers, and an underspend on work associated with Floods and Water Management. A reserve of £40k has been created to carry forward the Floods and Water Management budget to allow the work to be completed in the new year.
1,744	Grounds Maintenance	(56)	Variance relates to reduced operating costs as part of the ongoings savings programme.
1,997	Highway Maintenance and Insurance	(149)	The variance relates to an underspend on Revenue Highways Maintenance work during the year and this is offset by the adverse variance on the Trading Account below.
(238)	Highways Trading	97	The adverse variance relates to a deficit on the Trading Account which is offset an underspend on the Highways Revenue Maintenance budget above.
487	Highways Traffic & Transport Management	(55)	The favourable variance relates to an underspend on staffing in year. This is a temporary benefit as a result of the LED Replacement scheme.
1,455	Passenger Transport	(52)	This variance relates to an underspend on the Home to School Transport budgets which are demand led. The budget in this area has historically been set to cope with higher levels of demand and a budget saving has been included in the 16/17 savings programme. This is a risk which will be closely monitored as costs may increase in the future for this statutory provision.
127	Road Safety	(45)	Favourable variance relates to additional grant income secured for the Bikeability Childhood Injury Prevention scheme.
(51)	Traffic & Transportation Strategic Management	52	The adverse variance relates to income targets set as part of the 14/15 savings programme that have not been achieved. Projects involve collaboration work around transport.
(152)	Vehicle Fleet	194	The adverse variance is owing to the relocation of the Garage operations to Tofts Farm. Operations were affected and as a result Trading income was down. Additional spend has been incurred in relation to vehicle hire costs, premises related expenditure and the purchase of new plant and equipment.
(2)	NDORS (National Driver Offender Rehabilitation Scheme)	5	
1,245	Network Infrastructure	(5)	The favourable variance on Street Lighting in year was transferred to Capital to offset the prudential borrowing costs associated with the replacement scheme, as per the approved business case for the scheme.
0	Section 38's	0	
0	Traffic Management	(4)	
2,369	Sustainable Transport	(85)	The favourable variance reflects the negotiated position on Concessionary Fares which is less than the agreed budget.
1,684	Street Cleansing	(81)	The favourable variance relates mainly to an underspend on fuel and other running costs.
4,430	Waste & Environmental Services	(2)	
15,343	Neighbourhood Committee Sub Total	(444)	
20,661	R & N Total before reserves	(673)	

REVENUE FINANCIAL OUTTURN REPORT FOR FINANCIAL YEAR 2015/16

4.1

Creation of Reserves

0	Adult Education	150	The Adult Education Grant is ringfenced and any underspend is transferred into a ringfenced reserve to fund future Adult Education related expenditure, in accordance with the grant conditions.
0	2016/17 Regeneration and Neighbourhoods Savings Reserve	160	Reserve created in year to help achieve the departmental savings target in 2016/17.
0	Social Housing	106	Favourable variance on Social Housing Scheme to be transferred to the Major Repairs Reserve as per the approved business model for this scheme.
0	Selective Licensing Phase 2	86	Reserve created to earmark income received in advance which is required to fund the staffing costs over the life of the scheme.
0	Flood Prevention	40	Reserve created to fund the completion of works associated with the Floods and Water Management Act.
0	Building Cleaning	9	Reserve created from the surplus generated in year to be used to manage the risk on income in future years.
0	School Catering	80	Reserve created from the surplus generated in year to be used to manage the risk on income over the next few years and support the replacement of kitchen equipment where required.
0	Crem Sinking fund	40	Reserve created to fund maintenance costs in future years.
20,661	Regeneration and Neighbourhoods Total - Net of Reserves	(2)	

PLANNED USE OF RESERVES

The above figures include the 2015/2016 approved budget along with the planned use of Departmental Reserves created in previous years.
The details below provide a breakdown of these reserves

Approved 2015/2016 Budget £'000	Description of Service Area	Actual Usage 2015/2016 £'000	Variance Over/ (Under) £'000	Director's Explanation of Variance
Finance & Policy Committee				
110	Community Pool	110	0	
17	Civic Lottery	3	(14)	This variance relates to the profile of expenditure over years.
0	Community Safety	15	15	This variance relates to the profile of expenditure over years.
45	Passenger Transport	0	(45)	This variance relates to the profile of expenditure over years.
100	Fleet	0	(100)	This variance relates to the profile of expenditure over years.
Regeneration Committee				
0	Adult Education	195	195	This variance relates to the profile of expenditure over years and the timing of grant funding received.
6	Baden Street	3	(3)	No further spend is expected on this project.
0	Archaeology Projects	6	6	This reserve is earmarked to fund Archaeology projects over years. The variance relates to the profile of expenditure over years.
25	Selective Licensing/Housing	28	3	This variance relates to the profile of expenditure over years.
0	Housing - Major Repairs	17	17	This variance relates to the profile of expenditure over years.
0	Housing Public Health	4	4	
65	Business Grants	32	(33)	This variance relates to the profile of expenditure over years.
100	Economic Regeneration Schemes	26	(74)	This variance relates to the profile of expenditure over years.
0	Adult Education	45	45	This variance relates to the profile of expenditure over years.
Neighbourhood Committee				
190	CCTV	190	0	
132	Ward Member Budgets	107	(25)	This variance relates to the profile of expenditure over years.
42	Environmental Apprentices	7	(35)	This variance relates to the profile of expenditure over years.
31	Child Injury Protection	31	0	
863	Total	819	(44)	

REVENUE FINANCIAL OUTTURN REPORT FOR FINANCIAL YEAR 2015/16

4.1

Approved 2015/2016 Budget £'000	Description of Service Area	Outturn Variance Adverse/ (Favourable) £'000	Director's Explanation of Variance
Finance and Policy Committee			
(208)	Benefits	(112)	Favourable variance is owing to temporary vacant posts, reduced hours and some posts not being at the top of the grade. £35k favourable variance on Fraud and Error Reduction Incentive Scheme (FERIS), which Finance and Policy Committee 30th January, 2015 approved, has been earmarked to address 2016-17 DWP Housing administration grant cuts to mitigate impacts on benefit service standards.
(859)	Central Administration Recharges	3	
977	Corporate Finance	(130)	The favourable variance is owing to vacancies which were being held for 2016-17 savings and several posts not being at the top of the grade, along with a saving achieved on bank charges.
656	Corporate Strategy & Public Consultation	(37)	The favourable variance is owing to some staff savings, along with some supplies and services savings.
(143)	Housing Benefits Subsidy	(247)	Favourable variance of £43k is owing to additional grant from DWP for Universal Credit, which is required to address 2016-17 DWP Housing administration grant cuts. Favourable variance of £38k on Local Council Tax Support funding to provide additional recovery capacity. The remaining £166k favourable variance is owing to the final claim on Housing Benefit Subsidy Grant which generates £47 million in subsidy.
186	Democratic	(11)	The favourable variance is owing to savings achieved on printing costs.
98	Fraud	(42)	Favourable variance of £42k is partly owing to one post being vacant for the full year, which is required to address 2016-17 DWP Housing administration grant cuts.
855	Customer and Support Services	(19)	The favourable variance is owing to some staff savings.
453	Human Resources & Health and Safety	(84)	The favourable variance is owing to income received from Health and Safety training, contracts and funding, which was only available during this financial year.
230	Internal Audit	(32)	The favourable variance is owing to reduced working hours and overtime, reduced mileage and some supplies and services savings.
424	Legal Services	11	The adverse variance is owing to a reduction in Land and Property Income within the Legal Section.
193	Municipal Elections and Registration of Electors	(46)	This area has underspent as there were no further elections in the financial year.
(78)	Other Office Services	58	The adverse variance is owing to a continued slow down in Local Land Searches, this is owing to the number of companies using Environmental Information Regulations, which is an ongoing trend.
81	Public Relations	2	
(104)	Registration Services	(3)	
841	Revenues	24	The adverse variance is owing to temporary additional staffing.
(413)	Revenue & Benefits Central	(88)	The favourable variance is owing to the full year impact of changes to the Court Costs fee structure.
67	Scrutiny	(16)	The favourable variance is owing to some maternity leave savings.
629	Shared Services	(26)	The favourable variance is owing to some staff savings, along with some software charge savings.
120	Support to Members	(2)	
18	Training & Equality	(9)	Savings on the Training and Diversity budgets has created a favourable variance.
369	Corporate Management Running Expenses	(26)	The favourable variance is owing to some staffing savings, which is partly offset by a shortfall on the Trade Union budget.
4,392	Finance and Policy Total (Before Creation of Reserves)	(832)	
Creation of Reserves			
	FERIS Grant Project	35	Favourable variance of £35k on Fraud and Error Reduction Incentive Scheme (FERIS). Finance and Policy Committee 30th January, 2015 approved this to be earmarked to address 2016-17 DWP Housing administration grant cuts to mitigate impacts on benefit service standards.
	Local Council Tax Support	38	Local Council Tax Support funding approved at Finance and Policy Committee 15th September 2014 to create a reserve to provide additional recovery capacity over an 18 month period.
	Universal Credit Grant	43	Favourable variance of £43k is owing to additional grant from DWP for Universal Credit, which is required to address 2016-17 DWP Housing administration grant cuts.
	Fraud	42	Favourable variance of £42k is partly owing to one post being vacant for the full year, which is required to address 2016-17 DWP Housing administration grant cuts.
	Individual Electoral Registration Grant	11	Individual Electoral Registration Grant funding to be carried forward into 2016-17.
4,392	Chief Executives Total - Net of Reserves	(663)	

PLANNED USE OF RESERVES

The above figures include the 2015/2016 approved budget along with the planned use of Departmental Reserves created in previous years. The details below provide a breakdown of these reserves

Approved 2015/2016 Budget £'000	Description of Service Area	Actual Usage 2015/2016 £'000	Variance Over/ (Under) £'000	Director's Explanation of Variance
Finance and Policy Committee				
37	Corporate Strategy - ICT System Development	0	(37)	
6	Corporate Strategy - Performance Management	5	(1)	
0	Registrars	0	0	
0	Resource Investment - HR	0	0	
25	Health and Safety - Staffing	0	(25)	
0	Registration and Members	0	0	
19	Finance - IT Investment Shared Services	0	(19)	
0	Finance R & B - FSM System	0	0	
85	Chief Executive's Department Ring Fenced Grants	50	(35)	
172	Total	55	(117)	

REVENUE FINANCIAL OUTTURN REPORT FOR FINANCIAL YEAR 2015/16

4.1

Approved 2015/2016 Budget £'000	Description of Service Area	Outturn Variance Adverse/ (Favourable) £'000	Director's Explanation of Variance
Finance and Policy Committee			
Public Health Grant			
1,021	Children's Public Health	(120)	The variance relates to contract efficiencies achieved on the Young Peoples Health & Wellbeing and 0-5 contract. These savings will be used to support the 16/17 and 17/18 savings programme.
50	Health Protection	(16)	
1,259	Miscellaneous Public Health Services	(549)	Favourable variance relates to advance savings identified to support the 2016/17 General Fund savings programme.
20	NHS Health Check Programme	(17)	
180	Obesity	9	
290	Physical Activity	0	
815	Prescribing	(191)	Favourable variance reflects a lower than anticipated charge from providers for dispensing and supervised consumption. This is a volatile area and savings have been identified to support the 16/17 savings programme.
852	Public Health Advice	(68)	Favourable variance relates to an underspend in year on salary costs.
810	Sexual Health	(115)	The variance relates to contract efficiencies achieved in-year. These savings will be used to support the 16/17 and 17/18 savings programme.
460	Smoking & Tobacco	(78)	Favourable variance reflects actual take up for the service in year.
2,729	Substance Misuse	(306)	This is a volatile budget owing to the sometimes uncontrollable nature of expenditure on vulnerable adults supported by this area. The favourable variance reflects the reduction in placements and contract efficiencies achieved in year. These savings will be used to support the savings programme in 16/17 and 17/18.
(8,486)	Public Health Grant	572	The adverse variance reflects the 15/16 in year cut to the Public Health Grant. A managed underspend has been achieved in year to offset the grant reduction in 15/16 and proposals have been approved to reduce commitments on a recurring basis as part of the Councils savings proposals for 16/17.
0	Public Health Grant Subtotal	(879)	
Public Health General Fund			
669	Consumer Services	(10)	The favourable variance relates to an underspend on general running costs. This has offset an adverse variance in relation to licensing income.
669	Public Health General Fund Subtotal	(10)	
669	Finance and Policy Sub Total	(889)	
Regeneration Committee			
Public Health General Fund			
2	Environmental Protection	21	Adverse variance relates to a shortfall on Rodent Control Income.
(89)	Environmental Standards	55	Adverse variance relates to income pressures on Outdoor Markets.
539	Sports & Recreation Facilities	88	The adverse variance mainly relates to the Borough Hall (£62k) and income shortfalls across the Service Area. £26k of the Borough Hall variance relates to one-off expenditure incurred to replace the sound and lighting equipment in year.
452	Public Health General Fund Subtotal	164	
452	Regeneration Sub Total	164	
1,121	Public Health Total - before Reserves	(725)	
Creation of Reserves			
0	Public Health Ringfenced Grant	879	The Public Health Grant is ringfenced and any underspend will be transferred into a ringfenced reserve in line with the grant conditions.
0	Football Foundation Grant - Sinking Fund	9	Reserve created to fund future maintenance costs as required by the Football Foundation Grant
1,121	Public Health Total - Net of Reserves	163	

PLANNED USE OF RESERVES

The above figures include the 2015/2016 approved budget along with the planned use of Departmental Reserves created in previous years.
The details below provide a breakdown of these reserves

Approved 2015/2016 Budget £'000	Description of Service Area	Actual Usage 2015/2016 £'000	Variance Over/ (Under) £'000	Director's Explanation of Variance
Finance & Policy Committee				
64	PCT Reserve	148	84	This variance relates to the profile of expenditure over years.
40	Drugs Action Team Reserve	35	(5)	This variance relates to the profile of expenditure over years.
56	Public Health Grant Reserve	152	96	This variance relates to the profile of expenditure over years.
Regeneration Committee				
10	Sport and Recreation Reserve	30	20	This variance relates to the profile of expenditure over years.
170	Total	365	195	

CAPITAL MONITORING REPORT PERIOD ENDING 31st MARCH 2016

4.1

Project Code	Scheme Title	BUDGET		EXPENDITURE IN CURRENT YEAR				Type of Financing	2015/16 COMMENTS
		A	B	C	D	E	F		
		2015/16 and Future Years Budget £'000	2015/16 Budget £'000	2015/16 Actual as at 31/3/16 £'000	Expenditure Rephased into 2016/17 £'000	(C+D) Total Expenditure £'000	(E-B) 2015/16 Variance from Budget £'000		
Finance & Policy Committee									
7091	City challenge Clawback	213	213	0	213	213	0	MIX	
7260	City Challenge Clawback - Burbank / Murray Street	83	83	0	83	83	0	MIX	
7468	IT Strategy	500	500	0	500	500	0	MIX	
7623	Corporate IT Projects	24	24	0	24	24	0	MIX	
8143	Tivoli Server	10	10	0	10	10	0	MIX	
8826	Civic Centre Remodel Reception Area	100	100	63	37	100	0	RCCO	
	Point to Point Encryption	20	20	0	20	20	0	MIX	
	Corporate Projects	79	79	0	79	79	0	MIX	
Chief Executives Total		1,029	1,029	63	966	1,029	0		

Key			
RCCO	Revenue Contribution towards Capital	GRANT	Grant Funded
MIX	Combination of Funding Types	CAP REC	Capital Receipt
UCPB	Unsupported Corporate Prudential Borrowing	UDPB	Unsupported Departmental Prudential Borrowing
SCE	Supported Capital Expenditure (Revenue)	SPB	Supported Prudential Borrowing

CAPITAL MONITORING REPORT PERIOD ENDING 31st MARCH 2016

4.1

Project Code	Scheme Title	BUDGET		EXPENDITURE IN CURRENT YEAR				Type of Financing	2015/16 COMMENTS
		A 2015/16 and Future Years Budget £'000	B 2015/16 Budget £'000	C 2015/16 Actual as at 31/3/16 £'000	D Expenditure Rephased into 2016/17 £'000	E (C+D) Total Expenditure £'000	F (E-B) 2015/16 Variance from Budget £'000		
Adult Committee									
7234	Chronically Sick and Disabled Persons Adaptations	598	598	289	309	598	0	MIX	Funding to be rephased into 2016/17 where it will combined with the BCF Capital Allocations to support adaptations in peoples homes.
8108	Centre for Independent Living - New Build	4,720	2,635	1,026	1,609	2,635	0	MIX	Scheduled completion date is September 2016.
Adult Committee Sub Total		5,318	3,233	1,315	1,918	3,233	0		
Children's Committee									
7469	Children's Centre's Capital	32	32	14	18	32	0	RCCO	Contingency funding towards future childrens centre developments.
8072	Integrated Children's Services Case Management Improvement	37	37	0	37	37	0	MIX	
8218	Youth Service Portable Multi-Use Games Area (Youth Capital Fund)	7	7	0	7	7	0	GRANT	
8836	YOS Health Suite	24	24	24	0	24	0	GRANT	
8783	Barnard Grove Primary School - Section 278 Works	12	12	0	12	12	0	GRANT	
8781	Brougham Primary School - 2 year old Free Nursery Entitlement Capacity Building	11	11	0	0	0	(11)	GRANT	This scheme is now complete and the funding will be returned to Unallocated Free Nursery Entitlement Capacity Building to be allocated for future schemes.
8808	Brougham Primary School - Lighting/Emergency Lighting	25	25	26	0	26	1	GRANT	Scheme completed - overspend to be funded by unallocated funding.
8825	Chatham Road Children's Centre - Lighting/Emergency Lighting	4	4	4	0	4	0	GRANT	Scheme completed .
8809	Clavering Primary School - Roofing Block A (Phase 2 of 2)	84	84	60	0	60	(24)	GRANT	Scheme completed - underspend to be transferred to unallocated funding.
8732	Clavering Primary School - Roofing - Block A	2	2	2	0	2	0	GRANT	Scheme completed.
8890	Clavering Primary - Class Room Extension	345	56	56	0	56	0	GRANT	
8898	CETL - Cafe/Meeting Area	24	24	14	10	24	0	RCCO	
7384	Devolved Schools Capital	929	929	722	207	929	0	MIX	
8833	English Martyrs School - Science Labs	325	325	0	0	0	(325)	RCCO	This scheme is no longer going ahead and the funding is to be returned to the Unallocated RCCO funding earmarked for Suitability Schemes.
8810	Fens Primary School - Heating Distribution (Phase 1 of 3)	77	77	67	0	67	(10)	GRANT	Scheme completed - underspend to be transferred to unallocated funding.
8834	Fens Primary School - Cold Water Main Replacement	11	11	14	0	14	3		Scheme completed - overspend to be funded by unallocated funding.
8811	Golden Flatts Primary School - Electrical Rewire (Phase 1 of 3)	104	104	96	0	96	(8)	GRANT	Scheme completed - underspend to be transferred to unallocated funding.
8734	Golden Flatts Primary School - Condensation mitigation works	15	15	0	15	15	0	MIX	On hold pending ongoing investigation.
8874	Golden Flatts Primary School - Emergency Boiler Replacement	45	45	5	40	45	0	MIX	
8730	Greatham Primary School - Roofing (Phase 1 of 2)	2	2	0	0	0	(2)	GRANT	Scheme completed - underspend to be transferred to unallocated funding.
8812	Greatham Primary School - Roofing (Phase 2 of 2)	65	65	40	0	40	(25)	MIX	Scheme completed - underspend to be transferred to unallocated funding.
8813	Hart Primary School - Lighting/Emergency Lighting	8	8	12	0	12	4	MIX	Scheme completed - overspend to be funded by unallocated funding.
8729	Hart Primary School - Roofing - Block A	2	2	2	0	2	0	MIX	Scheme completed.
8891	Hart Primary School - Classroom Extension	98	9	9	0	9	0	GRANT	
8598	High Tunstall School - Heating Distribution - Block G	47	47	0	0	0	(47)	GRANT	Scheme completed - underspend to be transferred to unallocated funding.
8523	High Tunstall School - Heating Distribution - Block A	48	48	0	0	0	(48)	GRANT	Scheme completed - underspend to be transferred to unallocated funding.
8801	High Tunstall School - Hot Water Plant Replacement	3	3	2	0	2	(1)	GRANT	Scheme completed - underspend to be transferred to unallocated funding.
8718	High Tunstall School - Roofing - Area of Block A Phased	60	60	0	60	60	0	MIX	On hold pending Priority School Building Programme Phase 2 but minor works were necessary and have been undertaken. The remainder of the scheme will remain on hold until the Autumn when EFA provide information as to where within the 5 yr programme the new build will be timetabled.
8718	High Tunstall School - Roofing - Block A	11	11	0	11	11	0	MIX	Scheme reduced pending outcome of Priority School Building Programme Phase 2. The remainder of the scheme will remain on hold until the Autumn when EFA provide information as to where within the 5 yr programme the new build will be timetabled.
8719	High Tunstall School - Roofing - Block L	102	102	0	102	102	0	MIX	On hold pending Priority School Building Programme Phase 2. The remainder of the scheme will remain on hold until the Autumn when EFA provide information as to where within the 5 yr programme the new build will be timetabled.
8716	High Tunstall School - Window Replacement - Block A	154	154	0	154	154	0	RCCO	On hold pending Priority School Building Programme Phase 2. This scheme will remain on hold until the Autumn when EFA provide information as to where within the 5 yr programme the new build will be timetabled.
8785	Holy Trinity Primary School - Section 278 Works	2	2	0	0	0	(2)	GRANT	Scheme completed - underspend to be transferred to unallocated funding.
8814	Kingsley Primary School - Hall Window Replacement	55	55	51	0	51	(4)	MIX	Scheme completed - underspend to be transferred to unallocated funding.
8727	Kingsley Primary School - Electrical Rewire	60	60	53	0	53	(7)	MIX	Scheme completed - underspend to be transferred to unallocated funding.
8817	Lynnfield Primary School - Lighting/Emergency Lighting (final phase)	9	9	10	0	10	1	GRANT	Scheme completed - overspend to be funded by unallocated funding.
8816	Lynnfield Primary School - Roofing (Phase 1)	90	90	59	0	59	(31)	MIX	Scheme completed - underspend to be transferred to unallocated funding.
8815	Lynnfield Primary School - Window Replacement Block A (Phase 2 of 2)	54	54	57	0	57	3	MIX	Scheme completed - overspend to be funded by unallocated funding.
8728	Lynnfield Primary School - Window Replacement - Block A	5	5	0	0	0	(5)	MIX	Scheme completed - underspend to be transferred to unallocated funding.
8782	Lynnfield Primary School - 2 year old Free Nursery Entitlement Capacity Building	15	15	3	0	3	(12)	GRANT	This scheme is now complete and the funding will be returned to Unallocated Free Nursery Entitlement Capacity Building to be allocated for future schemes.
8789	Pupil Referral Unit - Refurbishment	67	67	65	0	65	(2)	RCCO	Scheme completed - underspend to be transferred to unallocated funding.
8832	Pupil Referral Unit - Access Works	20	20	19	0	19	(1)	MIX	Scheme completed - underspend to be transferred to unallocated funding.
7586	Purchase of Computer Equipment - City Learning Centre	4	4	0	4	4	0	RCCO	
8720	Rift House Children's Centre - Roofing Replacement	4	4	3	0	3	(1)	GRANT	Scheme completed - underspend to be transferred to unallocated funding.
8818	Rift House Primary School - Lighting/Emergency Lighting	13	13	16	0	16	3	GRANT	Scheme completed - overspend to be funded by unallocated funding.

CAPITAL MONITORING REPORT PERIOD ENDING 31st MARCH 2016

4.1

Project Code	Scheme Title	BUDGET		EXPENDITURE IN CURRENT YEAR				Type of Financing	2015/16 COMMENTS
		A 2015/16 and Future Years Budget £'000	B 2015/16 Budget £'000	C 2015/16 Actual as at 31/3/16 £'000	D Expenditure Rephased into 2016/17 £'000	E (C+D) Total Expenditure £'000	F (E-B) 2015/16 Variance from Budget £'000		
8821	Rossmere Primary School - Heating Distribution	60	60	47	0	47	(13)	GRANT	Scheme completed - underspend to be transferred to unallocated funding.
8819	Rossmere Primary School - Lighting/Emergency Lighting	31	31	4	27	31	0	MIX	
8820	Rossmere Primary School - Window Replacement	50	50	48	0	48	(2)	MIX	Scheme completed - underspend to be transferred to unallocated funding.
8692	Rossmere Primary School - Forest School	155	155	118	37	155	0	RCCO	
	2 year old Free Nursery Entitlement Capacity Building - Unallocated	0	0	0	23	23	23	GRANT	This reflects the underspend that will be transferred from the completed 2 year old Free Nursery Entitlement Capacity Building schemes that will be allocated to future schemes.
7421	School Travel Plans	14	14	12	2	14	0	GRANT	
9009	Schools ICT Spend	217	217	217	0	217	0	RCCO	Reflects expenditure incurred by schools on ICT that has been capitalised.
8138	Schools General - BSF - ICT	532	60	34	26	60	0	GRANT	
8139	Schools General - BSF - ICT Infrastructure Costs	112	0	0	0	0	0	GRANT	
9004	Schools General - Contingency	87	87	0	0	0	(87)	GRANT	This reflects the remaining contingency funding that was not needed during the course of the year and will be transferred to unallocated.
9004	Schools General - Funding Currently Unallocated	168	168	0	581	581	413	MIX	This reflects the net underspend that will be transferred from completed schemes.
9004	Schools General - RCCO Earmarked for Asbestos Surveys	50	50	25	25	50	0	RCCO	
9004	Schools General - Suitability RCCO Unallocated	942	0	0	325	325	325	RCCO	This reflects transfer of funding no longer required for the English Martyrs Science Labs scheme.
8788	Schools General - Universal Free School Meals	60	60	7	53	60	0	GRANT	
8822	Springwell Primary School - Refurbish WC's	50	50	28	0	28	(22)	MIX	Scheme completed - underspend to be transferred to unallocated funding.
8594	Springwell Primary School - Emergency Boiler Replacement	10	10	10	0	10	0	GRANT	Scheme completed.
8865	St Cuthbert's Outdoor Area	96	96	0	96	96	0	MIX	
8823	St Helen's Primary School - Roofing KS1 Building	90	90	71	0	71	(19)	MIX	Scheme completed - underspend to be transferred to unallocated funding.
8824	Throston Primary School - SEN Adaptations	22	22	23	0	23	1	GRANT	Scheme completed - underspend to be transferred to unallocated funding.
8455	West Park Primary School - Fire Detection System	53	53	0	0	0	(53)	GRANT	Scheme completed - underspend to be transferred to unallocated funding.
8526	West Park Primary School - Heating / Hot & Cold Water Distribution	16	16	1	0	1	(15)	MIX	Scheme completed - underspend to be transferred to unallocated funding.
8653	West View Primary School - Early Years Foundation Stage Improvements	155	155	2	153	155	0	RCCO	This scheme was put on hold in 2014/15 pending the PSBP 2 announcement and only works to canopy and external store were completed. The school was not successful for PSBP2 therefore the scheme is now progressing.
Children's Committee Sub Total		6,081	4,177	2,152	2,025	4,177	0		
Child & Adult Services Total		11,399	7,410	3,467	3,943	7,410	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

CAPITAL MONITORING REPORT PERIOD ENDING 31st MARCH 2016

Project Code	Scheme Title	BUDGET		EXPENDITURE IN CURRENT YEAR				Type of Financing	2015/16 COMMENTS
		2015/16 and Future Years Budget £'000	2015/16 Budget £'000	2015/16 Actual as at 31/3/16 £'000	Expenditure Rephased into 2016/17 £'000	(C+D) Total Expenditure £'000	(E-B) 2015/16 Variance from Budget £'000		
Finance & Policy Committee									
7036	Unallocated Council Capital Fund	75	75	0	75	75	0	UCPB	This reflects the net underspend that will be transferred to the unallocated budget.
7036	Council Capital Fund Contingency	22	22	0	22	22	0	CORP	
7041	Corporate Planned Maintenance Unallocated	58	58	0	58	58	0	MIX	This reflects the net underspend that will be transferred to the unallocated budget.
	Regeneration Match Funding	393	393	0	393	393	0	UCPB	
	Corporate Projects	170	170	0	170	170	0	RCCO	
7200	Civic Centre Refurbishment	220	220	5	215	220	0	MIX	Works will not be completed until the following financial year.
7994	Mill House Electrical Distribution Board Replacement	25	25	0	25	25	0	CORP	Works to slip to 16/17.
8142	School Kitchen Upgrades	103	103	0	103	103	0	RCCO	Works to slip to 16/17. Schools to be confirmed.
8171	Corporate Planned Maintenance - Footpath Repair - Grayfields	16	16	0	16	16	0	MIX	Scope of project not yet finalised.
8406	Throston Disability Discrimination Act - Toilets	37	37	0	37	37	0	UCPB	On Hold.
8776	Town Hall Theatre Stage Lighting Controls	50	50	0	50	50	0	RCCO	Works to slip to 16/17.
8777	Christ Church Boiler Replacement	7	7	7	0	7	0	RCCO	Scheme complete.
8779	Newburn Bridge Roofing and Door Replacement	20	20	20	0	20	0	RCCO	Scheme complete.
8797	Seaton Carew Library Roof Replacement	10	10	10	0	10	0	RCCO	Scheme Complete
8835	Central Library - Roofing and Guttering	240	240	240	0	240	0	RCCO	Scheme complete.
8864	Carlton Outdoor Centre Rewire Bungalow	3	3	3	0	3	0	RCCO	Scheme complete.
8867	Borough Hall Structural Works	27	27	0	27	27	0	CORP	Awaiting Outcome of Structural Survey
8893	Town Hall Lighting and Distribution Board Replacement	25	25	7	18	25	0	CORP	At design stage.
9024	Asbestos Re-Surveys	59	59	0	59	59	0	RCCO	Any remedial work will be carried out 16/17.
new	Indoor Bowls Centre Refurbishment	190	190	0	190	190	0	RCCO	These resources held as uncommitted until detailed master planning for the Mill House site has been completed.
new	Borough Hall - wet rot	5	5	0	5	5	0	RCCO	Initial Damp proof complete. To monitor situation.
new	Borough Hall - External Redecoration	4	4	0	4	4	0	RCCO	Remaining Works to be completed 16/17
new	Mill House Replace Chemical Dosing System	5	5	3	2	5	0	RCCO	Remaining Works to be completed 16/17
new	Anuerin Bevan House Roof Replacement	110	110	0	110	110	0	CORP	Works to slip to 16/17.
new	Anuerin Bevan House Accessibility Works	32	32	0	32	32	0	CORP	Works to slip to 16/17.
new	Borough Hall Lighting and Wiring	40	40	0	40	40	0	CORP	Works to slip to 16/17.
new	Carlton Centre Replace Hot Water System	13	13	0	13	13	0	CORP	Works to slip to 16/17.
new	Centre for Excellence Training & Learning Replace Heating Controls	45	45	0	45	45	0	CORP	Awaiting Asbestos Clearance
new	Hartlepool Art Gallery Accessibility Works	40	40	0	40	40	0	CORP	Works to slip to 16/17.
new	Mill House Replacement Pool Covers	20	20	0	20	20	0	CORP	Works to slip to 16/17.
new	Rossmere Youth Centre Roof Replacement	117	117	0	117	117	0	CORP	Works to slip to 16/17.
new	Rossmere Youth Centre Window Replacement	33	33	0	33	33	0	CORP	Works to slip to 16/17.
new	Health and Safety Works - Borough Hall / Mill House	48	48	0	48	48	0	CORP	Works to slip to 16/17.
new	Health and Safety Works - Borough Hall / Mill House	5	5	0	5	5	0	RCCO	Works to slip to 16/17.
Corporate Total		2,267	2,267	295	1,972	2,267	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

CAPITAL MONITORING REPORT PERIOD ENDING 31st MARCH 2016

4.1

Project Code	Scheme Title	BUDGET		EXPENDITURE IN CURRENT YEAR				Type of Financing	2015/16 COMMENTS
		A	B	C	D	E	F		
		2015/16 and Future Years Budget £'000	2015/16 Budget £'000	2015/16 Actual as at 31/3/16 £'000	Expenditure Rephased into 2016/17 £'000	(C+D) Total Expenditure £'000	(E-B) 2015/16 Variance from Budget £'000		
Finance & Policy Committee									
8710	Drug & Alcohol Recovery Centre	200	200	165	35	200	0	GRANT	New scheme funded by Public Health England to improve drug and alcohol provision within Hartlepool. A change of service provider has resulted in a delayed start to the scheme.
Finance & Policy Committee Sub Total		200	200	165	35	200	0		
Regeneration Committee									
8634/8689	Brierton 3G Pitch & Playing Fields	298	130	130	0	130	0	MIX	The 3G Pitch has now been completed. The budget also includes other works such as improvements to the walkway from the changing area, to be completed in April 2016. Work on the playing fields is scheduled to be completed in 2016/17.
Various	Mill House - Equipment Purchase and Access works	99	99	12	87	99	0	MIX	Rephased to provide a contingency for major repairs/improvements.
8452	Carlton Disabled WC	2	2	2	0	2	0	MIX	
8899	Borough Hall Audio & Visual	26	26	26	0	26	0	RCCO	
8904	Summerhill Cafe Works	16	16	0	16	16	0	MIX	
8409	Sport & Youth Improvements	25	25	2	23	25	0	MIX	Rephased to support works in future years.
Regeneration Committee Sub Total		466	298	172	126	298	0		
Public Health Services Total		666	498	337	161	498	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

CAPITAL MONITORING REPORT PERIOD ENDING 31st MARCH 2016

4.1

Project Code	Scheme Title	A	B	EXPENDITURE IN CURRENT YEAR				Type of Financing	2015/16 COMMENTS
		2015/16 and Future Years Budget £'000	2015/16 Budget £'000	C	D	E	F		
				2015/16 Actual as at 31/3/16 £'000	Expenditure Rephased into 2016/17 £'000	(C+D) Total Expenditure £'000	(E-B) 2015/16 Variance from Budget £'000		
Finance & Policy Committee									
8306	School Catering Equipment	297	52	24	28	52	0	RCCO	The budget funds an ongoing programme of kitchen equipment replacement. Grant funding in relation to free school meals has temporarily reduced the demand on this budget. The budget includes a contribution from the Trading account.
8425	PV Cells Installation (various buildings)	193	19	19	0	19	0	UDPB	As a result of government changes to Feed-in-Tariff (FIT) arrangements and subsidies, the remaining sites in the scheme have been put on hold in order to evaluate the future business case.
8796	Depot Relocation/Church Street Regeneration	3,504	3,504	2,582	922	3,504	0	MIX	Scheme ongoing and expected to complete in 2016/17.
BRI	Brierton Site Development	159	159	2	157	159	0	MIX	The Capital Monitoring report for July 2016/17 details the updated position.
8830	Reed Street Depot Improvements	130	130	137	0	137	7	RCCO	This scheme has been funded by the Logistics Revenue Budget in order to reconfigure the building as part of the overall depot relocation arrangements. An additional RCCO of £7k was made in 16/17 to fund expenditure exceeding the budget.
Finance & Policy Committee Sub Total		4,283	3,864	2,764	1,107	3,871	7		
Regeneration Committee									
7218	Disabled Facility Grants	1,263	763	735	28	763	0	MIX	Additional grant funding of £0.5m was received close to the year end which will be used to reduce the waiting list in 2016/17
7220	Private Sector Housing Grants	29	29	4	25	29	0	MIX	
8446	Housing - Empty Homes Phase 1	344	344	298	0	298	(46)	MIX	Scheme is now complete. As detailed in the Housing Evaluation report to F&P on 25th July, 2016, this has been a significant achievement given the challenges faced. The saving will result in reduced prudential borrowing required.
8795	Housing - Empty Home Phase 2	4,020	1,103	714	389	1,103	0	MIX	Relates to pause caused by HRA uncertainty. Variance is period specific.
8805	Housing - Raby Road Site Bungalow New Build	1,719	1,719	1,719	0	1,719	0	MIX	
8106	RTB Receipts - Ringfenced	203	203	0	203	203	0	RCCO	Budget created at outturn
8155	Housing - Preventing Repossession	20	20	0	20	20	0	GRANT	The actual timing of expenditure is demand led according to cases meeting the criteria.
8326	Housing - Baden Street Project	23	23	4	19	23	0	MIX	
7530	Developers Contributions (Section 106)	444	444	0	444	444	0	GRANT	This consists of accumulated contributions not yet transferred to approved budgets.
8308	Morrison Hall Loan to NDC Trust	370	370	364	6	370	0	UDPB	
8429	Adult Education - Replace IT	11	11	4	7	11	0	GRANT	As detailed in July 2016 report this budget is no longer be required and will be transferred to the CCF pot.
7531	Adult Education - Accommodation	20	0	0	0	0	0	GRANT	As detailed in July 2016 report this budget is no longer be required and will be transferred to the CCF pot.
8394	Library Improvements	21	21	21	0	21	0	MIX	
8444	Coast Protection - Town Wall Strengthening	899	899	838	61	899	0	GRANT	
8578	Coast Protection - South Management Unit Study	46	46	16	30	46	0	GRANT	
8591	Coast Protection - Crimdon/Newburn Bridge Study	7,362	2,759	2,760	0	2,760	1	MIX	The design and survey work started in the latter part of 2014/15 and forms part of a major scheme expected to span four to five years.
8580	Hartlepool Enterprise Centre (HEC) Building Improvements	3	3	3	0	3	0	UCPB	
9008	Church Street - Hartlepool Vision	402	64	54	10	64	0	MIX	Relates to feasibility work in 15/16 and match funding for HLF grant in 2017/18
8831	Manor House Purchase	40	40	40	0	40	0	RCCO	
HMR	North Central Hartlepool Housing Regeneration	1,677	1,677	765	604	1,369	(308)	MIX	Relates to a saving in the overall scheme cost as a result of the development agreement with PlaceFirst.
GRT	Grants to Businesses	6	6	6	0	6	0	UCPB	
8534	Masterplan - Church Street (HLF)	20	20	0	20	20	0	GRANT	Relates first payment of HLF grant to fund feasibility work in 2016/17
8700	Waverley Terrace Allotments	74	74	74	0	74	0	MIX	
8799	Housing - Major Repairs	112	112	112	0	112	0	RCCO	Major repairs funded by a contribution from the Housing Revenue Account (HRA).
8889	Seaton Masterplan	89	89	89	0	89	0	MIX	Relates to feasibility work.
8901	Masterplan - ISQ Workspace	368	368	346	22	368	0	MIX	LGF Funding used to purchase former Post Office building.
8536	Theatre Booking System	1	1	1	0	1	0	GRANT	Balance of remaining grant now spent.
New	CCAD Loan	1,500	0	0	0	0	0	UCPB	Expected to be drawn down by the College in 2016/17.
Regeneration Committee Sub Total		21,086	11,208	8,967	1,888	10,855	(353)		

CAPITAL MONITORING REPORT PERIOD ENDING 31st MARCH 2016

4.1

Project Code	Scheme Title	A	B	EXPENDITURE IN CURRENT YEAR				Type of Financing	2015/16 COMMENTS
		2015/16 and Future Years Budget £'000	2015/16 Budget £'000	C	D	E	F		
				2015/16 Actual as at 31/3/16 £'000	Expenditure Rephased into 2016/17 £'000	(C+D) Total Expenditure £'000	(E-B) 2015/16 Variance from Budget £'000		
Neighbourhoods Committee									
7272	Wheelie Bin Replacement Purchases	60	60	87	0	87	27	UDPB	The above budget expenditure required financing by a RCCO of £27k from the waste revenue account at outturn.
7466	DSO Vehicle Purchases	1,179	1,179	412	767	1,179	0	UDPB	A review of the vehicle replacement programme has identified opportunities for savings by maximising the economic life of existing vehicles. This has resulted in a rephased programme for vehicle renewals which have previously been approved and the budget has been restated to reflect these changes.
PLAY	Playgrounds	132	132	44	88	132	0	GRANT	Consists of various playground schemes funded by Section 106 contributions.
7508	Anhydrite Mine	107	54	2	52	54	0	MIX	Funding is carried forward for future monitoring of the mine.
S278	TESCO Section 278 Funding	209	105	1	104	105	0	GRANT	Rephased to be used for Church Street works in 2016/17.
Waste	Household Waste Recycling Centre Improvements	277	43	43	0	43	0	MIX	Includes additional £250k prudential borrowing approved in March 2016.
7878	Community Safety CCTV Upgrade/Relocation	409	309	10	299	309	0	MIX	Includes contributions from the revenue budget to fund the replacement or equipment and the relocation of the CCTV service in 2015/16.
SL	Street Lighting Replacement	2,158	2,158	1,819	339	2,158	0	GRANT	Scheme ongoing to be completed in 2016/17.
Allot	Allotments Improvements	343	343	3	340	343	0	UDPB	The Neighbourhoods Committee at its meeting on 27th July 2016 approved for £100k to be rephased to fund relocation costs as a result of the future expansion of Stranton Cemetery. A second phase of the Allotments review is underway and is expected to report in 2017 on a proposed programme of works.
ST	Stranton Cremators and Tanfield	62	62	10	52	62	0	MIX	Remaining budget rephased as part of funding for essential works to Chapel to be reported to SAMB.
LTP	Local Transport Plan (LTP)- Schemes	2,946	2,424	1,813	611	2,424	0	GRANT	
TVBNI	Tees Valley Bus Network Improvement Schemes	891	891	818	73	891	0	GRANT	
8828	Crematorium refurbishment	120	120	1	119	120	0	RCCO	Essential works are required to the chapel. Additional funding is required to cover the cost of this work. A report will be presented to SAMB.
8829	Children's Cemetery Resurfacing	36	36	36	0	36	0	RCCO	
Neighbourhoods Committee Sub Total		8,929	7,916	5,099	2,844	7,943	27		
Regeneration & Neighbourhoods Total		34,298	22,988	16,830	5,839	22,669	(319)		

Key			
RCCO	Revenue Contribution towards Capital	GRANT	Grant Funded
MIX	Combination of Funding Types	CAP REC	Capital Receipt
UCPB	Unsupported Corporate Prudential Borrowing	UDPB	Unsupported Departmental Prudential Borrowing
SCE	Supported Capital Expenditure (Revenue)	SPB	Supported Prudential Borrowing

FINANCE AND POLICY COMMITTEE

5th September 2016



Report of: Director of Regeneration and Neighbourhoods and
Director of Public Health

**Subject: ACQUISITION OF ASSETS – VICTORIA ROAD
GLADSTONE HOUSE**

1. TYPE OF DECISION/APPLICABLE CATEGORY

1.1 Key Decision (test (i)) Forward Plan Reference No. RN 98/11

2. PURPOSE OF REPORT

2.1 To seek approval for the acquisition of Gladstone House Victoria Road for a Health and Wellbeing Recovery Centre.

3. BACKGROUND

3.1 In 2015/16, Public Health, in Partnership with Addaction, a locally commissioned, specialist prescribing contractor for substance misuse services, were successful in receiving a capital grant from Public Health England (PHE) to deliver a Health and Wellbeing Recovery Project. This project to be known as “Stepping Stones” will be delivered to those recovering from drug and alcohol addiction in Hartlepool.

3.2 The project will develop a Health and Wellbeing Recovery Centre delivering a plethora of healthcare interventions and including diversionary and developmental activities. The service will be accessible to all those in recovery from substance misuse and some aspects will also be available to those in the wider community, promoting true integration as opposed to segregation of the recovery community. The project will be delivered by the Council’s partner, Addaction, through a Partnership Agreement. Addaction are one of the UK’s leading and largest specialist drug, alcohol and mental health treatment charities.

3.3 In order to deliver the project, suitable premises are required. The use of existing Council premises has been considered, but there are no suitable

properties vacant at present; the property requirements include being in a central location, a Use Class D1 planning consent (Use Class D1 includes clinics and health centres) and sufficient space to accommodate a range of activities and facilities including clinical work, a fitness suite, advice and mentoring services.

- 3.4 An appropriate property from which to deliver the project became available on the open market earlier this year in Victoria Road. The property was formerly a general practice doctor's surgery and thus has both the type and layout of accommodation required by the service and a suitable planning consent. The property does require some repairs, mainly in relation to roofing/rain water goods and some areas of rising dampness but these are relatively limited. In addition, the service will carry out some alterations internally to make the building fully fit for service. Whilst detailed costs are not yet available, it is considered the project funding will be more than adequate to cover them. The property, 46 Victoria Road, is shown hatched on the plan in **APPENDIX 1**.
- 3.5 Terms have now been provisionally agreed for the purchase of the property. As the project will be delivered by Addaction, the property will be leased to them for the duration of the project. There is an option within the current contract with Addaction to extend the contract until the end of March 2019 which was part of the Substance Misuse Options appraisal presented to Finance and Policy Committee on 25th July 2016. This would ensure that the end dates for both projects were aligned.

4. PROPOSALS

- 4.1 In order to deliver healthcare interventions to service users who are reluctant or unable to attend traditional settings, the centre will have a clinical room equipped to CQC standards which will also include suitable dental care equipment to make dentists/hygienists more accessible to the service user group.
- 4.2 This enhanced clinical facility will provide a safe and secure environment from which the Addaction substance misuse service, in partnership with relevant community services, can provide basic wound care and an ulcer clinic which was identified by service users as needed in the community.
- 4.3 The centre will not replace the primary care services but will complement them, providing a "Stepping Stone" for those service users who often find it difficult to attend traditional primary care settings for whatever reasons, creating an opportunity to engage and educate and build social recovery capital to a level where service users are then able to attend more traditional treatment sites within the community.
- 4.4 Additional activities will also be delivered and supported by the Centre, these will be accessible to services users, ex service users and friends and family/carers and the wider community.

- 4.5 A fitness suite is planned for installation, where individuals and small groups can learn the basic principles about fitness supported by a sports science student. This will serve as a “Stepping Stone” to accessing community resources by building confidence in use of gym equipment as well as increasing self-esteem and self-motivation, developing the skills required to support the individual to access gym facilities provided at mainstream venues, thus linking into developing the local economy through an increase in footfall from those from the recovery community who access leisure facilities in the town.
- 4.6 It is recognised that armed forces veterans with substance misuse issues have a specific set of issues and as such Addaction will deliver the Right Turn Programme from the Centre. Addaction’s Right Turn Programme is a specific programme of awareness raising, education, treatment and peer support for veterans with substance misuse issues, many of whom are already struggling to reintegrate into civilian life. Delivered in partnership with The British Legion, Combat Stress and Forces in Mind, the project trains and supports a veteran as a peer mentor/group facilitator for a group specifically tailored for veterans with substance misuse issues. The peer mentor is able to train, develop and support group members to become peer mentors themselves thus developing the support network for veterans in the area. Links to the British Legion mean that the veterans can access practical support such as help with rent deposits, grants for white goods etc. to support them in the community. The Centre will provide a supportive venue for the delivery of this group and support veterans to access community based activities to aid their recovery and reintegrate them into community life.
- 4.7 The project will be delivered through a Partnership Agreement with Addaction and the property will be leased to Addaction. This transfers all of the terms and conditions of the grant made by Public Health England to Hartlepool Borough Council to Addaction.
- 4.8 It is proposed to purchase the property on the terms outlined in **CONFIDENTIAL APPENDIX 2. This item contains exempt information under Schedule 12A Local Government Act 1972 (as amended by the Local Government (Access to Information) (Variation) Order 2006) namely, (paragraph 3) information relating to the financial or business affairs of any particular person (including the authority holding that information.**
- 4.9 It is further proposed to lease the property to Addaction on the terms outlined in **CONFIDENTIAL APPENDIX 2. This item contains exempt information under Schedule 12A Local Government Act 1972 (as amended by the Local Government (Access to Information) (Variation) Order 2006) namely, (paragraph 3) information relating to the financial or business affairs of any particular person (including the authority holding that information.**

5. RISK IMPLICATIONS

- 5.1 Should the provider no longer have a presence in the town, for any reason, i.e. no longer held the Substance Misuse Contract or no longer wished to manage the project identified within the bid, then the building would remain a community asset within the Substance Misuse Treatment field and would not be retained as an asset of the provider. In this regard there is some minimal risk, as the Council would then be required to be owners of the asset until a new project provider was found or alternatively the project itself could be considered to be brought in-house.

6. FINANCIAL CONSIDERATIONS

- 6.1 The costs of acquisition, repair and alterations are being met from the grant funding for the project and the grant received is sufficient to cover purchase and refurbishment of the building. Revenue costs are to be met by the provider.
- 6.2 In considering the issues outlined in this report Members are reminded that significant additional Government Grant cuts will be made over the period 2017/18 to 2019/20. An update of the Medium Term Financial Strategy was submitted to the Finance and Policy Committee on 20th June 2016 and informed Members that the Council faces a budget deficit of £12.7 million over the next three years. This equates to a reduction from the 2016/17 budget of 15% and assumes annual Council Tax increases will be implemented in line with Government Council Tax policy, including the 2% Social Care precept, and Council Tax growth forecasts will be achieved. Achieving this level of reduction will be extremely challenging and detailed proposals for achieving saving of approximately £4 million per year for the next three years will be reported to future policy committees. Any additional budget pressures will increase the level of budget cuts which will need to be made and will need to be referred to the Finance and Policy Committee for consideration.

7. LEGAL CONSIDERATIONS

- 7.1 The proposed arrangements to regulate the acquisition and use of the subject property is contained with the confidential appendix.

8. CHILD AND FAMILY POVERTY

- 8.1 There are no child and family poverty implications relating to this report.

9. EQUALITY AND DIVERSITY CONSIDERATIONS

- 9.1 There are no equality and diversity considerations relating to this report.

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

- 10.1 There are no Section 17 considerations relating to this report.

11. STAFF CONSIDERATIONS

- 11.1 There are no staff considerations relating to this report

12. ASSET MANAGEMENT CONSIDERATIONS

- 12.1 The use of a property already in the ownership of the Council was considered but none of those currently available were appropriate in terms of factors such as their size, location, condition, or layout, or in relation to town planning considerations.

13. RECOMMENDATIONS

- 13.1 Committee is recommended to approve the acquisition and lease of the property to Addaction.
- 13.2 Committee is recommended to approve the delivery of the project subject to the Heads of Terms as set out in the **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, (paragraph 3) information relating to the financial or business affairs of any particular person (including the authority holding that information.**

14. REASONS FOR RECOMMENDATIONS

- 14.1 The property is considered to be highly suitable for the proposed use being a former doctor's surgery centrally located and adjoining non-residential properties.
- 14.2 The proposed purchase terms are considered to reflect no more than the market value of the property and normal practice for a transaction of this type.
- 14.3 Whilst some repairs are required, the costs are considered to be reflected in the purchase terms.

- 14.4 The capital costs of the project will be fully grant funded as outlined in Section 6 above.
- 14.5 The acquisition, lease and Partnership Agreement will enable Public Health to fulfil its obligations in terms of the PHE Capital Grant conditions and allow the project to proceed as planned.

15. BACKGROUND PAPERS

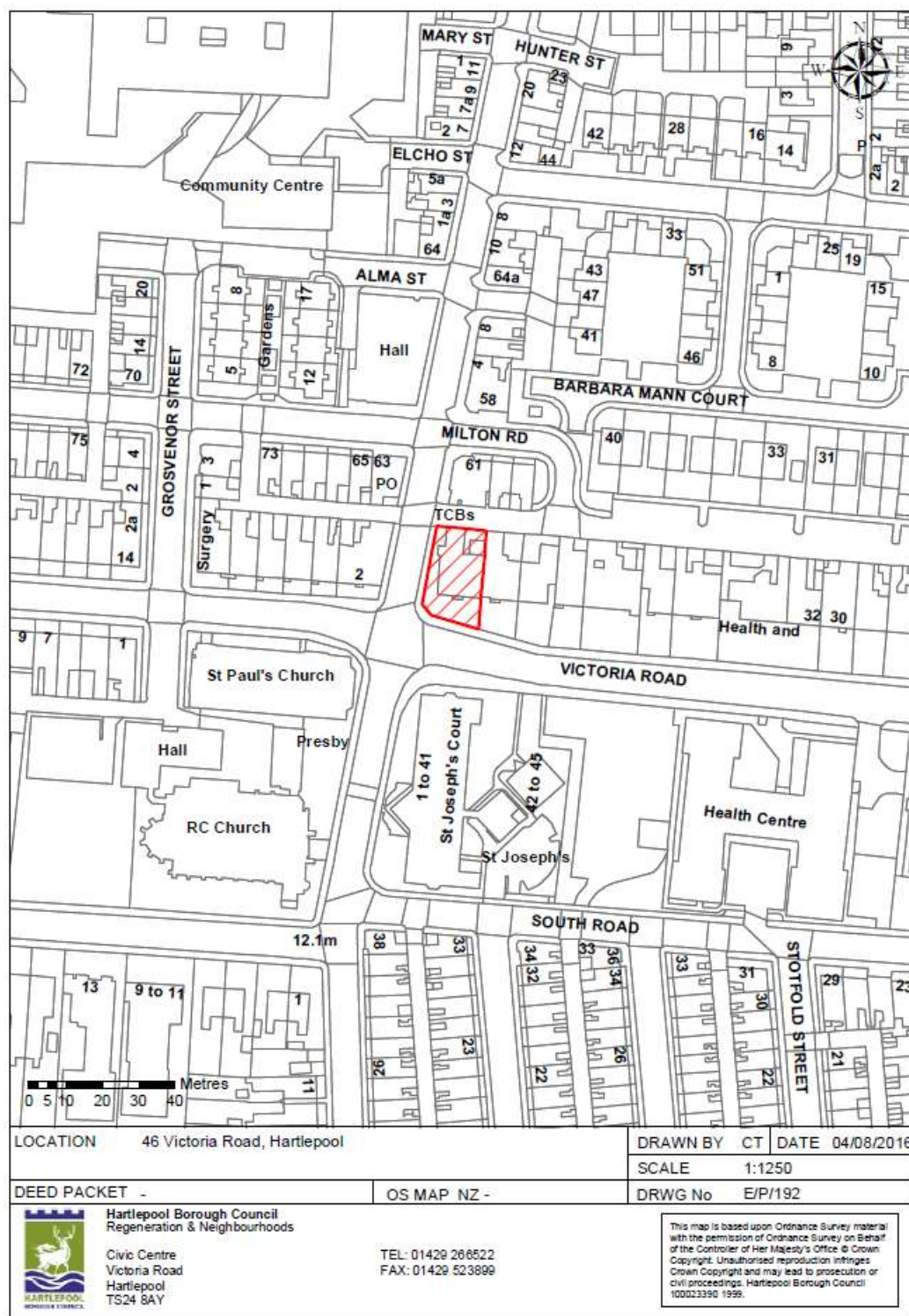
- 15.1 There are no background papers in this instance.

16. CONTACT OFFICER

- 16.1 Denise Ogden
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FINANCE AND POLICY COMMITTEE

5th September 2016



Report of: Assistant Chief Executive / Director of Regeneration & Neighbourhoods / Director of Public Health

Subject: QUARTER 1 – COUNCIL OVERVIEW OF PERFORMANCE AND RISK 2016/17

1. TYPE OF DECISION/APPLICABLE CATEGORY

Non Key Decision.

2. PURPOSE OF REPORT

- 2.1 To inform Finance & Policy Committee of the progress made against the 2016/17 Council Plan at the end of quarter 1 and ask them to agree to a number of changes/updates to the plan. The report also provides the Committee with an update on the topic of Corporate Procurement as agreed by the Committee in June 2016.

3. BACKGROUND

- 3.1 The Council Plan includes a number of key actions, performance indicators and risks which set out how the Council intends to deliver on its priority outcomes. The Council Plan 2016/17 was agreed by Council on the 17th March 2016.
- 3.2 At the end of each quarter officers provide an assessment of progress against the actions, performance indicators and risks in the Plan. These assessments are collected together and form the basis of the quarterly performance reports to Committee. Progress is categorised as:

Performance Indicator	Action
Achieved	Completed
On track to achieve target	On track to be completed
Acceptable progress made	Acceptable progress made
Requiring intervention	Requiring intervention
Not achieved	Not completed
No value	

- 3.3 At the beginning of the municipal year each Policy Committee identified 4 key areas of activity that they would like to receive updates on through these

quarterly performance reports (i.e. one for each quarter). Finance & Policy Committee agreed in June that their 4 topics for 2016/17 would be:

- Q1 - Corporate Procurement
- Q2 - Strategic Asset Management
- Q3 - Welfare Reform / Benefit System changes
- Q4 – Community Hubs

- 3.4 As the Committee will see the format of the report is different from previous years. This new approach has been previously agreed by Policy Chairs and the first reports will be taken to Policy Committees using the new style and approach this quarter. The basis of these new style reports is to provide Members with an overview of performance in relation to the Council Plan, Finance & Policy's specific remit and an overview of progress in each of the individual policy committees. The aim is to streamline the information from what has previously been provided.

4. QUARTER 1 PERFORMANCE REPORT

- 4.1 Overall progress against actions, performance indicators and risks in the Council Plan 2016/17 is set out on page 1 of the performance report (appendix 1) alongside the latest position in relation to the Council's use of RIPA powers. There has been one request to change part of the Council Plan received from Departments and this is also set out on page 1 for Finance & Policy to consider and agree.
- 4.2 Page 2 of the performance report (appendix 1) sets out the detailed commentary provided by the lead officers on those actions and performance indicators that have been identified as requiring intervention at the end of quarter 1. Risks where the rating has changed are also identified along with officer commentary on page 3 (appendix 1).
- 4.3 Progress against those actions, performance indicators and risks from those service areas that are specifically relevant to the Finance & Policy Committee are identified in the performance report (appendix 1) on page 4.
- 4.4 Key achievements made within quarter 1 in relation to this Committee are included on page 5 (appendix 1). As we go through the year this will section will be adapted to provide Members with an overview of those actions and performance indicators that have been completed to ensure that we are providing a balanced view of both achievements and areas requiring intervention.
- 4.5 The Regeneration & Neighbourhoods Department has also provided an update on Corporate Procurement on page 6 of the performance report (appendix 1). This aims to cover the points raised at Finance & Policy Committee in June.
- 4.6 In addition, the front page of the performance reports that will go to each of the other 4 Policy Committees are included as appendix 2 for information.

Detailed performance reports including more detailed updates on their chosen topics will be taken to those Committees in the coming weeks.

5. 2015/16 COUNCIL PLAN - OUTTURN UPDATE

- 5.1 We were unable to report the outturns of a small number of PIs within the Quarter 4 report. We are now able to report on one of those PIs as set out below. This target was achieved.

Performance Indicator	Actual 2015/16	Target 2015/16
CEDCS P095 Actual savings from efficiency and savings programme	£5.6 mill	£5.6 mill

6. RISK IMPLICATIONS

- 6.1 No implications

7. FINANCIAL CONSIDERATIONS

- 7.1 No implications

8. LEGAL CONSIDERATIONS

- 8.1 No implications

9. CHILD AND FAMILY POVERTY

- 9.1 No implications

10. EQUALITY AND DIVERSITY CONSIDERATIONS

- 10.1 No implications

11. STAFF CONSIDERATIONS

- 11.1 No implications

12. ASSET MANAGEMENT CONSIDERATIONS

- 12.1 No implications

13. RECOMMENDATIONS

- 13.1 Finance and policy Committee is asked to: -
- Note the overall progress made on the Council Plan 2016/17 and the progress made on the specific areas of the Council Plan relevant to the Committee at the end of Quarter 1 as set out in appendix 1;

- Note the position in relation to use of RIPA powers as set out on page 1 of appendix 1;
- Agree to the date change of the action identified on page 1 of Appendix 1;
- Note the detail provided on the action identified as not achieved, those Performance Indicators identified as requiring intervention and the change to risks as set out on pages 2 and 3 of Appendix 1;
- Note the update on Corporate Procurement (page 6 of appendix 1);
- Note the progress made on the Council Plan relevant to the other 4 Policy Committees as set out in appendix 2;
- Note the 2015/16 outturn highlighted in section 5.1.

14. REASONS FOR RECOMMENDATIONS

- 14.1 Finance and Policy Committee have overall responsibility for the monitoring of the Council Plan and has specific responsibility for a number of services that are included within the Council Plan.

15. BACKGROUND PAPERS

- 15.1 There were no background papers used in the preparation of the report.

16. CONTACT OFFICER

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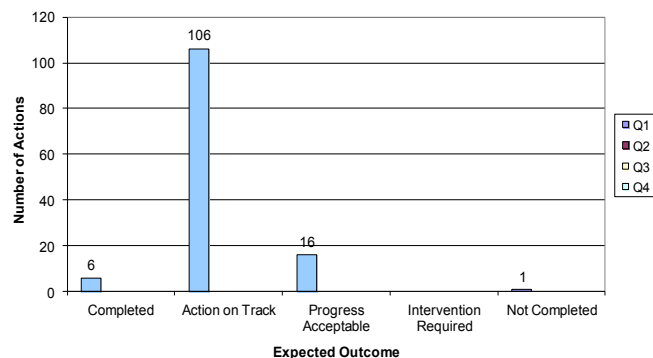


Quarter 1 Performance Update 2016/17 Council Plan

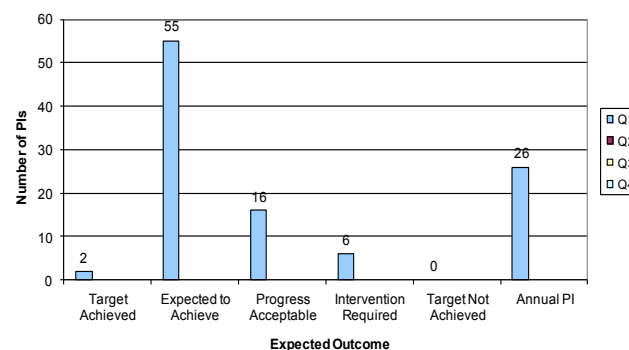
APPENDIX 1

6.1

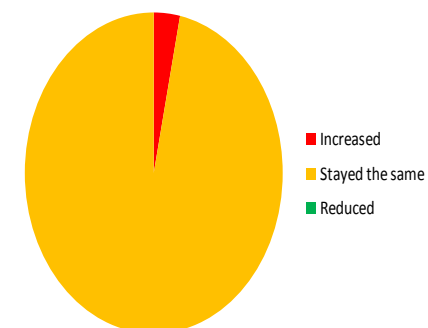
Overall - Action Progress 2016/17



Overall - PI Progress 2016/17



Q1 - Change in Risk Rating



Action Update:

Of the actions within the Council Plan:

- 6 have been completed
- 106 are on track to be completed by due date
- 16 are making acceptable progress
- 1 action has not been completed by the due date

Request for new due date:

CED 16/17 OD25 — Review the arrangements for Member development and identify proposals for future activities

Change to: September 2016 (see page 2)

Targeted Performance Indicator Update:

Of the targeted PIs within the Council Plan:

- 2 have been achieved
- 55 are expected to achieve target
- 16 have made acceptable progress
- 6 require intervention (see page 2)
- 26 are annually reported PIs, data not available this quarter.

Change in Risk:

Of the risks within the Council Plan:

- 89 have stayed the same
- 3 have increased in risk (see page 3)

Number of authorisations for Directed Surveillance and Covert Human Intelligence Sources granted by the Council under the Regulation of Investigatory Powers Act (RIPA)
= 0




Action not completed:

CED 16/17 OD25 — Review the arrangements for Member development and identify proposals for future activities	Due date: May 2016	This action has not been progressed due to increased workload. Report to be taken to CEMT Sept 2016 therefore a date change is requested to 30 Sept 2016.
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PIs requiring intervention:

Performance Indicator	Value	Target	Latest Note
PHD 2.28 Overall attendances at Brierton Leisure Centre	18,742	24,500	<u>Brierton Sports Centre</u> April - 7390 May - 5787 June - 5565 Total - 18742
PHD 2.29 Overall average attendances at Headland Leisure Centre	5,685	7,000	<u>Headland Sports Hall</u> April - 1932 May - 1852 June - 1901 Total - 5685
PHD 2.36 Proportion of substance misusers that successfully complete treatment - Non Opiates	29.3%	50%	This is an annual target so may fluctuate. The new 12 week programme starts in September with the aim of increasing successful completions
PHD 2.37 Proportion of substance misusers that successfully complete treatment - Alcohol	32.7%	50%	This is an yearly target so may fluctuate. The new 12 week programme starts in September with the aim of increasing successful completions
NI 192 Percentage of household waste sent for reuse, recycling and composting		44%	Quarter 4 figures have now been updated, there has been a decline in the amount of waste sent for recycling due to the high levels of contamination within the grey bins, early indications show that this trend may continue into Quarter 1 figures. The Council has started a new communications strategy regarding the contamination issue at the end of June and we should start seeing the benefit of this in Quarter 2 figures
CEDCS P013 Percentage of draft minutes of Policy committee meetings produced within 4 days of the meeting	85.71	100	The indicator is in the red due to the very small numbers involved in the calculation. In fact only 1 meeting has missed the target of 4 days and this was due to staff workload. It is not envisaged that this will continue in subsequent quarters.

Risk rating changes:

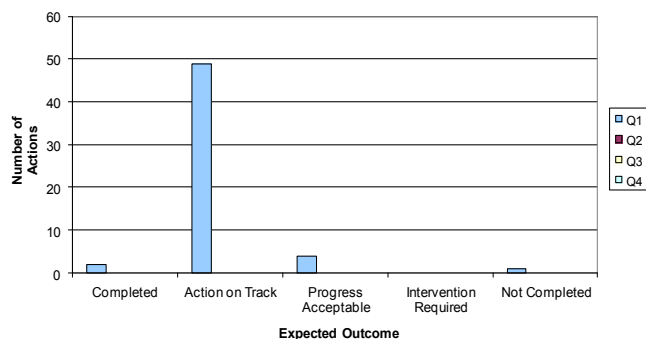
CED R097- Failure to comply with the controls in the PSN Code of Connection leading to the withdrawal of 'connected' status		The risk score has increased from a 4 to a 6 with an increase in the likelihood of occurring from possible to likely this is because our integrity test has identified the requirement for some remedial action that will need to be in place before we can complete our PSN compliance.
CAD R034 - Insufficient capacity in the independent sector to meet placement demand within adult social care.		The risk score has increased from a 12 to a 16. This continues to be a very significant risk, particularly in relation to nursing home capacity, and the situation has been exacerbated by the planned closure of a further nursing home by the end of August 2016. There is a lack of sufficient nursing home beds which will impact on hospital discharges as well as increasing numbers of out of area placements. Heightened concerns have been highlighted with the Clinical Commissioning Group (CCG), as the commissioner of nursing care, and the Council is working closely with Care Quality Commission (CQC) and NHS partners to manage the situation in the short term. In addition, a range of actions have been agreed by the CCG to try and address medium and longer term issue.
CAD R048 - Failure to reach the minimum levels of performance for the SFA or Ofsted		The risk score has increased from a 4 to a 6. As at Q3 of our academic year, Community Learning success rates are outstanding at 97%. Adult Skills targets are currently below target at 75%, but this is forecasted to increase in line with national benchmarks in Q4 as learners complete their learning programme at the end of the academic year.

Quarter 1 Performance Update 2016/17

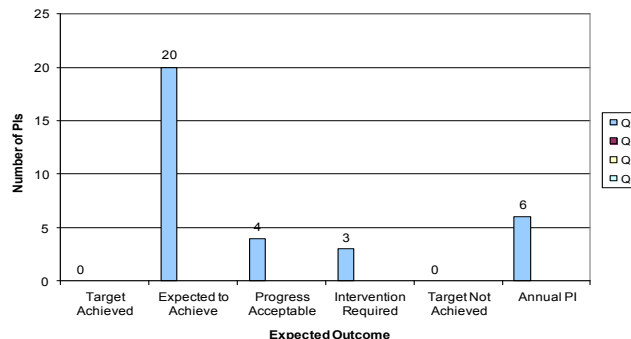
Finance & Policy Committee

6.1

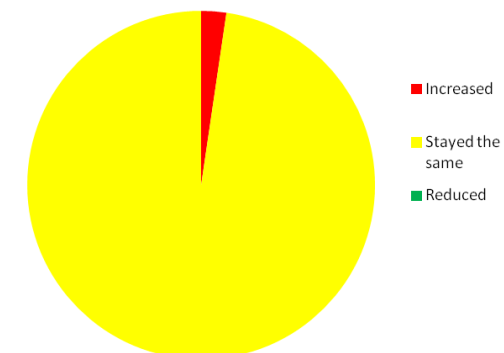
Finance & Policy Committee - Action Progress 2016/17



Finance & Policy Committee - PI Progress 2016/17



Q1 - Change in Risk Rating



Action Update:

Of the actions within the Council Plan and within the remit of Finance and Policy Committee:

- 2 have been completed
- 53 are on track to be completed by due date
- 5 are making acceptable progress
- 1 action has not been completed (see page 2 previously)

Targeted Performance Indicator Update:

Of the targeted PIs within the Council Plan and within the remit of the Finance and Policy Committee:

- 1 has been achieved
- 24 are expected to achieve target
- 4 have made acceptable progress
- 5 require intervention (see page 2 previously)

Change in Risk:

Of the risks within the Council Plan and within the remit of the Finance and Policy Committee:

- 42 have stayed the same
- 1 has increased in risk (see below)

CED R097—Failure to comply with the controls in the PSN Code of Connection leading to the withdrawal of 'connected' status



The risk score has increased from a 4 to a 6 with an increase in the likelihood of occurring from possible to likely this is because our integrity test has identified the requirement for some remedial action that will need to be in place before we can complete our PSN compliance.

Achievements:

- A Community Resolution Service (Restorative Justice and Mediation) to victims of low level crime and antisocial behaviour has been set up and is available to all residents in the town.
- Survey results show that 96.47% of residents read some or most of Hartbeat.
- Strategies to tackle food poverty including the holiday hunger pilot initiative has seen food parcels distributed to collection points and grant schemes in place for providers.
- Domestic Abuse Champions have been trained in Q1 both from HBC and other partner workplaces. They will form a new Domestic Abuse Champions network for Hartlepool that will be led by Harbour Outreach.
- In order to increase uptake of the NHS Health Check a programme of community activity is being established to target areas of poor uptake. To date 6 half day sessions have been offered in the Orb Centre and 5 full day sessions offered in Middleton Grange Shopping Centre facilitated by the Nurse Bank. Sessions at Middleton Grange were in partnership with Carers' Week and health checks were offered via the nurse bank and the health bus. The uptake of checks has been very good to date - the Orb Centre has 3 more sessions to run. A community session was held at Brierton Sports Centre for a group of dementia clients and their carers, incorporated into a programme of physical activity provided by Sports Development

Corporate Procurement Update

Analysis of Contracts to Local firms

The Council defines 'Contracts' at a number of levels, based upon the procurement route undertaken to create the contract and/or the value of the contract itself.

The Council's Contract Register largely captures detail of contracts which are procured through the implementation of a tender procedure – these are contracts with a value greater than £60,000 (goods and services) or £100,000 (works).

In addition to 'tendered' contracts, there is a significant amount of expenditure below these levels which consists of individual purchases and lower value contracts.

A breakdown of local expenditure across ALL third party expenditure is provided below (for the f/y 2015/16):

	Local Suppliers	Other Suppliers	Local Spend (%)
Purchase Cards	£238,551	£2,209,226	9.75%
Creditor Invoices	£13,579,328	£52,304,102	20.61%
Total Spend	£13,817,879	£54,513,328	20.22%

Analysis of contract renewals

Using information taken from the Council's Contracts Register the following table details the number of current and forthcoming review actions for contracts approaching their end date before the end of 2017:

Department	No. of contracts	Earliest review date	Latest review date
Corporate Contracts	1	June 17	
C&A Contracts	14	Oct 16	Dec 17
CEx Contracts	2	Aug 16	Jan 17
Public Health Contracts	4	Oct 16	Oct 17
R&N Contracts	3	Now	Mar 17

Update on meet the buyer events & promotion of NEPO

The Council's Corporate Procurement Team, in conjunction with the Regeneration Team has attended two business networking events this year.

The first took place at Redcar on 26th January 2016 where members of both the Corporate Procurement and Regeneration teams attended a supplier event designed to support Tees Valley's construction supply chain.

The second took place at the Hartlepool College of Further Education where NEPO had arranged a workshop on the 16th June 2016 entitled 'Your Route to Success'.

Members of both the Corporate Procurement and Regeneration teams were in attendance and supported the event providing attendees with an insight as to how the Council undertakes its procurement activities and details of how contract opportunities can be accessed.

The event also included a presentation on how to use the NEPO Portal.

Update on Public Contracts Regulations

The Government has issued a Procurement Policy Note (PPN) in July 2016 which has clarified a particular issue relating to the advertising of contract award decisions.

To date, the Council has not published direct award notices for contracts with a value over £25,000 on Contracts Finder (the Government's website for advertising public tenders). This latest PPN makes it clear that the rules DO REQUIRE publication of these awards.

The Council's Contract Procedure Rules (CPR) Exemption process does capture those exemptions not covered by the CPR's themselves, however work is required to determine a process which will allow the Council to capture and publish details of those over £25,000 transactions which are not subject to the CPR Exemption process – these will include transactions covered by pre-existing exemptions within the CPR's and any non-compliant transactions.

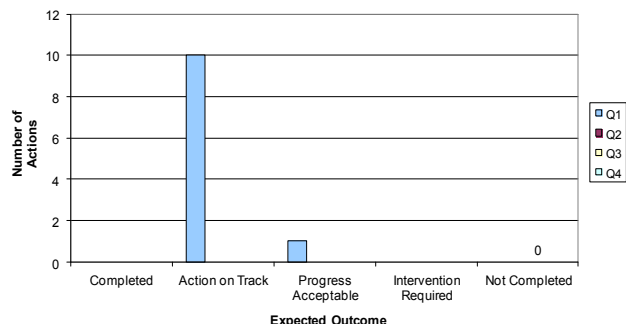


Quarter 1 Performance Update 2016/17 Adult Services Committee

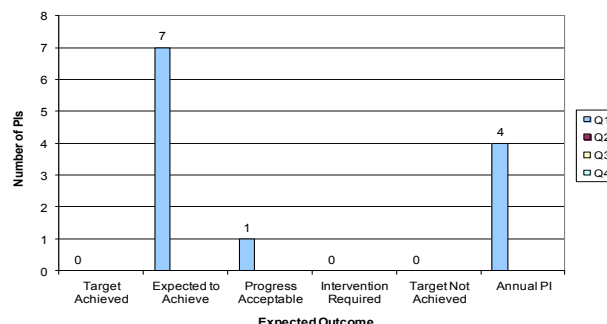
APPENDIX 2

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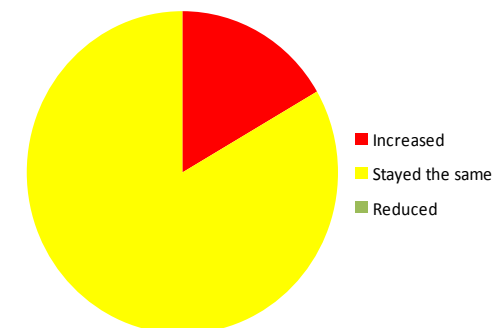
Adults Committee - Action Progress 2015/16



Adults Committee - PI Progress 2015/16



Q1 - Change in Risk Rating



Action Update:

Of the actions within the Council Plan and within the remit of Adult Services Committee:

- 10 are on track to be completed by due date
- The remaining action is making acceptable progress

Targeted Performance Indicator Update:

Of the targeted PIs within the Council Plan and within the remit of the Adult Services Committee:

- 7 are expected to achieve target
- 1 has made acceptable progress
- The remaining 4 PI's are reported annually

Change in Risk:

Of the risks within the Council Plan:

- 5 have stayed the same
- 1 has increased in risk (see below)

CAD R034 - Insufficient capacity in the independent sector to meet placement demand within adult social care



The risk score has increased from a 12 to a 16. This continues to be a very significant risk, particularly in relation to nursing home capacity, and the situation has been exacerbated by the planned closure of a further nursing home by the end of August 2016. There is a lack of sufficient nursing home beds which will impact on hospital discharges as well as increasing numbers of out of area placements. Heightened concerns have been highlighted with the Clinical Commissioning Group (CCG), as the commissioner of nursing care, and the Council is working closely with Care Quality Commission (CQC) and NHS partners to manage the situation in the short term. In addition, a range of actions have been agreed by the CCG to try and address medium and longer term issue

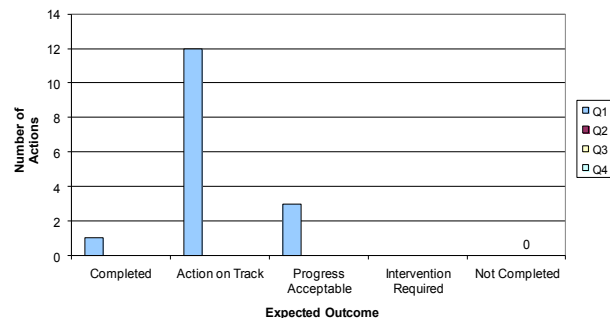


Quarter 1 Performance Update 2016/17

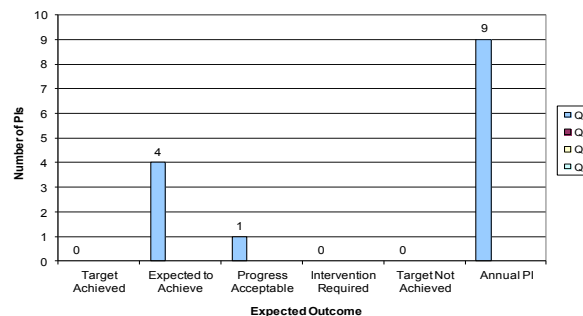
Children's Services Committee

6.1

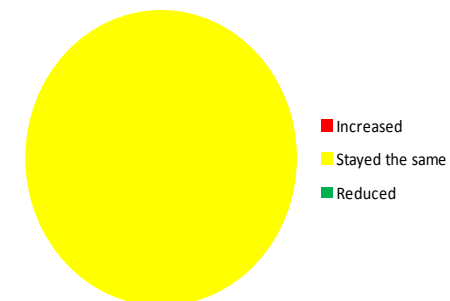
Children's Committee - Action Progress 2016/17



Children's Committee - PI Progress 2016/17



Q1 - Change in Risk Rating



Action Update:

Of the actions within the Council Plan and within the remit of Children's Services Committee:

- 1 has completed by due date
- 12 are on track to be completed by due date
- The remaining 3 actions are making acceptable progress

Targeted Performance Indicator Update:

Of the targeted PIs within the Council Plan and within the remit of the Children's Services Committee:

- 4 are expected to achieve target
- 1 has made acceptable progress
- The remaining 9 PI's are reported annually

Change in Risk:

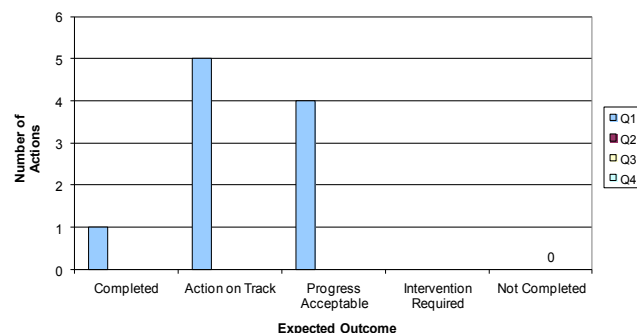
There have been no changes in risk ratings to the 19 risks within the Children's services element of the Council Plan.



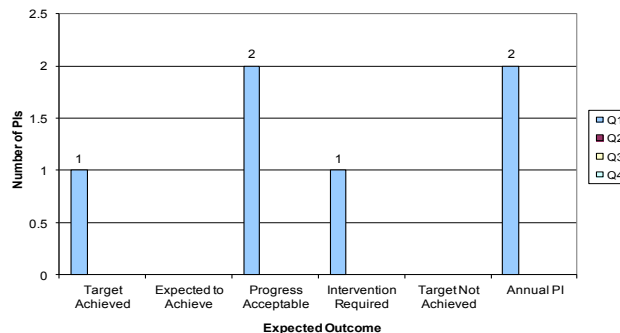
Quarter 1 Performance Update 2016/17 Neighbourhood Services Committee

6.1

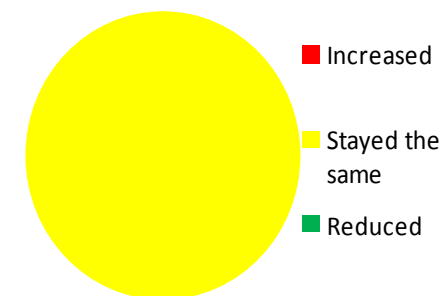
Neighbourhoods Committee - Action Progress 2016/17



Neighbourhoods Committee - PI Progress 2016/17



Q1 - Change in Risk Rating



Action Update:

Of the actions within the Council Plan and within the remit of Neighbourhood Services Committee:

- 1 has been completed
- 5 are on track to be completed by due date
- 4 are identified as making acceptable progress

Targeted Performance Indicator Update:

Of the targeted PIs within the Council Plan and within the remit of the Neighbourhood Services Committee:

- 1 has achieved target
- 2 have made acceptable progress
- 1 requires intervention
- 2 are reported on an annual basis

Change in Risk:

There has been no change in risk rating to the four risks within the Council Plan under the remit of the Neighbourhood Services Committee.

PI requiring intervention:

Performance Indicator	Value	Target	Latest Note
NI 192 Percentage of household waste sent for reuse, recycling and composting		44%	Quarter 4 figures have now been updated, there has been a decline in the amount of waste sent for recycling due to the high levels of contamination within the grey bins, early indications show that this trend may continue into Quarter 1 figures. The Council has started a new communications strategy regarding the contamination issue at the end of June and we should start seeing the benefit of this in Quarter 2 figures

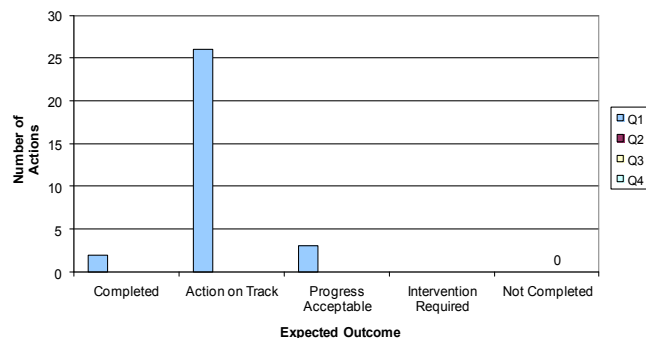


Quarter 1 Performance Update 2016/17

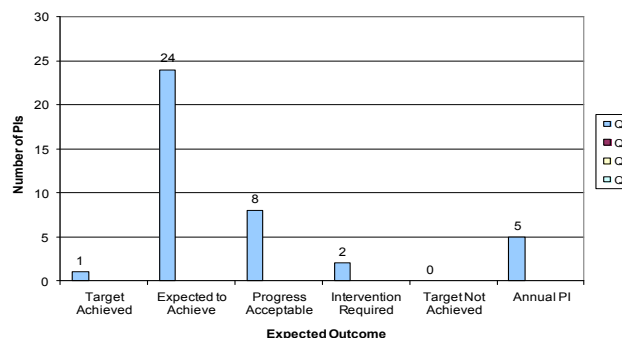
Regeneration Services Committee

6.1

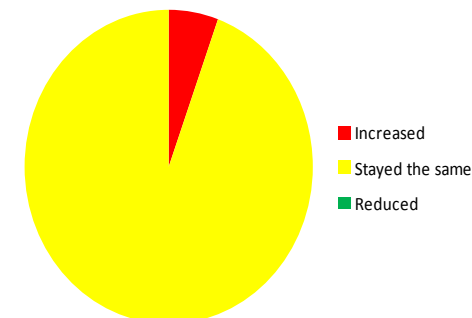
Regeneration Services Committee - Action Progress 2016/17



Regeneration Services Committee - PI Progress 2016/17



Q1 - Change in Risk Rating



Action Update:

Of the actions within the Council Plan and within the remit of the Regeneration Services Committee:

- 2 have been completed
- 26 are on track to be completed by due date
- 3 are making acceptable progress

Targeted Performance Indicator Update:

Of the targeted PIs within the Council Plan and within the remit of the Regeneration Services Committee:

- 1 has been achieved
- 24 are expected to achieve target
- 8 have made acceptable progress
- 2 require intervention (see overleaf)

Change in Risk:

Of the risks within the Council Plan:

- 17 have stayed the same
- 1 has increased in risk (see below)

CAD R048 - Failure to reach the minimum levels of performance for the SFA or Ofsted



The risk score has increased from a 4 to a 6. As at Q3 of our academic year, Community Learning success rates are outstanding at 97%. Adult Skills targets are currently below target at 75%, but this is forecasted to increase in line with national benchmarks in Q4 as learners complete their learning programme at the end of the academic year

FINANCE AND POLICY COMMITTEE

5th September 2016



Report of: Director of Regeneration and Neighbourhoods

Subject: TOFTS ROAD WEST RENT REVIEW

1. TYPE OF DECISION/APPLICABLE CATEGORY

1.1 Non key

2. PURPOSE OF REPORT

2.1 To seek approval for the proposed agreement of an outstanding rent review in the lease of land at Tofts Road West.

3. BACKGROUND

3.1 In 1999 the Council granted a lease of land at Tofts Road West for a term of 21 years to Tilcon (North) Ltd. The lease has subsequently been assigned by the original tenant to Tarmac and by them to the current tenant Hope Construction. The property is used as a concrete batching plant and extends to a little over one acre / 0.41 hectares. It is located in an industrial area in the southern part of Hartlepool. It is shown hatched on the plan at **APPENDIX 1.**

3.2 The lease provides for the rent to be reviewed to market rental value every 7 years. The outstanding rent review has recently been provisionally agreed after a period of negotiation with the tenant's agent.

3.3 Industrial land rental levels have varied over the last few years with a period of decline and stagnation after 2008 having been reversed since about 2014/15. This has been reflected in the settlement that has been reached.

3.4 The proposed agreement on the review is 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).

4. PROPOSALS

- 4.1 It is proposed to settle the review on the basis 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).**

5. RISK IMPLICATIONS

- 5.1 There are no risk implications relating to this report.

6. FINANCIAL CONSIDERATIONS

- 6.1 The proposed settlement will result in an increased rental income and this will be used to meet the income targets set as part of the estates revenue budget.
- 6.2 In considering the issues outlined in this report Members are reminded that significant additional Government Grant cuts will be made over the period 2017/18 to 2019/20. An update of the Medium Term Financial Strategy was submitted to the Finance and Policy Committee on 20th June 2016 and informed Members that the Council faces a budget deficit of £12.7 million over the next three years. This equates to a reduction from the 2016/17 budget of 15% and assumes annual Council Tax increases will be implemented in line with Government Council Tax policy, including the 2% Social Care precept, and Council Tax growth forecasts will be achieved. Achieving this level of reduction will be extremely challenging and detailed proposals for achieving saving of approximately £4 million per year for the next three years will be reported to future policy committees. Any additional budget pressures will increase the level of budget cuts which will need to be made and will need to be referred to the Finance and Policy Committee for consideration.

7. LEGAL CONSIDERATIONS

- 7.1 There are no legal considerations relating to this report.

8. CHILD AND FAMILY POVERTY

- 8.1 There are no child and family poverty implications relating to this report.

9. EQUALITY AND DIVERSITY CONSIDERATIONS

- 9.1 There are no equality and diversity considerations relating to this report

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

- 10.1 There are no Section 17 considerations relating to this report.

11. STAFF CONSIDERATIONS

- 11.1 There are no staff considerations relating to this report.

12. ASSET MANAGEMENT CONSIDERATIONS

- 12.1 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, or in this instance to maximise the return from a leased asset.

13. RECOMMENDATIONS

- 13.1 It is recommended that Committee approve the proposed settlement of the rent review 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).**

14. REASONS FOR RECOMMENDATIONS

- 14.1 The proposed settlement reflects market rental value as at the date of the review.

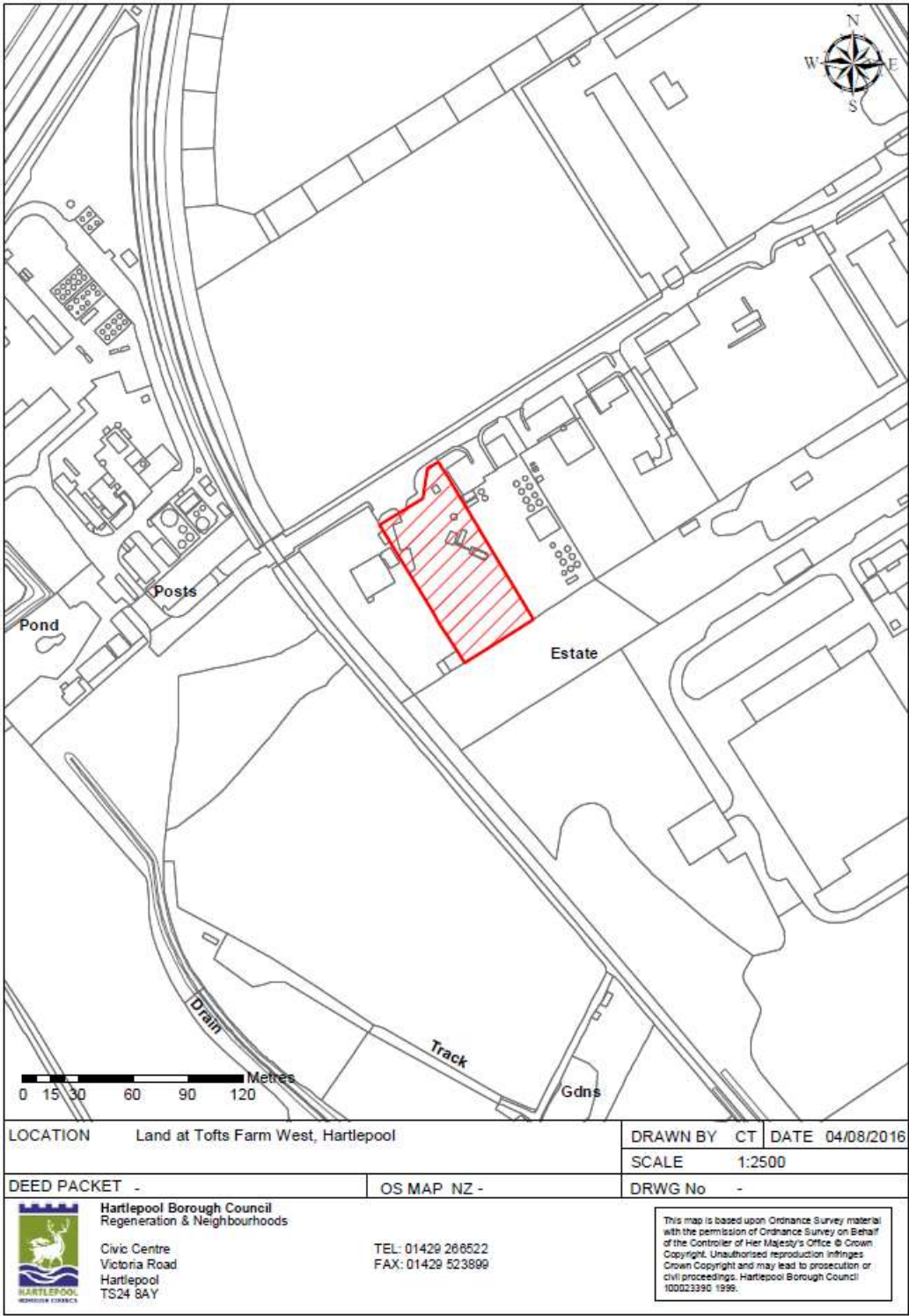
15. BACKGROUND PAPERS

- 15.1 There are no background papers in this instance.

16. CONTACT OFFICER

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FINANCE AND POLICY COMMITTEE

5 September 2016



Report of: Chief Finance Officer

Subject: SELF-SUFFICIENT LOCAL GOVERNMENT: 100%
BUSINESS RATES RETENTION CONSULTATION

1. TYPE OF DECISION/APPLICABLE CATEGORY

Non key.

2. PURPOSE OF REPORT

- 2.1 To provide an overview of the Government's consultation proposals regarding the 100% retention of Business Rates by local government, the potential implications for the Council and to approve the Council's consultation response.

3. BACKGROUND

- 3.1 The current funding system for Local Government has been in place since 1st April 2013. Under these arrangements there are four main sources of funding:

- **Council Tax income**

Individual authorities can set their own Council Tax level. However, annual increases are limited by the Council Tax referendum limits determined by the Government; as increases above the referendum limit are only allowed if supported by the public via a referendum.

From 2016/17 the Government made significant changes to the Council Tax regime by introducing the 2% Social Care precept to help address financial pressures facing Social Care authorities. This is in addition to the existing referendum threshold of 1.9% and effectively enables Social Care authorities to increase Council Tax by 3.9% per year over the period 2016/17 to 2019/20. The Government's national forecasts assume that all Social Care Authorities will implement these annual increases and this is the planning assumption included in the approved Medium Term Financial Strategy.

- **Revenue Support Grant (RSG)**

This is paid to authorities on the basis of assessed need and was originally intended to equalise differences in the needs of individual authorities and their ability to fund services locally from Council Tax. Annual cuts in RSG for the five years 2011/12 to 2015/16 had a disproportionate impact on authorities which were more dependent on this funding, including Hartlepool. This position was

partly addressed for 2016/17 when RSG cuts were fairer, although the Council still faced a significant RSG cut and further cuts will be made over the next three years.

After reflecting changes in the national funding system the level of Government funding received by the Council in 2019/20 will be £44.2 less than 2010/11 – this is a cut of 57%.

- **Business Rates income**

The Government currently retains 50% of the Business Rates income generated by individual authorities. The other 50% is retained by local government and shared between the different tiers of local government. In areas covered by single tier authorities (i.e. areas with metropolitan or unitary authorities) Business Rates income is allocated 50% to the Government, 49% to the metropolitan / unitary councils and 1% to the Fire Authority.

- **Top-up grant or tariff payments**

Depending on the level of income which is raised locally from Business Rates individual authorities either receive a top-up grant, or pay a tariff. This system provides a degree of resource equalisation, although not to the same extent as existed before 1st April 2013 when this system was implemented. The Council receives a top up grant.

- **New Homes Bonus**

This funding was top sliced from the national Revenue Support Grant allocation and is paid to individual councils on the basis of housing completions and long term empty properties brought back into use. Whilst, the Council has received significant allocations under this regime, the amount received has not compensated for the cuts made to Revenue Support Grant since 2010/11. The Government are proposing further reforms to the New Homes Bonus regime which are linked to 'improved' Better Care Fund, which in turn is linked to the 2% Social Care precept changes. The Government has previously stated that they will be consulting on these proposals over the summer, although consultation proposals have not yet been issued.

3.2 The following chart provides a breakdown of the Council's actual 2016/17 resources and forecast 2019/20 resources. These figures exclude the significant use of one-off funding in 2016/17 as this funding will not continue in 2019/20. The table highlights:

- an overall reduction in resources; and
- a shift in the proportion of overall resources generated from Council Tax income and corresponding decrease in Revenue Support grant.

	2016/17 Actual		Forecast 2019/20	
	£'m	Percentage of total funding	£'m	Percentage of total funding
Council Tax	34.294	43%	40.028	52%
Revenue Support Grant	18.210	23%	7.780	10%
Business Rates	16.682	21%	17.281	23%
Top-up	7.510	10%	8.140	11%
New Homes Bonus	2.282	3%	2.850	4%
Total Resources	78.978	100%	76.079	100%

- 3.3 As indicated in the above table the Authority receives 49% of the Business Rates income generated in the area and for 2016/17 this amounts to £16.682m (including section 31 grants), which is approximately 21% of the Council's resources.
- 3.4 The current system includes a 'safety net' regime which the Government has indicated protects individual authorities from excessive reductions in Business Rates income. When the 'safety net' threshold level is breached the Government provides 'safety net' grant for the income shortfall back up to the threshold level. However, any shortfalls in business rates income until the safety net threshold level is reached fall on the individual authority.
- 3.5 As reported in the Medium Term Financial Strategy the 'safety net' regime has not provided any significant protection against the impact of Business Rates reductions suffered by the Council. This is because the Safety Net threshold is set at too high a level. In Hartlepool, the most significant rates income reduction related to the decision by the Valuation Office Agency to reduce the Power Station Rateable Value by 48%, which reduces the Council's share of Business Rates income by £3.8m. After reflecting other Rateable Value reductions for other properties the Council will receive a 2016/17 'safety net grant' of £260,000.
- 3.6 Whilst, the above situation reflects decisions by the VOA in respect of specific Business Rates liabilities which should not be repeated to the same extent in future, it illustrates the ongoing financial risks to the Authority and the ineffective 'safety net' system.

4. CURRENT CONSULTATION PROPOSALS

- 4.1 The Government issued a consultation document on the proposal that by the end of this Parliament local government will retain 100% business rates. At a national level the Government has stated that:-
- "this will give local councils in England control of around an additional £12.5 billion of revenue from business rates to spend on local services. In order to ensure that the reforms are fiscally neutral, councils will gain new responsibilities, and some Whitehall grants will be phased out".
- 4.2 The Government has also commenced a "Fairer Funding Review" of relative needs and resources and stated that this review aims to address the following issues:

- What do we mean by relative 'need' and how should we measure it?
 - What are the key factors that drive relative need?
 - What should the approach be for doing needs assessments for different services?
 - At what geographical level should we do a needs assessment?
 - How should 'resets' of the needs assessment be done?
 - How, and what, local government behaviours should be incentivised through the assessment of councils' relative need?
- 4.3 The proposed changes outlined in the previous paragraphs are a fundamental change in the funding arrangements for local authorities, including fire authorities, as they will end the payment of Revenue Support Grant and mean that authorities are funded from three main sources of income:
- Council Tax;
 - Business Rate income;
 - Top-up grant, or tariff payment
- 4.4. The Government recognise that Business Rates income varies significantly across the country and between individual authorities. Therefore, the change to a 100% retention system applies at a national level, and there will still need to be redistribution of Business Rate resources between authorities. The Government intend to achieve redistribution through the "Fairer Funding Review" and details will be reported when the Government issue these consultation proposals.
- 4.5 The implementation of the 100% Business Rates retention system will place additional financial risks on local authorities. These risks will need to be assessed when the Government provide more details on how the 100% Business Rate retention system will operate, including the arrangements for equalising resources across the country.
- 4.6 At a national level, the value of additional Business Rates income to be allocated to local authorities will exceed Revenue Support Grant which will be removed when the 100% system is implemented. This is an extremely complex issue and whilst the Government may get the balance of additional services and funding right at a national level, there is a significant risk that this may not be the case at a local level. There have been a number of examples over the years where additional responsibilities transferred to the Council have not been matched by additional funding allocations, particularly where additional responsibilities are driven by deprivation factors. For example, localisation of Council Tax support has had the greatest impact on deprived areas and these authorities have suffered disproportionate grant cuts over the last 6 years.
- 4.7 The consultation proposals seek authorities views on devolving a range of functions and responsibilities, including:-
- Public Health grant
 - Improved Better Care Fund
 - Independent Living Fund
 - Early Years funding currently part of the Dedicated Schools Grant
 - Local Council Tax Support Administration subsidy and Housing Benefit Pensioner Administration Subsidy
 - Attendance Allowance

- 4.8 As many of these grants relate to services driven by relative deprivation and / or are demand led services the Government's proposals may significantly increase the financial risks being managed by individual authorities. In addition, the proposals may result in inadequate funding allocations for some authorities, particularly areas with high needs and low Business Rates income. The proposal in relation to Attendance Allowance is a particular concern and the Local Government Association has already raised significant concerns that the inclusion of this grant regime may be a 'deal breaker' for them supporting the 100% retention of business rates.
- 4.9 The fair funding review will need to provide more information to enable local authorities to assess the impact of these proposals.

5. RESPONSE TO CONSULTATION PROPOSALS

- 5.1 The consultation document issued by the Government seeks views on the key issues that will need to be addressed in designing a new system and asks 36 specific questions. A response to the consultation from the Authority is attached at **Appendix A**.
- 5.2 The consultation document also includes a timetable for the next stages of implementing 100% business rates retention:-
- Autumn 2016 – Government expert to undertake a more technical consultation on specific working of the reformed system;
 - Early 2017 – proposal to introduce legislation included Queen's Speech;
 - April 2017 – piloting of the approach to 100% business rates retention to begin;
 - By end of the Parliament – implementation of 100% business rates retention across local government.
- 5.3 The response to the consultation also addresses the key questions the Government has raised in the "Fair Funding Review: Call for evidence on Needs and Redistribution" document. These questions relate to broad principles and it is anticipated that the Government will consult on more detailed proposals next year.
- 5.4 The proposed response reiterates the issues and concerns the Council has repeatedly raised with Government regarding a fairer funding system for all local authorities, which recognises the different demographic pressures and Council Tax resources of individual authorities.

6. RISK IMPLICATIONS AND FINANCIAL CONSIDERATIONS

- 6.1 No immediate issues, although actual changes will have future impacts which need assessing when the position is more certain.

7. LEGAL CONSIDERATIONS

- 7.1 None.

8. CHILD AND FAMILY POVERTY

8.1 None.

9. EQUALITY AND DIVERSITY CONSIDERATIONS

9.1 None.

10. STAFF CONSIDERATIONS

10.1 None.

11. ASSET MANAGEMENT CONSIDERATIONS

11.1 None.

12. CONCLUSION

12.1 The report provides details of the consultation proposals issued by the Government in relation to introducing 100% business rates retention by the end of this Parliament. The report also indicates that the Government will be conducting a review of the needs assessment formula to be adopted under a system in which all local government spending is funded from local resources not central grant.

12.2 These changes are expected to be implemented in 2019/20 or 2020/21 and there is a risk that these proposals will result in further reductions in resources when the new system is implemented. Clearly, as the Council already needs to make further significant budget cuts over the next three years (2017/18 to 2019/20), the prospect of further reductions and financial uncertainty beyond this period will have serious implications for the Council.

12.3 The financial outlook beyond 2019/20 will need to be reviewed when more information is provided by the Government. In view of this uncertainty it may be appropriate to begin to earmark one-off resources from potentially achieving managed under spends over the current MTFS period to support the budget when these changes are implemented. This would not provide a permanent solution to address continuing funding cuts, although it would provide a slightly longer lead time to identify permanent budget cuts. It is recommended that these issues are reviewed as more information becomes available and reflected in the development of the MTFS for 2017/18 to 2019/20.

13. RECOMMENDATIONS

13.1 It is recommended that Members:-

- i) Note the report and that further update reports will be provided when more information becomes available;
- ii) Approve the Council's response attached at **Appendix A** to the consultation to meet the consultation submission deadline of 26th September 2016;
- iii) Note that in view of the financial uncertainty arising from the changes proposed by the Government it may be appropriate to earmark one-off resources from achieving potential managed under spends over the next three years to support the budget when these changes are implemented. This issue will need to be considered as part of the 2017/18 budget process.

14. REASONS FOR RECOMMENDATIONS

- 14.1 To enable Members to approve a response to the Government's consultation proposals.

15. CONTACT OFFICER

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Our Ref: CAB
 Your Ref:



Contact Email: leader@hartlepool.gov.uk

16 August 2016

Dear Sir/Madam,

BUSINESS RATES REFORM

- Fair Funding Review: Call for evidence on Needs and Redistribution; and
- Self-sufficient local government 100% Business Rates Retention

The Council welcomes the opportunity to comment on these proposals. It is essential that these changes are carefully assessed before they are implemented to ensure they provide a fair and sustainable financial settlement for all authorities and the people they serve. Detailed comments on the specific consultation proposals are set on in the appendices to this letter.

In addition, to these detailed comments there are a number of key issue which I believe need to be addressed in designing a new system for local government funding. These issues are covered in the following paragraphs.

- **Lessons from 50% Business Rates Retention**

It is clear from the consultation proposals that the Government recognises that a number of issues have arisen under the current system and proposals are set out to address these issues.

One of the key issues I raised in previous correspondence and meetings with Greg Clark MP, the previous Secretary of State for Communities and Local Government, is the negative impact of the decision by the Valuation Office Agency to reduce the Rateable Value of the Hartlepool Nuclear Power Station by 48%. This decision reduced the Council's share of Business Rates income by £3.8 million on a recurring basis.

Whilst, the safety net regime provided additional grant funding to manage the backdated impact of this change, the Council only receives safety net grant of approximately £260,000 towards the recurring annual reduction in income of £3.8 million.

As I explained to the Minister if the Valuation Office Agency had not taken five years to correct the error in the rateable value and had addressed this issue before the 50% retention system was implemented the Council would not have suffered this loss of income.

I therefore welcome the proposal (question 15) to move 'riskier' hereditaments off the local list and would request that Nuclear Power Stations are removed from the local list on this basis.

I would also request that the Government reflects this change as if it had applied since 2013/14 when setting the first years funding allocations for the 100% retention system. This will provide a fairer settlement for all authorities and recognise that 'riskier' hereditaments should never have been on local lists.

The implementation of the 100% retention system will inevitably result in unintended consequences which cannot be predicted owing to the complexity of the system. I would therefore suggest that an early reset, say after either two or three years, is completed to address these risks and avoid locking these issues into the system for too long. This would then provide a firmer base for moving to the next reset, say five years after the first reset. The frequency of reset can then be reviewed at a future date to reflect this experience.

- **Principles for a Fair Funding Review**

The reductions in Government funding for local authorities up to 2016/17 and continuing to 2019/20 have a disproportionate impact on local authorities which are more dependent on Revenue Support, have lower Council tax bases and serve communities with higher levels of deprivation. Reference to National Study's on relative deprivation supporting this before letter sent to DCLG

The Fair Funding Review therefore needs to address this issue within the baseline funding allocations for the 100% retention system and also ensure that this issue is properly reflected within the new system in future years.

If these issues are not addressed the 100% retention system will, in my view, result in a post code lottery for local authority services and increase the gaps between affluent areas and more deprived communities.

- **Principles for distributing 100% Business Rates income**

The consultation questions cover a range of strategic principles and detailed operational issues. In my opinion the Government needs to refocus on the strategic objective of the new system, which is to provide a fair and sustainable funding system for all authorities. This could be achieved by adopting the following principles for the new system:

1. Establish year 1 baseline funding on the basis of an updated needs based assessment, which also reflects individual authorities ability to raise income locally from Council Tax and Business Rates;
2. Determine national growth in Business Rates income by deducting (1) from national business rates income;
3. Allocate net national growth between individual authorities achieving the growth and the amount retained and the distributed to all authorities, for example on a 50:50 basis;
4. Year 2 and subsequent years - update the year 1 baseline in line with inflation to ensure the real term value of this funding is maintained.
5. Repeat steps (2) and (3).

- **Principles for devolving functions and responsibilities**

This is a critical issue and it will be essential that any new responsibilities transferred to local authorities are properly funded in year 1 and funding in future years keeps pace with rising demand for services.

I am concerned that this has not been the case when previous responsibilities have been transferred to local authorities, for example there has not been transparency in relation to funding provided for Local Council Tax Support (LCTS) schemes. This issues was highlighted in the independent report prepared by Eric Ollerenshaw OBE (Conservative MP until March 2015 and former Leader of the Conservative group at Hackney Council), titled "Three Years On: An Independent Review of Local Council Tax Support Scheme" which stated that:

- "Since 2014/15 it has not been possible for councils to identify how much funding Government is providing for LCTS schemes".

The Government needs to provide more information on the responsibilities it proposes transferring to local authorities under the 100% system. It is essential these changes are based on a robust and sustainable financial model and are not a back door way of implementing further cuts.

I am particularly concerned regarding the proposal to transfer Public Health and the improved Better Care Fund. These responsibilities need to be properly resourced to ensure all Authorities can meet the needs of their communities.

I also share the Local Government Association concerns that Attendance Allowance should not be funded from 100% Business Rates income.

I hope the above comments and the detailed comments on the consultation questions are helpful.

Yours Sincerely

A handwritten signature in black ink, appearing to read 'C. Akers-Belcher', with a stylized flourish at the end.

Councillor Christopher Akers-Belcher
LEADER OF HARTLEPOOL BOROUGH COUNCIL

**Hartlepool Borough Council Response to Self Sufficient Local Government:
100% Business Rates Retention Consultation**

Question 1: Which of these identified grants / responsibilities do you think are the best candidates to be funded from retained business rates?

It is not possible to provide a response to this question until the Government consult on the Fair Funding Review and the assessment of relative need has been reviewed. The Council is concerned that funding cuts implemented over the last six years have had a disproportionate impact on those local authorities with the greatest needs, highest dependency on Government grant funding and least ability to raise resources locally from either council tax or business rates.

The Council believes that before consideration is given to which additional grants / responsibilities should be funded from retained business rates that a comprehensive review of funding for existing services is completed to assess relative need and resources. This review should then be reflected in a reassessment of funding for existing services, before considering proposals for new grants / responsibilities.

The Council is not suggesting that this review should reduce the national quantum of funding for new grants / responsibilities to be funded from retained business rates, but should reflect a re-allocation of funding for existing services to reflect relative need and reverse the disproportionate grant cuts implemented over the last six years. If this is not done the Government will lock unfairness into the new system from day one and for some areas this will mean that the new system is not financially sustainable.

The Council has significant concerns that previous decisions to transfer grants / responsibilities to councils have not properly assessed need, or provided a robust funding base for the continued delivery of services. An example of this concern was recently highlighted in an independent report from Eric Ollerenshaw OBE (Conservative MP until March 2015 and former Leader of the Conservative group at Hackney Council), titled "Three Years On: An Independent Review of Local Council Tax Support Scheme", which stated – "Since 2014/15 it has not been possible for councils to identify how much funding Government is providing for LCTS schemes". In practice this has meant that Councils have had to bear more of the cost burden of Local Council Tax Support.

It will be essential that any future proposals to transfer grants / responsibilities are done on a transparent basis, reflecting relative need and provide a review period, say after two or three years, to ensure the proposals are working as intended.

As a general principle the Council does not believe that grants / responsibilities which are demand led and which have no direct relationship with business rates income should be transferred and funded from retained business rates income.

Question 2: Are there other grants / responsibilities that you consider should be devolved instead of or alongside those identified above?

Covered by response to question 1.

Question 3: Do you have any views on the range of associated budgets that could be pooled at the Combined Authority level?

The Council believes that decisions regarding pooling budgets at the Combined Authority level should be a matter for local determination.

Question 4: Do you have views on whether some or all of the commitments in existing and future deals could be funded through retained business rates?

Combined Authorities need financial stability to deliver agreed objectives.

Question 5: Do you agree that we should continue with the new burdens doctrine post- 2020?

Yes. This will be essential to ensuring financial sustainability for all authorities, particularly those areas with less buoyant business rates. The Council is concerned that the new burdens doctrine has not been applied consistently over recent years and the Government has chosen not to apply this principle to some changes which have placed an additional financial burden on local authorities without any additional funding. For example, increases in employers' national insurance contributions have not been treated as a new burden; which effectively means local authorities incur an additional cost and the Treasury receives additional contributions from local authorities.

Question 6: Do you agree that we should fix reset periods for the system?

Yes. In view of the significance of the proposed reforms and the challenges / complexities of designing the new system the Council would recommend a first reset after two or three years. This would provide an opportunity to review how the new system is operating and enable any problems to be addressed. Resets should then be completed every 5 years and this should be enshrined within primary legislation.

The Council believes there is evidence that a number of authorities have already faced significant financial problems under the existing 50% business rates retention scheme as a result of not having a reset. These issues have been exacerbated by the existing safety net arrangements which do not address the impact of significant business rates reductions arising from a single event. For example, the Council has previously highlighted to the Minister the impact of a 48% reduction in the Rateable Value of Hartlepool Nuclear Power Station. This position reflected a decision in May 2015 by the Valuation Office Agency to reduce the 2010 Rateable Value from £33.6m to £17.5m. As a result of this decision the Council's share of Business Rates income reduced by £3.8 million and despite this income reduction equating to 5% of the Council's overall income (i.e. income from Council Tax, Business Rates, Revenue Support Grant and Top-up grant), the Council only receives a 'safety net' grant of £260,000. Therefore, 93% of the £3.8 million income reduction has fallen on the Council and will result in further service cuts.

Question 7: What is the right balance in the system between rewarding growth and redistributing to meet changing need?

Councils already have significant incentives to encourage growth as this is key to addressing inequalities, improving residents well being and providing sustainable resources to fund local services. The implementation of the 100% system is being undertaken against the background of unprecedented cuts in funding for Council services, which by 2019/20 will have lasted nine consecutive years.

Against this background the Council believes that redistributing resources needs to be given a significantly higher profile than rewarding growth in the new system, The Council would suggest that the design of the new system reflects the following key principles:

- 1. A review of the existing needs and resources to ensure adequate funding is provided within the new system for all authorities;*
- 2. A robust needs and resources assessment for any additional grants / responsibilities to be funded from retained business rates;*
- 3. Annual indexing of funding provided under (1) and (2) in year two and future years to protect the real term value of funding allocated to individual authorities;*
- 4. Allocation of net growth, after reflecting commitments under (1), (2) and (3) between individual authorities achieving the growth and an amount allocated for distribution as a 'growth dividend' across all authorities, say on the basis of 50% retained and 50% allocated for a 'growth dividend.'*

Question 8: Having regard to the balance between rewarding growth and protecting authorities with declining resources, how would you like to see a partial reset work?

As indicated in the response to question 6 the Council believes a first reset should be undertaken two or three years after the 100% retention system is implemented to address any design flaws / unintended consequences of this fundamental change in the funding system. This experience should then be used to determine whether the system operates with full resets at set period, or with partial resets. At this stage, there is too much uncertainty regarding the new system and it is therefore not appropriate to consider reset arrangements until the position is much clearer and we have had experience of operating the new system. In the short-term, this will increase uncertainty regarding the use of growth, but in the long term it will provide a more sustainable system for all authorities.

Question 9: Is the current system of tariffs and top-ups the right one for redistribution between local authorities?

There seems to be a contradiction between needing to recognise that a system of tariffs / top ups will need to continue and minimising the redistribution of rates. It will become more critical that top up payments reflect a robust needs assessment and that the real term value of these payments are protected in future years by uplifting in line with inflation.

The suggestion in the consultation that top-up payments will be fixed between resets and will provide a growth incentive for authorities fails to recognise that authorities already have this growth incentive owing to cuts in funding already implemented and growing service demands. Councils therefore do not need new growth incentives, but a robust and sustainable funding system that recognises service pressures and growth opportunities will vary significantly between authorities.

Question 10: Should we continue to adjust retained incomes for individual local authorities to cancel out the effect of future revaluations?

Yes and this principles should also be applied to subsequent decisions by the Valuation Office Agency to reduce Rateable Value on appeal, as if these valuation 'errors' had not occurred the initial tariff or top-up would have been adjusted accordingly.

Question 11: Should Mayoral Combined Authority areas have the opportunity to be given additional powers and incentives, as set out above?

Further information is needed in relation to this proposal. The Council would have concerns if growth gains were retained by an elected Mayor as individual authorities will need growth gains to fund existing services. There may be merit in exploring local agreement whereby defined growth gains arising from a specific Mayoral initiative are retained for use at a strategic level.

Question 12: What has your experience been of the tier splits under the current 50% rates retention scheme? What changes would you want to see under 100% rates retention system?

The Council does not have specific responsibility for the fire service, which is provided by Cleveland Fire Authority. The Council is concerned that the Fire Authority has suffered disproportionate cuts in funding over the last six years and that the existing funding formula does not reflect the unique risks facing Cleveland Fire Authority. The Council therefore believes a robust and fair funding system is needed for the Fire Service.

Question 13: Do you consider that fire funding should be removed from the business rates retention scheme and what might be the advantages and disadvantages of this approach?

See response to question 12.

Question 14: What are your views on how we could further incentivise growth under a 100% retention scheme? Are there additional incentives for growth that we should consider?

In terms of encouraging business growth the new system should consider providing rate free periods for businesses who are:

- expanding in larger premises*
- moving into premises that are currently unoccupied*
- moving into premises that are derelict and require significant investment*
- small businesses taking their first steps into premises (those not eligible for SBRR)*

Question 15: Would it be helpful to move some of the 'riskier' hereditaments off local lists? If so, what type of hereditaments should be moved?

Yes, provided this is reflected in the level of top-up payment paid to individual authorities. Hereditaments such as Power Stations should be moved to the Central List.

Question 16: Would you support the idea of introducing area level lists in Combined Authority areas? If so, what type of properties could sit on these lists, and how should income be used? Could this approach work for other authorities?

No. This proposal would add unnecessary complication to the system. If the objective of proposal is to help manage the impact of business rates reductions this may not be achieved if a Combined Authority area is reliant upon a particular type of business sector.

Question 17: At what level should risk associated with successful business rates appeals be managed? Do you have a preference for local, area (including Combined Authority), or national level (across all local authorities) management as set out in the options above?

This issue of appeals will become more significant under the 100% retention system. There is already evidence that a large part of appeals reflect the correction by the Valuation Office Agency of 'errors' they made in determining rateable value. For example, the Valuation Office Agency reduced the Rateable Value of 4 nuclear power stations by a total of £25.7m, which equated to a reduction of 22%. Reductions for the four power stations ranged from £3.2m to £16.1m.

In view of the above concerns the Council believes that 100% of appeal risk should be managed at a national level.

Question 18: What would help your local authority better manage risks associated with successful business rates appeals?

Prioritisation by the Valuation Office Agency of high value and complex appeals which pose the greatest financial risk, the provision of better information on outstanding appeals and the adequate resourcing of the Valuation Office Agency to support the new check, challenge, appeal framework to secure the more timely determination of appeals

Question 19: Would pooling risk, including a pool-area safety net, be attractive to local authorities?

This would depend on local factors and authorities with lower risk than neighbouring authorities would have no incentive to enter a pool-area safety net. Conversely, authorities with higher risks would find it difficult to find authorities which would want to pool risk.

Question 20: What level of income protection should a system aim to provide? Should this be nationally set, or defined at area levels?

The current safety net system does not provide adequate protection as the level of financial risk authorities have to manage is too high under the existing system. In addition, the current system has not worked for authorities which have suffered a rates reduction from a single event. For example, Hartlepool only received safety net grant of £260,000 towards the £3.8 million income reduction arising from a 48% reduction in the Rateable Value of the Hartlepool Nuclear power station. The income loss of £3.8m equates to 24% of current Business Rate income retained by the Council.

These issues need to be addressed by having a fairer safety net system, which could be achieved by either:

- *transferring Nuclear Power Stations to the Central list and making a compensating adjustment to the top-up grant paid to the Council; or*
- *implement specific safety net arrangements to fully compensate authorities for significant rateable value reductions made by the Valuation Office Agency for a single hereditament; or*
- *calculate safety net grant on the basis of 7.5% of business rates income, rather than the current baseline;*
- *calculate safety net grant on a significantly lower percentage of the existing baseline to provide a better balance between risk and reward.*

Where authorities are in safety net, consideration needs to be given to allowing authorities to retain future growth. Currently growth simply offsets safety net grant received and therefore provides no direct financial incentive for authorities suffering a major business rates income reduction to achieve growth, as there is no net increase in resources.

Question 21: What are your views on which authority should be able to reduce the multiplier and how the costs should be met?

This proposal is not needed and would undermine the objective of the 100% system providing a sustainable funding stream for local authorities. Reductions in business rates would in all probability be offset by rental increases, so local authorities would lose funding for public services and rental yields would increase. If the Government is serious about addressing imbalances between regions of England and an export based economy it would be more effective to have incentives to reduce national insurance contributions and corporate tax for defined areas / market activities.

This proposal would also have unintended consequences in terms of the impact on major business rate payers, for example a reduction applied to a Nuclear Power Station would not lead to increased job creation. The proposal would also damage the relationship between councils and local businesses as in many areas reductions in the multiplier would not be possible without requiring additional cuts in council services.

The Council hopes this proposal is not implemented. However, if it is, the authority which reduces the multiplier should bear the full cost of this decision, including the reduction in funding available within the national business rates pool for redistribution.

Question 22: What are your views on the interaction between the power to reduce the multiplier and the local discount powers?

The power to reduce the multiplier should not be implemented and existing local powers covering discretionary relief should be retained.

Question 23: What are your views on increasing the multiplier after a reduction?

No view as we do not believe the power to reduce the multiplier should be introduced.

Question 24: Do you have views on the above issues or on any other aspects of the power to reduce the multiplier?

No view as we do not believe the power to reduce the multiplier should be introduced and issues regarding this proposal are detailed in our responses to questions 21 to 23.

Question 25: What are your views on what flexibility levying authorities should have to set a rateable value threshold for the levy?

This proposal seems predicated on the assumption that larger ratepayers could afford to pay an additional levy. Further analysis is needed of the potential impact on different industries, particularly exporters where an increase in business rates may impact on future investment and therefore current and future employment in the sector.

Question 26: What are your views on how the infrastructure levy should interact with existing BRS powers?

See response to question 25, we have similar concerns regarding implement an infrastructure levy on top of the existing BRS.

Question 27: What are your views on the process for obtaining approval for a levy from the LEP?

LEPs should be consulted but should not have a veto on an Infrastructure Levy, as they cannot veto national taxation decisions, which generally have a greater financial impact.

Question 28: What are your views on arrangements for the duration and review of levies?

None.

Question 29: What are your views on how infrastructure should be defined for the purposes of the levy?

It would be sensible to include housing investment with the definition of infrastructure investment as this is a major barrier to economic growth.

Question 30: What are your views on charging multiple levies, or using a single levy to fund multiple infrastructure projects?

It would seem more sensible to have a single levy of up to 2p in the pound to fund multiple infrastructure projects, particularly in smaller areas where the total amount raised may not be significant.

Question 31: Do you have views on the above issues or on any other aspects of the power to introduce an infrastructure levy?

It does not seem rational to limit the infrastructure levy to directly elected Mayors, as whilst they are held accountable by the public, the electorate won't be paying the levy as this cost will fall on business. It seems perverse that at a national level the Government is committed to reducing corporation tax and at the same time proposing powers to introduce an infrastructure levy. Further consideration of the benefits of an infrastructure levy are needed as this may simply reinforce existing regional

differences, particularly for areas with a high proportion of export dependent businesses.

Further consideration also needs to be given to the relationship between the services business rates will increasingly fund, which is child and adult services, and the expectations of the business sector regarding investment in infrastructure and economic development activities.

Question 32: Do you have any views on how to increase certainty and strengthen local accountability for councils in setting their budgets?

Certainty could be increased by providing fixed multi-year allocations and providing these significantly earlier than is currently the case. In relation to local accountability for councils setting their budgets, we believe that existing arrangements are effective and councils are engaging effectively with local people regarding these decisions.

Question 33: Do you have views on where the balance between national and local accountability should fall, and how best to minimise any overlaps in accountability?

Under a 100% business rates system national accountability should be limited to oversight of the overall system, including issues impacting on the distribution of funding. Individual authorities would then be accountable for the use of locally retained business rates.

Question 34: Do you have views on whether the requirement to prepare a Collection Fund Account should remain in the new system?

It seems sensible to maintain a collection fund as this continues to provide clarity for billing and precepting authorities and this fund is an integral part of the annual statement of accounts ensuring accountability.

Question 35: Do you have views on how the calculation of a balanced budget may be altered to be better aligned with the way local authorities run their business?

No requirement for change and we cannot envisage any changes which would deliver efficiency gains as authorities are already focused on the delivery of efficiencies to address the impact of continuing funding reductions.

Question 36: Do you have views on how the Business Rates data collection activities may be altered to collect and record information in a more timely and transparent manner?

The Council would welcome any changes which reduce the reporting burden on authorities, provided any new arrangements provide a robust basis for assessing the needs of individual authorities and the continued redistribution of resources within a 100% business rates retention system. Whilst maintaining the requirement to prepare an NNDR1 form, should the document not be submitted in October based on the RV's at eg 1st October in a similar way to the compilation of the Council Tax Base return. This would ensure all forecasting documents for financial planning will have been compiled nationally and universally at an earlier point in the financial planning and budget setting cycle.

Hartlepool Borough Council Response to Fair Funding Review Consultation

- 1. What is your view on the balance between simple and complex funding formulae?**

No preference, the main focus should be developing a robust formula which reflects need.

- 2. Are there particular services for which a more detailed formula approach is needed, and – if so – what are these?**

Yes, adult services, children's services, public health and local council tax support.

- 3. Should expenditure based regression continue to be used to assess councils' funding needs?**

Expenditure reductions implemented by authorities since 2011/12 mean that the link between spending and need has reduced significantly as areas previously more dependent on Revenue Support Grant have suffered the highest spending cuts. Therefore, distributing funding using expenditure based regression will lock in previous spending cuts and will not reflect ongoing need. Therefore, the distribution formula needs to reflect current need.

- 4. What other measures besides councils' spending on services should we consider as a measure of their need to spend.**

Ability to raise income locally from Council Tax and Business Rates.

- 5. What other statistical techniques besides those mentioned above should be considered for arriving at the formulae for distributing funding?**

No views.

- 6. What other considerations should we keep in mind when measuring the relative need of authorities?**

No views.

- 7. What is your view on how we should take into account the growth in local taxes since 2013-14?**

Should be taken into account as national funding should be targeted at areas with lower growth in local taxes to avoid locking deprived areas into a downward financial spiral.

8. Should we allow step-changes in local authorities' funding flowing the new needs assessment?

No.

9. If not, what are your views on how we should transition to the new distribution of funding?

Changes should be phased over a number of years to enable individual authorities to manage the impact of resource redistribution, say over the period of a four year Government settlement.

10. What are your views on a local government finance system that assessed need and distributed funding at a larger geographical area than the current system – for example, at the Combined Authority level?

Not necessary and increases complexity, whilst undermining accountability; both in relational to the overall funding system operated by the Government and decisions at an individual authority level.

11. How should we decide the composition of those areas if we were to introduce such a system?

See response to question 10.

12. What other considerations would need to keep in mind if we were to introduce such a system?

See response to question 10.

13. What behaviours should the reformed local government finance system incentivise?

The continuing reduction in Government funding already provides the financial incentive for councils to grow their council tax and business rates tax bases. Therefore, no further incentives are required. The perception that prior to recent reforms local authorities needed an incentive to grow their council tax and business rates bases is misplaced, as whilst achieving growth previously did not increase local resources, the achievement of growth helped address wider social issues, including increasing local employment, improving local prosperity and improving the built environment.

14. How can we build these incentives in to the assessment of councils' funding needs?

It needs to be recognised that different growth levels in different areas is driven by the private sector and can occur irrespective of the actions taken by individual.

In more deprived and less economically active areas councils typically have to work much harder than more prosperous areas to achieve growth and this is often a function of location. In addition, different business growth results in different business rates yields, for example office accommodation tends to generate more business rates than a factory, although the factory may make a greater contribution to employment and exports. Further expansion of Enterprise Zones, investment in infrastructure and tax breaks are needed to encourage business to move out of the overheated south east and into other areas. Over time this could provide a more balanced national economy.

FINANCE AND POLICY COMMITTEE

5th September 2016



Report of: Corporate Management Team

Subject: STRATEGIC FINANCIAL MANAGEMENT REPORT -
AS AT 31st July 2016

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) 2016/17 Forecast General Fund Outturn;
- ii) Corporate Income Collection Performance; and
- iii) 2016/17 Capital Programme Monitoring.

3. BACKGROUND AND FINANCIAL OUTLOOK

3.1 As detailed in the Medium Term Financial Strategy Report submitted to the Committee on 30th June 2016 the Government will implement further cuts in funding for Councils up to 2019/20. Over the next 3 years (2017/18 to 2019/20) this means a further grant cut of £9.8m. After reflecting the impact of inflation and legislative changes the council faces a net deficit for the next 3 years of £12.7m, which is predicated on annual Council Tax increases of 3.9% (inclusive of 2% Social Care Precept) and use of the Budget Support Fund.

3.2 In view of the ongoing financial challenges the Corporate Management Team will continue to adopt robust budget management arrangements during 2016/17 and as detailed in section 5 it is becoming increasingly difficult to manage the annual budget. This position will need to be managed carefully over the remainder of the financial year, particularly over the winter period where some services face their highest demand and therefore cost of providing services.

4. REPORTING ARRANGEMENTS 2016/17

4.1 The availability and reporting of accurate and up to date financial information is increasingly important as future budget cuts are implemented and one-off resources are used up.

- 4.2 This Committee will continue to receive regular reports which will provide a comprehensive analysis of departmental and corporate forecast outturns, including an explanation of the significant budget variances. This will enable the Committee to approve a strategy for addressing the financial issues and challenges facing the Council.
- 4.3 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 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.

5. GENERAL FUND BUDGET 2016/17 FORECAST OUTTURN

- 5.1 An early assessment of the forecast outturn has been prepared to reflect expenditure incurred to date and forecast to be incurred in the second half of the financial year. As Members will be aware from previous years significant elements of the Council's budget are demand led and affected by expenditure over the winter months, including care costs in relation to older people and winter maintenance. The outturn forecasts will be closely monitored and regular updates will be reported to this Committee. The forecasts need to be considered in the context of the complexity of managing a gross General Fund budget of £213m and a net budget of £86m.
- 5.2 As detailed in Appendix A the best case forecast outturn for departmental budgets is an under spend of £210,000 and the worst case is an over spend of £690,000. The range reflects seasonal and demand led factors. In summary these forecasts reflect the following:
- Chief Executive's department - forecast under spend owing to holding posts vacant to achieve 2017/18 savings;
 - Child and Adult Services – forecast over spend reflects higher levels of Looked After Children and support for Adults with learning and physical disabilities. The department is focused on reducing demand for these packages of care, although these changes will take time to implement;
 - Public Health – forecast over spend reflects income shortfalls and additional costs of operating the Borough Hall.
 - Regeneration and Neighbourhoods – income shortfalls for a range of services and increased vandalism repairs in children's playground are offset by additional grant income achieved by the department.
- 5.3 Detailed financial information on projected outturn for individual Departments by Committee is provided in Appendices B to G.

- 5.4 The position in relation to corporate budget is more positive and a net under spend of £0.540m is forecast. This is after earmarking £1.8m to fund future priorities, including capital investment, and detailed proposals for using this money will be included in the 2017/18 Medium Term Financial Strategy report to be considered at a future meeting of this Committee, before detailed proposals are referred to full Council.
- 5.5 After reflecting the above factors the overall forecast position for departmental and corporate budgets is a best case potential net under spend of £801,000, or a worst case over spend of £99,000, as summarised below. The figures include £760,000 of grant income achieved by the Regeneration and Neighbourhoods department, therefore if the best case overall outturn is achieved it is recommended that the Council determines a strategy for using these resources. This will need to include providing additional support for the 2017/18 budget if insufficient savings have been identified. Further details will be reported to a future Finance and Policy Committee for consideration.

Forecast over spend / (under spend) 2016/17

	Worst Case £'000	Best Case £'000
2016/17 Forecast Departmental budgets outturn	690	(210)
2016/17 Forecast Corporate budgets outturn	(540)	(540)
Sub Total - 2016/17 Forecast budget outturn	150	(750)
Uncommitted 2015/16 Actual Outturn	(51)	(51)
Net Forecast over spend / (under spend)	99	(801)

5.6 House Sales income

- 5.7 In addition to the Revenue Budget outturn detailed in the previous paragraphs the Council also benefits from the receipt of income from Housing Hartlepool from the sale of former Council houses. This income will be dependent on individual house sales and is therefore difficult to forecast as the amount varies from month to month. The total received in the first three months is £55,000.

6. Corporate Income Collection Performance

- 6.1 Previous reports advised Members that significant changes were implemented with effect from 1st April 2013 to re-localise Business Rates and implement Local Council Tax Support schemes. As a result of these changes approximately 58% (i.e. £50.2m) 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

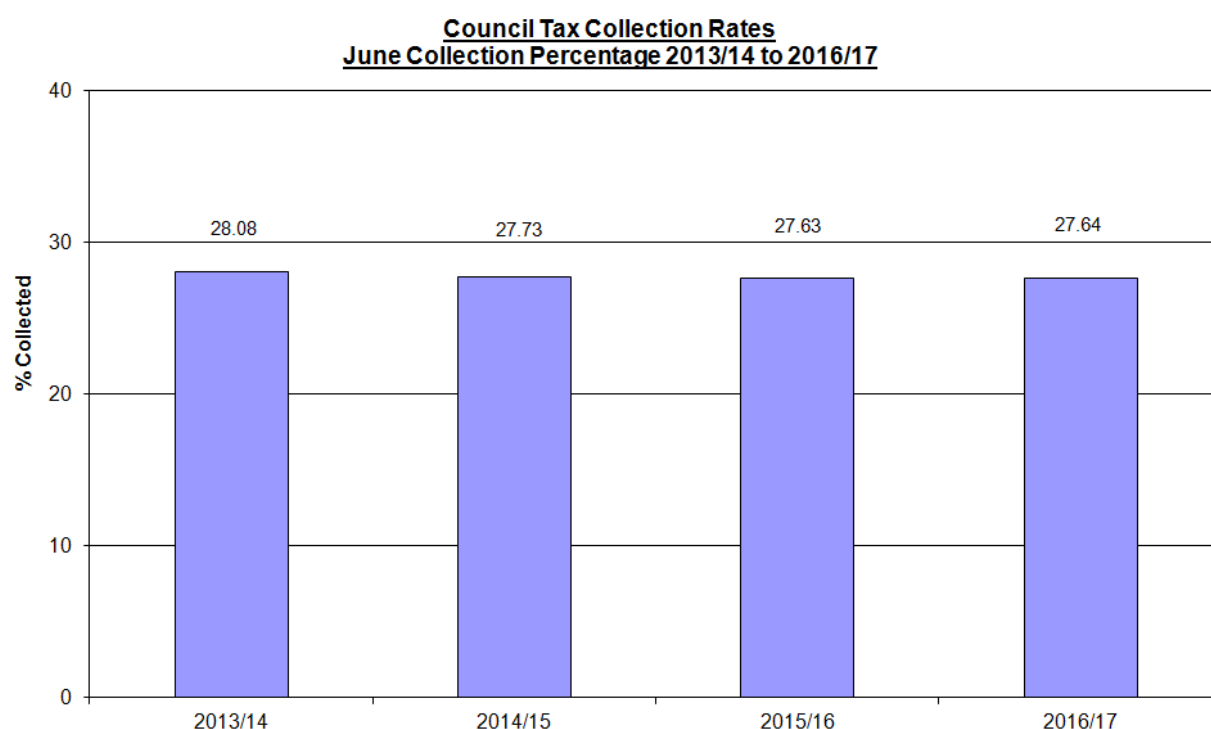
- 6.3 The re-localisation of Business Rates is a significant additional financial risk for Local Authorities to manage - 50% of any shortfall arising from either nonpayment by businesses, or reductions arising from the Valuation Office re-

assessing rateable values, 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 Collecting Business Rates has always been an important responsibility, and the Council collected 98.5% in 2015/16 (national average 97.6% for unitary and metropolitan councils). The changes associated with localisation of business rates make this an even more important issue for the Council.
- 6.5 At the 30th June 2016 the Council had collected 35.46% of the 2016/17 liability, down by 0.43% compared to the same period last year. The timing and value of appeals decisions by the Valuation Office Agency makes comparison of collection performance for Business Rates between financial years difficult. A comprehensive review of all 2,700 business rates accounts has been undertaken which indicates that by the end of the financial year collection levels in excess of 98% should be sustained.

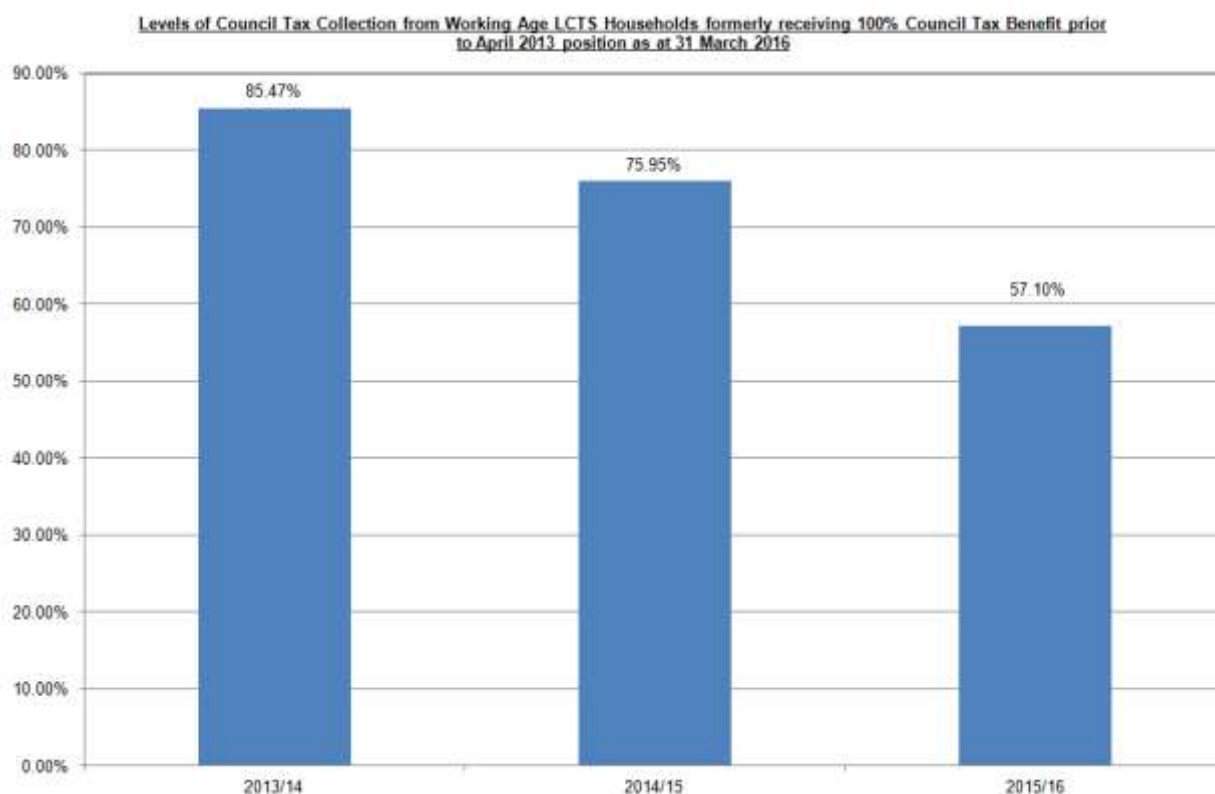
6.6 Council Tax

- 6.7 The overall Council Tax collection rate at 30th June 2016 was 27.64% compared to 27.63% for the same period last year, up slightly by 0.01%, as summarised in the graph below reflecting a stable position.



- 6.8 Collection performance is impacted by the time lag in recovering Council Tax by Attachment of Benefit, where the rate of deduction is capped at £3.70 per week and only one deduction can be active at any one time. This particularly affects working age households in receipt of Local Council Tax Support (LCTS).
- 6.9 There are about 5,800 working age households affected by the Council's LCTS Scheme that would have received full Council Tax Benefit prior to April 2013.

The Council monitors closely levels of collection from these households which have been impacted by a range of national welfare reforms. The graph below shows that collection from these households is positive, albeit there are the forecast time lags in securing collection.

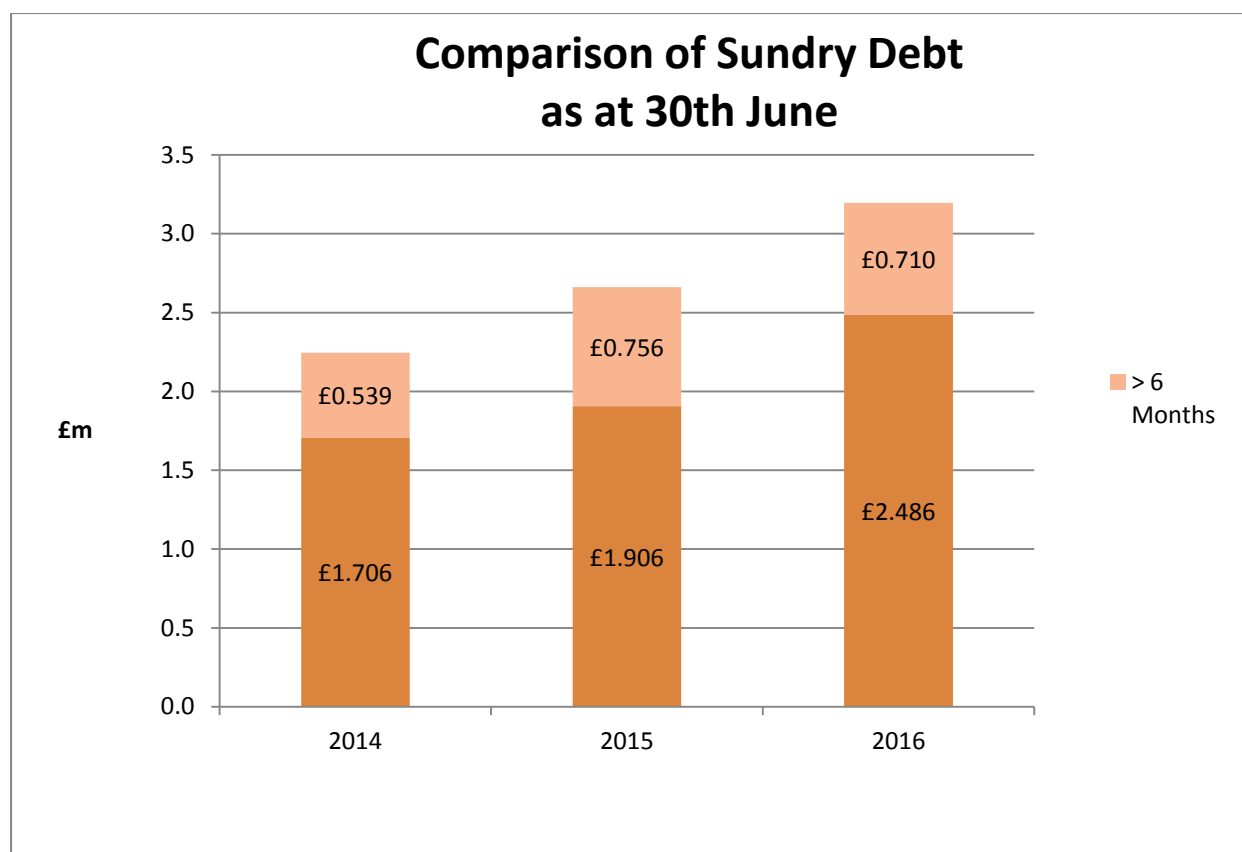


6.10 Collection of Council Tax from LCTS households continues to be within the financial planning parameters that underpin the Council's LCTS scheme.

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 £7.144m of sundry debts were raised in the first three months of 2016/17. As at 30th June 2016, £5.157m (72.18%) of this amount had been collected.

6.15 Robust procedures for collecting the remaining outstanding debt are in place. The following graph shows the comparable positions at 30th June for the last three years for long term debt and current debt which has been outstanding for less than six months.



6.16 Debtors totalled £3.195m as at 30th June 2016, of which £2.486m (77.79%) relates to current debts (less than 6 months old).

6.17 Included within current debts (less than 6 months old) is debt where the customer has been invoiced for the whole of 2016/17 but payment is to be received in installments throughout the year.

6.18 Debts greater than 6 months old total £0.710m. 98.54% of this amount is under recovery action and 1.46% (£0.010m) is now considered unrecoverable and will be reported to Members for write off in October 2016.

7. Progress in achieving the Capital Receipts Target of £7.5m

7.1 Previous reports have highlighted the significant challenges of achieving capital receipts against the difficult economic environment which has resulted in annual shortfalls against the initial annual capital receipts target of £6.5m.

7.2 The Council has benefitted from HMR expenditure being incurred later than expected. In relation to the remaining HMR expenditure commitments, not all of the remaining costs were incurred during 2015/16. This resulted in a lower amount of temporary prudential borrowing required to fund the temporary shortfall in capital receipts.

7.3 Despite the delays in capital expenditure the Council has had to use temporary Prudential Borrowing to fund shortfalls in capital receipts at the end of the financial year. This position underlines the complexity of managing the capital

receipts targets and the capital commitments funded from these resources. The following table provides a summary of the position and highlights the three key issues:

- Column C – highlights the potential temporary capital funding shortfall if capital expenditure had been incurred as planned, which would have had to be funded from temporary Prudential Borrowing;
- Column E – highlights the actual temporary Prudential Borrowing used at the end of financial years 2012/13, 2013/14, 2014/15 and 2015/16 and reflects the benefits of re-phased expenditure as detailed in paragraph 7.2 and summarised in column D.

Year	Cumulative				
	Planned Expenditure	Actual Net Capital Receipts	Capital Receipts Shortfall / (Uncommitted Capital Receipts) Before Benefit of Rephased Capital Expenditure C=A+B	Rephased Capital Expenditure D	Actual Cumulative Year End Capital Receipts Shortfall / (Uncommitted Capital Receipts) E=C+D
	A	B			
2012/13	1,470	(675)	795	(776)	19
2013/14	6,170	(2,199)	3,971	(2,843)	1,128
2014/15	6,500	(3,956)	2,544	(1,977)	567
2015/16	6,500	(4,275)	2,225	(1,304)	921

- 7.4 The Council increased this target by a further £1m to £7.5m on 18th February 2016 as part of the 2016/17 MTFS. However HMR Commitments have reduced by £0.300m and Brierton Commitments have reduced by £0.120m as reported in section 8.7. This leaves a net capital receipts target of £2.805m, still to be achieved after reflecting actual land sales as summarised in the table below from future land sales. This figure is after reflecting land sales approved up to 31 March 2016, which in accordance with national accounting regulations are accounted for on an accruals basis. This means that land sales which the Council has agreed to receive in instalments are accounted for within this figure. The accrued capital receipts include the sale of the former for the Henry Smith school site at King Oswy Drive. Approximately half of the agreed capital receipt was received when contracts were exchanged and the remaining capital receipt was due by the end of September 2016. The original purchaser of this site is selling the partly completed development and the new developer has approached the Council seeking agreement to schedule payment of the remaining capital receipt into two instalments to be paid in September 2017 and September 2018. Interest will be paid on the delayed payments at 2% above the existing bank base rate and this exceeds the cash flow cost to the Council of this proposal. Clearly, there is a potential risk that the new developer may not pay the outstanding monies due to the Council and this will be managed by maintaining a legal charge on the land until all monies due have been received. However, the risk of approving a revised payment profile for the remaining capital receipt, are significantly less than the risk of the Council not approving this proposal as this may result in an incomplete site and failure to achieve the

remaining capital receipt. Discussions with the new developer indicate they have a clear commitment to complete this site. Further information is included in **Confidential Appendix L – 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).**

	£m
Existing Capital Receipts Target	7.500
Net Capital Receipts Achieved to 31 March 2016	(4.275)
Forecast Reduced Funding Requirement for the HMR Scheme	(0.300)
Forecast Reduced Funding Requirement for the Brierton Scheme	(0.120)
Revised Net Capital Receipts Target	2.805

7.5 Officers are currently progressing the planned sale of land to achieve the remaining target of £2.805m. However the timing of capital receipts is uncertain and remaining capital receipts are profiled over the period of the MTFS. Therefore the expectation is that between £2.121m (best case) and £1.481m (worst case) will be achieved in 2016-17 with the shortfall to be met from temporary prudential borrowing.

7.6 Further updates will be provided in future financial management reports as the position becomes clearer.

8. 2016/17 Capital Programme Monitoring

8.1 Capital Expenditure for all departments to the 31st July, 2016 is summarised in the table below.

Department	BUDGET		EXPENDITURE IN CURRENT YEAR				
	A	B	C	D	E	F	G
				B-C		C+D+E	F-B
	2016/17 and Future Years Budget £'000	2016/17 Budget £'000	2016/17 Actual at 31/07/2016 £'000	2016/17 Expenditure Remaining £'000	Expenditure Rephased to 2017/18 £'000	2016/17 Total Expenditure £'000	2016/17 Variance from budget £'000
Child & Adult	9,695	9,695	438	9,257	0	9,695	0
Public Health	633	551	17	530	5	556	5
Regeneration & Neighbourhoods	21,452	16,759	3,414	10,159	3,047	16,620	(139)
Chief Executive	966	966	15	951	0	966	0
Corporate	2,397	2,397	13	2,384	1	2,398	1
Total Capital Expenditure	35,143	30,368	3,897	23,281	3,053	30,235	(133)

8.2 The table above shows the overall capital budget for 2016/17 and future years, and the capital budget specific to 2016/17.

8.3 Actual expenditure to 31st July 2016 was £3.897m, compared to a 2016/17 budget of £30.368m; £3.053m has been rephased to 2017/18 leaving £23.281m to be spent during the remainder of 2016/17.

- 8.4 There is a longer lead in time for capital schemes and therefore it is not unusual for expenditure to be low at this stage of the year.
- 8.5 Detailed financial information on the capital programme for individual Departments by Committee is provided in Appendices F to J. Items to bring to members attention are discussed below.
- 8.6 Further to the suitability schemes approved by Children's Services Committee in March 2016, School's Capital Sub-group has asked for two further schemes to be submitted for formal approval. The Director of Child and Adult Services has consulted with the Chair of Children's Services Committee and has approved the schemes under delegated authority to enable the works to progress in the summer holidays. Finance & Policy Committee are asked to note and endorse the approval of these schemes. The two schemes are detailed below:
- Ward Jackson Primary School
Disabled Access to classroom – £6,600
 - West Park Primary School
Sound insulation to Foundation Unit – £7,500

These schemes will be funded from suitability funding with 10% contributions from the schools.

- 8.7 The main item to bring to Members attention is the favourable variance of £120,000 on the Brierton Site scheme. This budget consisted of various elements including demolition, the relocation of the EDC and PRU to the former Brierton school site which was partly demolished and renovated to create the new CETL, in addition to landscaping works, new sports pitches and new parking provision. The favourable variance is owing to a saving on demolition costs for the EDC and lower costs than budget for asbestos removal, drainage, fees and contingencies. As the main source of funding for this scheme was £2m of capital receipts from the sale of the former EDC site and future sale of Brierton, it is proposed that the resulting saving is used to reduce the Councils capital receipts target.
- 8.8 Council Capital Fund (CCF) Unallocated £338k**
- 8.9 The Council Capital Fund of £600k for planned maintenance on Council property and assets was approved by Members in March as part of the MTFS. Finance and Policy Committee has to date approved funding up to the sum of £418k, leaving £182k
- 8.10 The Seaton Library Toilet Disability Adaptations budget of £37k is no longer required. It is therefore recommended that this budget is transferred into the unallocated CCF.

	Amount £
Prior Years Unallocated Budget	73,338
Return Seaton Toilets to Unallocated	37,237
2016/17 Unallocated Budget	182,300
2016/17 Unallocated Other Council Priorities	45,000
Total Unallocated	337,875

8.11 Corporate Planned Maintenance (CPM) Unallocated £58k

8.12 The 2016/17 CPM amount is £218k, giving a CPM unallocated amount as £276k.

8.13 Section 106 Developers Contributions

The level of uncommitted funds as at 31st July 2016 was £697,000. A table is attached at Appendix K showing that the amount brought forward from the previous financial year was £441,000, with a further amount of £264,000 being received in year. To date amounts transferred to scheme include £4,000 for upgrades to Summerhill and £4,000 for pool seating at Mill House.

9. CONCLUSIONS

- 9.1 An initial assessment of the forecast 2016/17 budget outturn has been prepared, reflecting expenditure to date and forecast over the remainder of the year. A significant number of these forecasts relate to seasonal services where higher levels of activity and expenditure occur over the winter months. The forecast outturn position will be managed carefully over the remainder of the year and regular updates reported to this Committee.
- 9.2 The current worst case forecast anticipates a net over spend of approximately £100,000. This position reflects forecast departmental over spends being offset by forecast corporate under spends.
- 9.3 The current best case forecast anticipates a net under spend of £801,000 (including £51,000 uncommitted 2015/16 actual outturn). This position is predicated on departmental over spends being lower than the worst case forecast, which would then reduce the call on additional grant income achieved by the Regeneration and Neighbourhood Services department.
- 9.4 As achievement of these lower over spends cannot be guaranteed it is recommended that no resources are committed until the outturn position is more certain. Hopefully, the best case will be achieved and this will then enable Members, as part of the 2017/18 budget process, to develop a strategy for using these resources. This may need to include using these resources to provide additional support for the 2017/18 budget as the savings proposals identified so far do not address the 2017/18 budget deficit.
- 9.5 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 30th June 2016 Council Tax collection levels

are stable at 27.64% and it is anticipated that business rates collection at 33.46% will secure year end collection being sustained in excess of 98% Robust recovery action will continue to be pursued over the remainder of the financial year to maximise in-year collection rates.

10. RECOMMENDATIONS

10.1 It is recommended that Members:

- i) Note the report.
- ii) Note that £1.8m of the gross forecast corporate outturn has been earmarked to fund future priorities, including capital investment, and detailed proposals for using this money will be included in the 2017/18 Medium Term Financial Strategy report to be considered at a future meeting of this Committee, before detailed proposals are referred to full Council.
- iii) Note that as achievement of these lower over spends cannot be guaranteed it is recommended that no resources are committed until the outturn position is more certain. If the best case overall outturn is achieved, it is recommended that the Council determines a strategy for using these resources as part of the 2017/18 budget process. This may need to include providing additional support for the 2017/18 budget if insufficient savings have been identified. Further details will be reported to a future Finance and Policy Committee for consideration as part of the Medium Term Financial Strategy.
- iv) That Members endorse the approval of the Ward Jackson Primary School (£6,600) and West Park Primary School (£7,500) capital schemes.
- v) Note that the capital receipts target can be reduced from £7.5m to 7.08m.
- vi) Note that the £37,000 not required for Seaton Library Toilet Disability Adaptations be transferred to unallocated CCF.

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 2016/17.

12. BACKGROUND PAPERS

Medium Term Financial Strategy 2016/17 to 2018/19 report to Finance and Policy Committee 23.11.15.

Medium Term Financial Strategy 2016/17 to 2018/19 report to Finance and Policy Committee 11.01.16.

13. CONTACT OFFICER

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01429 523003

APPENDIX A**Table 1 - Forecast Outturn 2016/17 Details**

	Latest Forecast	
	Worst Case £'000	Best Case £'000
Departmental Budgets		
Chief Executive's Dept	(385)	(385)
Child and Adult Services	950	630
Public Health General Fund	145	(15)
Regeneration and Neighbourhoods	(305)	(750)
Recommended Departmental reserves as detailed in Table 2	285	310
Sub Total - Departmental Budgets	690	(210)
Non Departmental issues		
Corporate Budgets	(2,340)	(2,340)
Allocated to fund one off priorities to be determined as part of MTFS	1,800	1,800
Sub Total - Corporate Budgets	(540)	(540)
Uncommitted 2015/16 Outturn	(51)	(51)
Forecast Uncommitted Outturn	99	(801)

APPENDIX A**Table 2 - Detail of Contributions to Reserves**

	Latest Forecast	
	Worst Case	Best Case
	£'000	£'000
Ring-fenced Grant Reserves		
FERIS Grant Project Earmarked to address 2017/18 DWP Housing Administration grant cuts to mitigate impact on benefit service standards.	23	23
New Burdens Grant Additional 2016/17 grant from DWP, which will be earmarked to help mitigate the forecast 2017/18 DWP Housing Administration grant cuts.	47	47
Universal Credit Additional 2016/17 grant from DWP, which will be earmarked to help mitigate the forecast 2017/18 DWP Housing Administration grant cuts.	55	55
Public Health The Public Health Grant is ringfenced and any underspend will be transferred into a ringfenced reserve in line with the grant conditions.	125	150
Sub Total	250	275
General Fund Budget Reserves		
Selective Licensing Reserve Reserve created from income received in advance which is required to fund the staffing costs over the life of the scheme.	15	15
Cremators Sinking Fund Reserve created to fund maintenance costs in future years.	20	20
Sub Total	35	35
TOTAL	285	310

REVENUE FINANCIAL MONITORING REPORT FOR FINANCIAL YEAR 2016/17 as at 31st July, 2016

6.4

Approved 2016/2017 Budget	Description of Service Area	July		Director's Explanation of Variance
		Projected Outturn Variance - Adverse/ (Favourable) Worst Case	Projected Outturn Variance - Adverse/ (Favourable) Best Case	
£'000		£'000	£'000	
Adult Committee				
0	Carers & Assistive Technology	0	0	
3,435	Commissioning & Adults General	20	11	
1,358	Commissioning-Mental Health	110	110	This reflects an increase in the number of service users over the last 12 months and has been identified as an on-going budget pressure.
10,272	Commissioning-Older People	0	(100)	Historic budget pressures have been funded from the Better Care Fund (BCF) as part of the programme to reduce care home and hospital admissions. The projected underspend relates to current expected levels of expenditure and increased income from the CCG for jointly-funded packages, however the winter period may result in additional expenditure so the projection will be closely monitored and updated as the year progresses.
0	Deprivation of Liberty Standards (DoLS) - Pressure	337	337	This relates to the unbudgeted costs arising from the Supreme Court Judgement which has resulted in a 1600% increase in activity. The costs are to be funded from the departmental DoLS reserve.
7,968	Commissioning-Working Age Adult	350	249	Historic and ongoing budget pressures within Learning Disability Services arising from a combination of an increase in the number of young adults transitioning from Children's Services and the number of users with complex needs. In addition, the impact of the National Living Wage on Sleepover allowances and payment rates for Individual Service Funds is still being finalised but will be higher than previously budgeted.
166	Complaints & Public Information	(5)	(5)	
730	Departmental Running Costs	(100)	(100)	These mainly relate to under spends across various supplies and services budgets reflecting early achievement of 2017/18 savings.
751	Direct Care & Support Team	(100)	(100)	A staffing restructure to enhance Telecare services will commence from Autumn 2016 therefore this underspend reflects the part year effect of the changes not yet being implemented.
403	LD & Transition Social Work	(30)	(30)	
2,611	Locality & Safeguarding Teams	(300)	(300)	Underspend mainly relates to new posts created within Teams (which have now been filled) and incremental drift with some early achievement of 2017/18 savings. Social Workers and Social Care Officers are on career grades which results in a range of bandings depending on qualifications and experience. Budgets are set prudently to reflect payment at the top of scale and the underspend reflects the fact there have been a number of new workers appointed at the lower end of the scale resulting in a short term saving of up to £10k per worker. A departmental salary abatement target was created as part of the 2016/17 budget savings proposals and this underspend is in addition to this target. The position is not sustainable as workers will move up the salary scales as they gain more experience.
672	Mental Health Services	(45)	(45)	
372	OT & Disability Equipment	75	75	Current usage and expenditure is higher than budgeted.
203	Workforce Planning & Dev	0	0	
1,153	Working Age Adult Day Services	0	0	
30,094	Sub Total	312	102	
0	Release of Departmental Reserve for DoLS	(337)	(337)	This reserve funds the unbudgeted DoLS costs.
30,094	Adult Committee Sub Total (after release of reserves)	(25)	(235)	

Approved 2016/2017 Budget £'000	Description of Service Area	Projected Outturn Variance - Adverse/ (Favourable) Worst Case £'000	Projected Outturn Variance - Adverse/ (Favourable) Best Case £'000	Director's Explanation of Variance
Children's Committee				
11,697	Children & Families	1,400	1,300	The overspend relates to a combination of historic budget pressures and an increase in LAC. Residential Placements have increased this financial year and were increasing during last financial year so there is the full year effect of these costs. In-House fostering placements have also been increasing over the last 15 months.
3,909	Early Intervention Services	(440)	(440)	The underspend relates to a combination of vacant posts and under spends against supplies and services budgets which, where possible, will be used to contribute towards the 2017/18 savings targets.
4	Play & Care	15	5	Historic shortfall in income - charges have been increased and will be closely monitored throughout year; will have a better indication of outturn following busy summer holiday period
428	Youth Offending Service	0	0	The YJB only announced an 11.75% (£44k) reduction in funding in April 2016. The YOS reserve will be required to fund the shortfall in grant while reviews of the service are undertaken to achieve permanent savings.
208	Access to Education	0	0	Latest projections forecast the Education related budgets to be overspend between £68k and £6k. The overspends predominately relate to an income shortfall due to a shortfall in academy buy back income. It is proposed that departmental reserves will be used to fund these overspends.
120	Central Support Services	0	0	
522	Other School Related Expenditure	0	0	
524	Raising Educational Achievement	0	0	
237	Special Educational Needs	0	0	
16	Strategic Management	0	0	
17,666	Sub Total	975	865	
17,666	Children's Committee Sub Total	975	865	
47,760	Child and Adult Total - (before Creation of Reserves)	950	630	
Use of Reserves				
(725)	Departmental Reserves required to fund shortfall in 2016/17 savings.	0	0	
47,035	Child & Adult Total - Net of Reserves	950	630	

The above figures include the 2016/2017 approved budget along with the planned use of Departmental Reserves created in previous years.

The details below provide a breakdown of these reserves

Approved 2016/2017 Budget £'000	Description of Service Area	Planned Usage 2015/2016 £'000	Variance Over/ (Under) £'000	Director's Explanation of Variance
Adult Committee				
50	CCG LD Transformation Funding	50	0	
933	Departmental Reserves to Fund 16/17 Savings Shortfall (Also shown in Children's Services Committee as cross-departmental reserve).	725	(208)	Additional Savings achieved through integration of Adult Services provision with health as part of the Better Care Fund. The balance of £725k will need to be found as part of the 2017/18 savings proposals.
50	Demand Management - Adults (Modern Apprentices)	50	0	
337	Deprivation of Liberty Safeguards (DoLS)	337	0	
50	BCF Project Management	50	0	
50	Demand Management - Adults (BCF Demand Review)	58	8	Actual Costs higher than initial estimate
43	Mental Health Services	0	(43)	Funding of post now covered from within base budget
31	Care Bill Implementation	31	0	
1,544	Adult Committee Sub Total	1,301	(243)	
Children's Committee				
333	Troubled Families	0	(333)	The Troubled Families Grant is continuing for a further 4 years therefore it is now anticipated that the Troubled Families grant will fund all of the costs of this years programme.
933	Departmental Reserves to Fund 16/17 Savings Shortfall (Also shown in Adult Services Committee as cross-departmental reserve).	725	(208)	Additional Savings achieved through integration of Adult Services provision with health as part of the Better Care Fund. The balance of £725k will need to be found as part of the 2017/18 savings proposals.
23	Adoption Reform Grant	0	(23)	Temporary Adoption Post funded by this reserve is currently vacant.
175	Early Intervention Reserve	175	0	
0	Youth Offending Reserve	44	44	The YJB only announced an 11.75% reduction in funding in April 2016. The reserve will be required to fund the shortfall in grant while the reviews of the service are undertaken to achieve permanent savings.
361	Better Childhood Programme	361	0	This reserve is funding the 'one-off' costs associated with setting up the Better Childhood Programme and the Children's Hub (MACH).
59	Schools Transformation Team	16	(43)	Costs are less than anticipated due to the contract expiry.
30	Data Team	30	0	
138	School Improvement	72	(66)	Savings are forecast due to a temporary post funded by this reserve is currently vacant.
2,052	Children's Committee Sub Total	1,423	(629)	

MEMO:-	Dedicated Schools Grant			
4,487	Early Years	0	0	The timing differences between funding received and expenditure will be managed using the Early Years ring-fenced reserve, it is anticipated that £0.036m will be required.
8,106	High Needs	0	0	A funding strategy is being developed to address this demand led pressures, currently an overspend of between £0.439m and £0.269m is forecast at year end.
37,117	Schools	0	0	There is an in year overspend of £0.028m forecast. This relates to an ongoing increase in license costs. There is sufficient funding in the dedicated schools grant reserve to cover this pressure.

REGENERATION AND NEIGHBOURHOODS

REVENUE FINANCIAL MONITORING REPORT FOR FINANCIAL YEAR 2016/17 as at 31st July, 2016

		July		
Approved 2016/2017 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	
Finance & Policy Committee				
1,089	Community Safety & Engagement	0	0	
89	Strategic Management, Admin & Service Development	0	0	Expecting spend to budget at this stage. The Salary Abatement target is expected to be achieved.
(204)	Logistics	0	0	
49	Procurement and Reprographics	0	0	
				Very early to predict on Trading Accounts but expecting to be on budget at this stage.
431	Estates & Asset Management	90	0	The variance projected relates to a shortfall in TOS income generated.
(801)	Building Consultancy	250	150	The variance projected relates to a shortfall in TOS income generated.
885	Facilities Management	105	55	This is a volatile area which includes a number of Trading Activities. The adverse variance projected relates to an adverse variance in Functions Catering and the Garden Centre.
(157)	Departmental Reserves required to fund shortfall in 2016/17 savings	0	0	
1,382	Finance & Policy Committee Sub Total	445	205	
Regeneration Committee - Core Services				
0	Adult Education	(760)	(760)	Favourable Variance relates to a surplus generated on the European funded schemes which ended last year. The schemes have been audited and a £76K Clawback may be charged. Awaiting SFA response.
20	Archaeology	0	0	
49	Community Centres	5	5	Variance relates to an overspend on staffing budgets due to backfilling within Cultural Services.
409	Cultural Services	0	0	
990	Libraries	5	5	Variance relates to a projected underachievement of income from new income streams
(7)	Building Control	110	80	The outturn reflects the volatile nature of external income on this account. The Income Risk Reserve will be used to fund this pressure in 16/17 (see below).
0	Building Control - release of Corporate Income Shortfall Reserve as per MTFS	(110)	(80)	See comment above.
253	Planning Services	0	0	
565	Housing Services	(15)	(15)	Variance relates to Selective Licencing income. This income needs to be carried forward to fund the cost of running the scheme in future years. A contribution to reserves is therefore requested below.
837	Economic Regeneration	0	0	
(50)	Economic Regeneration - External Funding	0	0	
199	Heritage & Countryside	0	0	
3,265	Regeneration Committee - Core Services Sub Total	(765)	(765)	
Regeneration Committee - Social Housing				
0	Social Housing	0	0	The Council is required to re-opened its Housing Revenue Account (HRA) and in accordance with the Regulations must now account for Housing separately as a ringfenced account. A monitoring statement will be prepared later in the year once a full Asset Management Plan (including Condition Survey) has been compiled. Any surplus will be transferred to a HRA reserve in accordance with the accounting regulations.
0	Regeneration Committee - Social Housing Sub Total	0	0	

REGENERATION AND NEIGHBOURHOODS

Appendix C

Approved 2016/2017 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	
Neighbourhood Committee				
(136)	Cemetery and Crematoria	(100)	(150)	The variance includes an underspend on Maintenance (£20k) which is expected after the major Capital investment last year, and additional income generated from fees and charges. It is proposed to transfer the underspend on Maintenance into a reserve to fund peaks in maintenance in future years.
281	Parks & Countryside	80	60	Adverse variance reflects an increase in vandalism and responsive repairs.
30	Allotments	0	0	
(454)	Car Parking & Enforcement	175	90	The variance mainly relates to a shortfall in income, however there continues to be a budget pressure on business rates of approx £30k.
419	Engineering Services (incl Coastal Protection and Contaminated Land)	0	0	This projection assumes that any underspend will be transferred to Capital to support the Major Capital scheme on the Headland.
1,729	Grounds Maintenance	0	0	
1,968	Highway Maintenance & Insurance	0	0	
(224)	Highways Trading	0	0	Very early to predict on Trading Accounts however it is anticipated that Highways will be within budget at year end.
502	Highways Traffic & Transp Management	0	0	
1,462	Passenger Transport	50	0	Worst case estimate reflects the expected increase in SEN transport costs from September onwards. Best case estimate assumes that the demand led pressures will be offset by savings or income generated elsewhere within Passenger Transport.
128	Road Safety	0	0	
(53)	ITU - Strategic Management	55	55	The adverse variance relates to income targets set as part of the 14/15 savings programme that have not been achieved. Projects involve collaboration work around transport.
(124)	Vehicle Fleet	(100)	(100)	Variance relates to a temporary saving on vehicle borrowing costs as vehicles are being kept for longer. The review of vehicles may result in some vehicles being withdrawn and others financed over a longer period.
(2)	NDORS (National Driver Offender Rehabilitation) Scheme	0	0	
1,164	Network Infrastructure	0	0	This position assumes that any favourable variance at Outturn will be transferred to Capital to fund the LED project (as per the approved business case).
0	Section 38's	0	0	
(0)	Traffic Management	0	0	
2,423	Sustainable Transport	(65)	(65)	Favourable variance reflects the negotiated position which is less than the agreed budget.
1,646	Street Cleansing	(80)	(80)	Favourable variance relates to savings on fuel.
4,604	Waste & Environmental Services	0	0	There are many pressures on this Service Area however it is assumed at this stage that these can be managed within the overall budget this year.
15,362	Neighbourhood Committee Sub Total	15	(190)	
20,009	R & N Total before reserves	(305)	(750)	
Creation of Reserves				
0	Selective Licensing Phase 2	15	15	Reserve created to earmark income received in advance to fund staffing costs over the life of the scheme.
0	Sinking Fund Crematorium	20	20	Reserve created to fund future maintenance costs associated with the Cremators.
20,009	Regeneration and Neighbourhoods Total - Net of Reserves	(270)	(715)	

REGENERATION AND NEIGHBOURHOODS**Appendix C****PLANNED USE OF RESERVES**

The above figures include the 2016/2017 approved budget along with the planned use of Departmental Reserves created in previous years.
The details below provide a breakdown of these reserves

Approved 2016/2017 Budget £'000	Description of Service Area	Planned Usage 2016/2017 £'000	Variance Over/ (Under) £'000	Director's Explanation of Variance
Finance & Policy Committee				
109	Community Pool	109	0	
17	Civic Lottery - Ward Member Budgets	17	0	
Regeneration Committee				
198	Adult Education	198	0	
33	Business Grants	33	0	
152	Economic Regeneration Schemes	129	(23)	This variance relates to the profile of expenditure over years.
0	Local Plan	20	20	This variance relates to the profile of expenditure over years.
110	Building Control	110	0	
15	Waverley Allotments	15	0	
108	Seaton CC Management	108	0	
17	Archaeology	17	0	
126	Royal Navy Museum Reserve	126	0	
163	Seaside Grant	163	0	
Neighbourhood Committee				
51	Car Parking	51	0	
35	Community Safety Specific Grants	15	(20)	This variance relates to the profile of expenditure over years.
35	Environmental Apprentices	35	0	
50	Winter maintenance	50	0	
80	Catering equipment	80	0	
9	Building cleaning	9	0	
15	Bikeability	15	0	
16	Speed Cameras	16	0	
196	Environmental Enhancements	196	0	
160	Dept savings shortfall	160	0	
29	Housing/Selective Licencing	29	0	
1,724	Total	1,701	(23)	

REVENUE FINANCIAL MONITORING REPORT FOR FINANCIAL YEAR 2016/17 as at 31st July, 2016

Approved 2016/2017 Budget	Description of Service Area	July		Director's Explanation of Variance
		Projected Outturn Variance - Adverse/ (Favourable) Worst Case	Projected Outturn Variance - Adverse/ (Favourable) Best Case	
£'000		£'000	£'000	
Finance and Policy Committee				
(152)	Benefits	(120)	(120)	Favourable variance is owing to one vacant post, some posts not being at the top of the grade and some reduced working hours. Finance and Policy Committee on 30th January, 2015 approved a £35k favourable variance on Fraud and Error Reduction Incentive Scheme (FERIS), be earmarked to address 2016-17 DWP Housing Administration grant cuts to mitigate impacts on benefit service standards. There has been a further £23k FERIS grant received in 2016-17, and an additional New Burdens grant for Administration and Existing Reform funding of £47k, which are also requested be earmarked for the same purpose but to address cuts in 2017-18.
(881)	Central Administration Recharges	0	0	
1,006	Corporate Finance	(81)	(81)	The favourable variance is owing to a vacant post, some posts not being at the top of the grade, reduced working hours and a reduction in overtime.
646	Corporate Strategy & Public Consultation	(8)	(8)	The favourable variance is owing to a post not being at the top of the grade and reduced working hours.
(143)	Housing Benefits Subsidy	(155)	(155)	Favourable variance of £55k is owing to additional grant from DWP for Universal Credit, which is requested be earmarked to address 2017-18 DWP Housing Administration grant cuts. The remaining £100k favourable variance is owing to the Housing Benefit Subsidy Grant, which generates £47m in subsidy, and will be monitored again at the Mid Year Review in September which is submitted to DWP.
191	Democratic	0	0	
75	Fraud	(10)	(10)	The favourable variance is owing to supplies and services savings being made in advance for 2017-18.
939	Customer and Support Services	(24)	(24)	The favourable variance is owing to some posts not being at the top of the grade.
452	Human Resources & Health and Safety	9	9	The adverse variance is owing to a reduction in income generation from the Academy Buy Back scheme.
237	Internal Audit	(20)	(20)	The favourable variance is owing to reduced working hours and overtime, reduced mileage and some additional income generation.
410	Legal Services	30	30	The adverse variance here is offset from favourable variance elsewhere within the department. A strategy for addressing this issue is being developed for 2017/18.
198	Municipal Elections and Registration of Electors	(15)	(15)	This favourable variance will be subject to no By-Election's for the remainder of the year.
(80)	Other Office Services	0	0	An adverse variance of £40k is owing to a further slow down in Local Land Searches, this is owing to the number of companies using Environmental Information Regulations, which is an ongoing trend. This has been offset by the use of a corporate reserve.
84	Public Relations	10	10	The adverse variance is owing to reduced income generation.
(107)	Registration Services	10	10	The adverse variance is owing to reduced income generation on both birth and death registration owing to services moving to North Tees Hospital.
Approved 2016/2017 Budget	Description of Service Area	Projected Outturn Variance - Adverse/ (Favourable) Worst Case	Projected Outturn Variance - Adverse/ (Favourable) Best Case	Director's Explanation of Variance

CHIEF EXECUTIVES

Appendix D

6.4

£'000		£'000	£'000	
864	Revenues	0	0	
(397)	Revenue & Benefits Central	0	0	
70	Scrutiny	0	0	
665	Shared Services	0	0	
122	Support to Members	0	0	
15	Training & Equality	0	0	
385	Corporate Management Running Expenses	(11)	(11)	The favourable variance is owing to a post not being at the top of the grade.
4,599	Finance and Policy Total (Before Creation of Reserves)	(385)	(385)	
Creation of Reserves				
0	FERIS Grant Project	23	23	Favourable variance of £23k on Fraud and Error Reduction Incentive Scheme (FERIS), to be earmarked to address 2017-18 DWP Housing Administration grant cuts.
0	New Burdens Grant	47	47	Favourable variance of £47k on DWP Administration and Existing Reform funding, to be earmarked to address 2017-18 DWP Housing Administration grant cuts.
0	Universal Credit	55	55	Favourable variance of £55k on Universal Credit funding, to be earmarked to address 2017-18 DWP Housing Administration grant cuts.
4,599	Chief Executives Total - Net of Reserves	(260)	(260)	

PLANNED USE OF RESERVES

The above figures include the 2016/2017 approved budget along with the planned use of Departmental Reserves created in previous years.
The details below provide a breakdown of these reserves

Approved 2016/2017 Budget £'000	Description of Service Area	Planned Usage 2015/2016 £'000	Variance Over/ (Under) £'000	Director's Explanation of Variance
Finance and Policy Committee				
49	Corporate Strategy - ICT System Development	74	25	Reserve to fund transition costs in relation to technology and mobile working, support the development/delivery of the Digital First strategy and any costs attributable to keeping the authority compliant in respect of PSN compliance.
5	Corporate Strategy - Performance Management	5	0	Reserve to support costs for performance management covalent charges over a 3 year period.
0	Corporate Strategy - PSN Compliance & Contingency	16	16	Reserve to fund transition any costs attributable to keeping the authority compliant in respect of PSN compliance.
5	Registrars	0	(5)	Registration software maintenance costs over 3 years slipped into 2017-18.
9	Resource Investment - HR	9	0	Reserve to fund any identified training provision to support the development of the council.
0	Health and Safety - Staffing	25	25	Reserve to support the Health and Safety staffing budget in 2017-18.
36	Legal	36	0	Reserve to support the Legal income budget in 2017-18.
0	Registration and Members	2	2	This reserve is committed for Civic items.
10	Finance - IT Investment Shared Services	30	20	Shared Services Reserve for Project Development Work on E-Series and Webview.
193	Chief Executive's Department Ring Fenced Grants	228	35	Chief Executive Department Ring Fenced Grants including those created in 2016-17 to support the DWP Housing Administration Grant in 2016-17.
307	Total	425	118	

REVENUE FINANCIAL MONITORING REPORT FOR FINANCIAL YEAR 2016/17 as at 31st July, 2016

6.4

Approved 2016/2017 Budget £'000	Description of Service Area	July		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				
Public Health Grant				
1,521	Childrens Public Health	(125)	(125)	The variance relates to contract efficiencies achieved on the Young Peoples Health & Wellbeing and 0-5 contract. These savings will be used to support the 17/18 savings programme.
102	Health Check Programme	0	0	
0	Health Protection	0	0	
732	Misc Public Health Services	0	0	
154	Obesity	0	0	
165	Physical Activity	0	0	
862	Prescribing	0	0	
889	Public Health Advice	0	0	
694	Sexual Health	0	0	
253	Smoking & Tobacco	0	0	
2,361	Substance Misuse	0	(25)	The favourable variance relates to an underspend on salary budgets.
(7,733)	Public Health Main Grant	0	0	
0	Public Health Grant Subtotal	(125)	(150)	
Public Health General Fund				
680	Consumer Services	50	30	Adverse variance relates to a potential shortfall in Licensing Income.
680	Public Health General Fund Subtotal	50	30	
680	Finance and Policy Sub Total	(75)	(120)	
Regeneration Committee				
Public Health General Fund				
(3)	Environmental Protection	10	10	Adverse variance relates to a shortfall in Rodent Control Income.
(91)	Environmental Standards	60	60	
500	Sport, Leisure & Recreation Facilities	150	35	The adverse variance relates to income shortfalls across the Service Area and costs associated with running the Borough Hall.
406	Public Health General Fund Subtotal	220	105	
406	Regeneration Sub Total	220	105	
1,086	Public Health Total - before Reserves	145	(15)	
Creation of Reserves				
0	Public Health Ringfenced Grant	125	150	The Public Health Grant is ringfenced and any underspend will be transferred into a ringfenced reserve in line with the grant conditions.
1,086	Public Health Total - Net of Reserves	270	135	

PLANNED USE OF RESERVES**6.4**

The above figures include the 2016/2017 approved budget along with the planned use of Departmental Reserves created in previous years.
The details below provide a breakdown of these reserves

Approved 2016/2017 Budget £'000	Description of Service Area	Planned Usage 2016/2017 £'000	Variance Over/ (Under) £'000	Director's Explanation of Variance
Regeneration Committee				
25	PCT Reserve - Public Health/ Sport initiative	25	0	
33	PCT Reserve - Business Development	33	0	
40	PCT Reserve - Employee Wellbeing Strategy	40	0	
250	Drugs Action Team Reserve - Tier 4 Support	250	0	
470	Public Health Grant - Child & Adult 17/18 Savings	470	0	
403	Public Health Grant	397	(6)	This variance relates to the profile of expenditure over years.
Regeneration Committee				
33	Sport and Recreation Reserve	33	0	
1,254	Total	1,248	(6)	

CHILD AND ADULT SERVICES**CAPITAL MONITORING REPORT PERIOD ENDING 31ST JULY 2016**

Project Code	Scheme Title	BUDGET		EXPENDITURE IN CURRENT YEAR					Type of Financing	2016/17 COMMENTS
		A	B	C	D	E	F	G		
		2016/17 and Future Years Budget £'000	2016/17 Budget £'000	2016/17 Actual as at 31/07/16 £'000	2016/17 Expenditure Remaining £'000	Expenditure Rephased into 2017/18 £'000	(C+D+E) 2016/17 Total Expenditure £'000	(F-B) 2016/17 Variance from Budget £'000		
Adult Committee										
7234	Chronically Sick and Disabled Persons Adaptations	309	309	10	299	0	309	0	MIX	
8108	Centre for Independent Living - New Build	3,694	3,694	109	3,585	0	3,694	0	MIX	
	Adult Committee Sub Total	4,003	4,003	119	3,884	0	4,003	0		
Children's Committee										
7469	Children's Centre's Capital	18	18	0	18	0	18	0	RCCO	
8072	Integrated Children's Services Case Management Improvement	37	37	0	37	0	37	0	MIX	
8218	Youth Service Portable Multi-Use Games Area (Youth Capital Fund)	7	7	0	7	0	7	0	GRANT	
8783	Barnard Grove Primary School - Section 278 Works	12	12	0	12	0	12	0	GRANT	
8587	Brougham Primary School - Air Handling Unit Replacement	40	40	0	40	0	40	0	GRANT	
8890	Clavering Primary - Class Room Extension	289	289	164	125	0	289	0	GRANT	
8907	Clavering Primary School - Roofing Block A (Phase 2 of 2)	55	55	0	55	0	55	0	GRANT	
8898	CETL - Cafe/Meeting Area	10	10	3	7	0	10	0	RCCO	
7384	Devolved Schools Capital	354	354	2	352	0	354	0	GRANT	
8948	Eldon Grove Primary School - Dining Room Extension	231	231	0	231	0	231	0	RCCO	
8947	Fens Primary School - Heating Distribution (Phase 2 of 3)	40	40	0	40	0	40	0	GRANT	
7923	Golden Flatts Primary School - Electrical Rewire (Phase 2 of 3)	95	95	12	83	0	95	0	GRANT	
8734	Golden Flatts Primary School - Condensation mitigation works	15	15	0	15	0	15	0	GRANT	On hold pending ongoing investigation.
8874	Golden Flatts Primary School - Emergency Boiler Replacement	40	40	0	40	0	40	0	GRANT	
8947	Golden Flatts Primary School - Heating Distribution	50	50	0	50	0	50	0	GRANT	
8907	Golden Flatts Primary School - Roofing Replacement	66	66	7	59	0	66	0	GRANT	
8906	Grange Primary School - Window Replacement	30	30	4	26	0	30	0	GRANT	
8891	Hart Primary School - Classroom Extension	89	89	5	84	0	89	0	MIX	
8718	High Tunstall School - Roofing - Area of Block A Phased	59	59	0	59	0	59	0	MIX	On hold pending Priority School Building Programme Phase 2 but minor works were necessary and have been undertaken. The remainder of the scheme will remain on hold until the Autumn when EFA provide information as to where within the 5 yr programme the new build will be timetabled.
8718	High Tunstall School - Roofing - Block A	12	12	0	12	0	12	0	MIX	Scheme reduced pending outcome of Priority School Building Programme Phase 2. The remainder of the scheme will remain on hold until the Autumn when EFA provide information as to where within the 5 yr programme the new build will be timetabled.

CHILD AND ADULT SERVICES**CAPITAL MONITORING REPORT PERIOD ENDING 31ST JULY 2016**

Project Code	Scheme Title	BUDGET		EXPENDITURE IN CURRENT YEAR					Type of Financing	2016/17 COMMENTS
		A 2016/17 and Future Years Budget £'000	B 2016/17 Budget £'000	C 2016/17 Actual as at 31/07/16 £'000	D 2016/17 Expenditure Remaining £'000	E Expenditure Rephased into 2017/18 £'000	F (C+D+E) 2016/17 Total Expenditure £'000	G (F-B) 2016/17 Variance from Budget £'000		
8719	High Tunstall School - Roofing - Block L	102	102	0	102	0	102	0	MIX	On hold pending Priority School Building Programme Phase 2. The remainder of the scheme will remain on hold until the Autumn when EFA provide information as to where within the 5 yr programme the new build will be timetabled.
8716	High Tunstall School - Window Replacement - Block A	156	156	0	156	0	156	0	RCCO	On hold pending Priority School Building Programme Phase 2. This scheme will remain on hold until the Autumn when EFA provide information as to where within the 5 yr programme the new build will be timetabled.
8588	High Tunstall School - Replace Underground Distribution Pipework	50	50	0	50	0	50	0	GRANT	
8906	Kingsley Primary School - Window Replacement	48	48	3	45	0	48	0	MIX	
8603	Pupil Referral Unit - Security Barrier Fencing	5	5	0	5	0	5	0	RCCO	
8604	Pupil Referral Unit - Replacement Doorsets with Security Doors	12	12	0	12	0	12	0	MIX	
7586	Purchase of Computer Equipment - City Learning Centre	4	4	0	4	0	4	0	RCCO	
8947	Rift House Primary School - Heating Distribution (1 of 2)	55	55	0	55	0	55	0	GRANT	
8907	Rift House Primary School - Roofing Replacement	85	85	3	82	0	85	0	GRANT	
8891	Rift House Primary School - Classroom Extension	662	662	2	660	0	662	0	MIX	
8819	Rossmere Primary School - Lighting/Emergency Lighting	27	27	4	23	0	27	0	MIX	
8692	Rossmere Primary School - Forest School	37	37	1	36	0	37	0	RCCO	
8906	Rossmere Primary School - Window Replacement	50	50	4	46	0	50	0	GRANT	
7421	School Travel Plans	2	2	0	2	0	2	0	GRANT	
8138	Schools General - BSF - ICT	498	498	58	440	0	498	0	GRANT	
8139	Schools General - BSF - ICT Infrastructure Costs	112	112	2	110	0	112	0	GRANT	
9004	Schools General - Contingency	150	150	0	150	0	150	0	GRANT	
9004	Schools General - Funding Currently Unallocated	328	328	0	328	0	328	0	MIX	
9004	Schools General - RCCO Earmarked for Asbestos Surveys	25	25	0	25	0	25	0	RCCO	
9004	Schools General - Suitability RCCO Unallocated	748	748	0	748	0	748	0	RCCO	
8788	Schools General - Universal Free School Meals	53	53	0	53	0	53	0	GRANT	
8903	Springwell Primary School - Toilet Replacement	30	30	3	27	0	30	0	GRANT	
8590	Springwell Primary School - Electrical Distribution System	60	60	0	60	0	60	0	GRANT	
7419	Springwell Primary School - Conservatory Conversion	85	85	0	85	0	85	0	RCCO	
8865	St Cuthbert's Primary School - Outdoor Area	96	96	40	56	0	96	0	RCCO	
7422	St Cuthbert's Primary School - Mobile Unit Toilet Extension	88	88	0	88	0	88	0	RCCO	
8945	St Helen's Primary School - Roofing Replacement	95	95	0	95	0	95	0	GRANT	

CHILD AND ADULT SERVICES**CAPITAL MONITORING REPORT PERIOD ENDING 31ST JULY 2016**

Project Code	Scheme Title	BUDGET		EXPENDITURE IN CURRENT YEAR					Type of Financing	2016/17 COMMENTS
		A	B	C	D	E	F	G		
		2016/17 and Future Years Budget £'000	2016/17 Budget £'000	2016/17 Actual as at 31/07/16 £'000	2016/17 Expenditure Remaining £'000	Expenditure Rephased into 2017/18 £'000	(C+D+E) 2016/17 Total Expenditure £'000	(F-B) 2016/17 Variance from Budget £'000		
8947	St Helen's Primary School - Heating Distribution Emitters	40	40	0	40	0	40	0	GRANT	
7106	St Hilds School - Security Barrier Fencing	21	21	0	21	0	21	0	RCCO	
7423	Sacred Heart Primary School - Car Parking Extension	12	12	0	12	0	12	0	RCCO	
7420	Stranton Primary School - Access Road and Pathways	19	19	0	19	0	19	0	RCCO	
7423	Stranton Primary School - Car Parking Extension	112	112	0	112	0	112	0	RCCO	
7521	Two year old Free Nursery Entitlement Capacity Building	23	23	0	23	0	23	0	GRANT	
8455	West Park Primary School - Door Entry System	6	6	0	6	0	6	0	RCCO	
8653	West View Primary School - Early Years Foundation Stage Improvements	153	153	2	151	0	153	0	RCCO	
7105	West View Primary School - Access Road and Pathways	94	94	0	94	0	94	0	RCCO	This scheme was put on hold in 2014/15 pending the PSBP2 announcement and only works to canopy and external store were completed. The school was not successful for PSBP2 therefore the scheme is now progressing.
Children's Committee Sub Total		5,692	5,692	319	5,373	0	5,692	0		
Child & Adult Services Total		9,695	9,695	438	9,257	0	9,695	0		

Key

RCCO	Revenue Contribution towards Capital	GRANT	Grant Funded
MIX	Combination of Funding Types	CAP REC	Capital Receipt
UCPB	Unsupported Corporate Prudential Borrowing	UDPB	Unsupported Departmental Prudential Borrowing
SCE	Supported Capital Expenditure (Revenue)	SPB	Supported Prudential Borrowing

PUBLIC HEALTH

CAPITAL MONITORING REPORT PERIOD ENDING 31st JULY 2016

Project Code	A	BUDGET		EXPENDITURE IN CURRENT YEAR						2016/17 COMMENTS
	Scheme Title	A	B	C	D	E	F	G	H	
		2016/17 and Future Years Budget £'000	2016/17 Budget £'000	2016/17 Actual as at 31/07/16 £'000	2016/17 Expenditure Remaining £'000	Expenditure Rephased into 2017/18 £'000	C+D+E 2016/17 Total Expenditure £'000	F-B 2016/17 Variance from budget £'000	Type of financing	
Finance & Policy Committee										
8710	Drug & Alcohol Recovery Centre	35	35	4	31	0	35	0	GRANT	Renovation work is ongoing.
8946	Stepping Stones Grant	311	311	0	311	0	311	0	GRANT	To purchase a new building for use by 'Addaction'
	Finance & Policy Committee Sub Total	346	346	4	342	0	346	0		
Regeneration Committee										
8103	Swimming Scheme	54	10	0	10	0	10	0	MIX	This is to cover future Equipment replacement and any Major Repairs that arise.
7992	Junior Football Pitches	26	0	0	0	0	0	0	MIX	To be used for future match funding.
8408	Mill House - Equipment Purchase	6	0	0	0	0	0	0	MIX	Used to fund Equipment replacement when required.
8000	Mill House - Pool Hall Seating	4	4	0	4	0	4	0	GRANT	Funded from Section 106
8689	Brierton Sports Fields	135	135	0	135	0	135	0	MIX	Scheme is ongoing and expected to be completed within budget.
8634	Brierton 3G Pitch	6	0	0	0	0	0	0	MIX	The grant conditions require that the balance remaining on this budget is spent on sport facilities on site and have been set aside as match funding for a potential Tennis Court scheme if additional funding can be secured.
8951	Summerhill/Forest School 'Bags of Help'	12	12	1	11	0	12	0	GRANT	Grant funding from TESCO via Goundwork UK for development of Dipping Pond.
8016	Summerhill Multi User Route	4	4	0	4	0	4	0	GRANT	Funded from Section 106
8904	Summerhill Cafe	16	16	13	3	0	16	0	MIX	
8409	Sport & Youth Improvements	24	24	3	16	5	24	0	MIX	
	Regeneration Committee Sub Total	287	205	17	183	5	205	0		
	Public Health Services Total	633	551	21	525	5	551	0		

Key

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

GRANT
CAP REC
UDPB
SPB

Grant Funded
Capital Receipt
Unsupported Departmental Prudential Borrowing
Supported Prudential Borrowing

CHIEF EXECUTIVES

CAPITAL MONITORING REPORT PERIOD ENDING 31st JULY 2016

Project Code	Scheme Title	BUDGET		EXPENDITURE IN CURRENT YEAR					Type of Financing	2016/17 COMMENTS
		A	B	C	D	E	F	G		
		2016/17 and Future Years Budget £'000	2016/17 Budget £'000	2016/17 Actual as at 31/07/16 £'000	2016/17 Expenditure Remaining £'000	Expenditure Rephased into 2017/18 £'000	(C+D+E) 2016/17 Total Expenditure £'000	(F-B) 2016/17 Variance from Budget £'000		
Finance & Policy Committee										
7091	City challenge Clawback	213	213	0	213	0	213	0	UCPB	
7260	City Challenge Clawback - Burbank / Murray Street	83	83	0	83	0	83	0	RCCO	
7468	IT Strategy	500	500	0	500	0	500	0	MIX	
7623	Corporate IT Projects	24	24	0	24	0	24	0	MIX	
8143	Tivoli Server	10	10	0	10	0	10	0	MIX	
8826	Civic Centre Remodel Reception Area	37	37	15	22	0	37	0	MIX	
	Point to Point Encryption	20	20	0	20	0	20	0	MIX	
	Corporate Projects	79	79	0	79	0	79	0	MIX	
Chief Executives Total		966	966	15	951	0	966	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

CAPITAL MONITORING REPORT PERIOD ENDING 31ST JULY 2016

Project Code	Scheme Title	BUDGET		EXPENDITURE IN CURRENT YEAR					Type of Financing	2016/17 COMMENTS
		A	B	C	D	E	F	G		
		2016/17 and Future Years Budget £'000	2016/17 Budget £'000	2016/17 Actual as at 31/07/16 £'000	2016/17 Expenditure Remaining £'000	Expenditure Rephased into 2017/18 £'000	(C+D+E) 2016/17 Total Expenditure £'000	(F-B) 2016/17 Variance from Budget £'000		
Finance & Policy Committee										
7200	Civic Centre Refurbishment	215	215	0	215	0	215	0	MIX	Works on-going
8142	School Kitchen Upgrades	103	103	0	103	0	103	0	RCCO	School expenditure to be confirmed
8171	Corporate Planned Maintenance - Footpath Repair - Grayfields	16	16	0	16	0	16	0	MIX	On Hold
8442	Seaton DDA Toilets	0	0	0	0	0	0	0	UCPB	Project cancelled - returned
7036	Unallocated Council Capital Fund	293	293	0	293	0	293	0	UCPB	
	CCF - Council Priorities	45	45	0	45	0	45	0	CAP REC	
new	Indoor Bowls Centre Refurbishment	190	190	0	190	0	190	0	RCCO	On Hold
7041	Corporate Planned Maintenance Unallocated	276	276	0	276	0	276	0	MIX	
9024	Asbestos Re-Surveys	59	59	13	46	0	59	0	RCCO	On-going
8687	Jacksons Landing	0	0	0	0	0	0	0	CAP REC	
8776	Town Hall Theatre Replace Stage Lighting Controls	50	50	0	50	0	50	0	RCCO	Lighting design to be decided
new	Borough Hall - Wet Rot	5	5	0	5	0	5	0	RCCO	Initial damp proof complete. To monitor situation
new	Borough Hall - External Redecoration	4	4	0	4	0	4	0	RCCO	
8798	Mill House Replace Chemical Dosing System	2	2	0	2	0	2	0	RCCO	Works complete. Final Account to agree
new	Aueurin Bevan House Roof Replacement	111	111		111	0	111	0	CORP	
new	Aueurin Bevan House Accessibility Works	32	32		32	0	32	0	CORP	
new	Borough Hall Lighting and Wiring	40	40	0	40	0	40	0	CORP	
8867	Borough Hall Structural Works	27	27	0	27	0	27	0	CORP	
new	Carlton Outdoor Centre Replace Hot Water System	13	13	0	13	0	13	0	CORP	
new	Centre for Excellence Training and Learning Replace Heating Controls	45	45	0	45	0	45	0	CORP	Awaiting Asbestos Clearance
new	Hartlepool Art Gallery Accessibility Works	40	40	0	40	0	40	0	CORP	
7994	Mill House Electrical Distribution Board Replacement	25	25	0	25	0	25	0	CORP	Works to start after school holidays
new	Mill House Replacement Pool Covers	20	20	0	20	0	20	0	CORP	On Hold
8866	Rossmere Youth Centre Roof Replacement	117	117	0	117	0	117	0	CORP	
new	Rossmere Youth Centre Window Replacement	33	33	0	33	0	33	0	CORP	
		18	18	0	18	0	18	0	CORP	
new	Town Hall Lighting and Distribution Board Replacement									
new	Contingency	22	22	0	22	0	22	0	CORP	
new	Health and Safety Works - Borough Hall / Mill House	48	48	0	48	0	48	0	CORP	
new	Health and Safety Works - Borough Hall / Mill House	5	5	0	5	0	5	0	CORP	
new	Seaton Carew Car Park Improvements	75	75	0	75	0	75	0	CAP REC	
new	Victory Square Improvements	50	50	0	50	0	50	0	CAP REC	
7098	8/9 Church Street Emergency Exits	33	33	0	33	0	33	0	CAP REC	
7099	Mill House Replace Dry Side Flooring	3	3	0	3	0	3	0	CAP REC	
7100	Mill House Gas Pipe Renewal	25	25	0	25	0	25	0	CAP REC	
7101	Newburn Bridge Pitched Roof Replacement	7	7	0	7	0	7	0	CAP REC	
7102	Newburn Bridge Renew Boundary Wall	19	19	0	19	0	19	0	CAP REC	
7103	Newburn Bridge Replace Steel Lintels	10	10	0	10	0	10	0	CAP REC	
new	Hartlepool Historic Quay Capital Works	321	321	0	321	1	322	1	CAP REC	
Corporate Total		2,397	2,397	13	2,384	1	2,398	1		

Key

RCCO

MIX

Revenue Contribution towards Capital
Combination of Funding TypesCAP REC
UCPBCapital Receipt
Unsupported Departmental Prudential Borrowing

CORP

Corporate Resources

REGENERATION & NEIGHBOURHOOD SERVICES

CAPITAL MONITORING REPORT PERIOD ENDING 31st JULY 2016

Project Code	Scheme Title	BUDGET		EXPENDITURE IN CURRENT YEAR					Type of Financing	2016/17 COMMENTS
		A	B	C	D	E	F	G		
		2016/17 and Future Years Budget £'000	2016/17 Budget £'000	2016/17 Actual as at 31/07/16 £'000	2016/17 Expenditure Remaining £'000	Expenditure Rephased into 2017/18 £'000	(C+D+E) 2016/17 Total Expenditure £'000	(F-B) 2016/17 Variance from Budget £'000		
Finance & Policy Committee										
8306	School Catering Equipment	273	100	0	100	0	100	0	RCCO	Amounts set aside from the revenue budget to meet the capital cost of kitchen equipment replacement.
8796	Depot Relocation/Church Street Regeneration	922	922	189	733	0	922	0	MIX	Work is ongoing and expected to be completed this year.
new	Loan to Cleveland College of Art & Design	1,500	1,500	0	1,500	0	1,500	0	UCPB	Expected to be drawn down in current year.
BRI	Brierton Site Development	180	150	11	19	0	30	(120)	MIX	Savings have been achieved on this scheme in relation to asbestos, drainage, demolition and fees. It is recommended that the saving is used to reduce the capital receipts target for the sale of Brierton.
	Finance & Policy Committee Sub Total	2,875	2,672	200	2,352	0	2,552	(120)		
Regeneration Committee										
7218	Housing - Disabled Facility Grants	1,389	1,389	211	928	250	1,389	0	MIX	The budget is significantly higher than previous years as result of one-off funding received towards the end of 15/16 and additional grant funding in the current year. The rephased amount is due to limits on capacity to deliver the full budget in year.
7220	Housing - Private Sector Grants	25	25	0	25	0	25	0	GRANT	Although the recurring funding for this budget ended in 2010/11, the remaining balance has been used for 'home plus' grants for essential repairs/works to enable vulnerable owner occupiers to remain in their homes. Any refunds arising from charges on property have been recycled back into this budget.
8155	Housing - Preventing Repossession	20	20	0	15	5	20	0	GRANT	This is a demand led budget.
8326	Housing - Baden Street Project	19	19	0	0	0	0	(19)	MIX	As there are no further requests for grants or loans by landlords, the scheme can be considered complete and the underspend transferred to the Councils Capital Fund (CCF) pot.
8795	Housing - Empty Home Phase 2	3,151	2,006	206	1,800	0	2,006	0	MIX	The budget profile and expenditure remaining assumes the target of 29 completed units in year can be achieved. This is a condition of the HCA funding. This is becoming a challenging target and position is being carefully managed.
8799	Housing - Major Repairs	4	4	4	0	0	4	0	RCCO	Amounts are set aside in the Housing Revenue Account (HRA) to meet to these costs. A stock condition survey is underway and a future major repairs programme will be determined as part of the Asset Management to be reported later in the year.

REGENERATION & NEIGHBOURHOOD SERVICES

CAPITAL MONITORING REPORT PERIOD ENDING 31st JULY 2016

Project Code	Scheme Title	BUDGET		EXPENDITURE IN CURRENT YEAR					Type of Financing	2016/17 COMMENTS
		A 2016/17 and Future Years Budget £'000	B 2016/17 Budget £'000	C 2016/17 Actual as at 30/07/16 £'000	D 2016/17 Expenditure Remaining £'000	E Expenditure Rephased into 2017/18 £'000	F (C+D+E) 2016/17 Total Expenditure £'000	G (F-B) 2016/17 Variance from Budget £'000		
HMR	Housing - North Central Hartlepool Housing Regeneration	604	604	1	603	0	604	0	CAP REC	The remaining budget of this scheme has been earmarked to contribute towards the development undertaken by Place First.
8308	Morrison Hall Loan to NDC Trust	6	6	0	6	0	6	0	UDPB	
7530	Developers Contributions (Section 106)	697	0	0	0	0	0	0	GRANT	Relates to amounts received and earmarked for purposes specified in developer agreements, but not yet transferred to a budget. Details are set out in Appendix K
8591	Coast Protection - Headland Town & Block Sands	4,603	2,603	1,265	410	928	2,603	0	MIX	Ongoing scheme to upgrade key coastal structures on the Headland Walls and Block Sands as per Council report 21st July 2014.
8444	Coast Protection - Town Wall Strengthening	61	61	4	57	0	61	0	GRANT	Anticipated spend to budget.
8578	Coast Protection - South Management Unit Study	30	30	0	30	0	30	0	GRANT	Anticipated spend to budget.
9008	ISQ - Church Street Match Funding	488	12	12	0	0	12	0	MIX	Funding set aside to be used as match funding in conjunction with anticipated £1.2m HLF grant from next year.
8534	ISQ - Church Street - HLF Phase 1	50	50	0	50	0	50	0	MIX	Funding for the development stage of the above HLF Scheme.
8901	ISQ Workspace - LGF	22	22	22	0	0	22	0	GRANT	Balance of LGF funding received in 15/16. Relates to costs associated with the acquisition of the former post office building.
8889	Seaton Masterplan	163	17	17	0	0	17	0	RCCO	Consists of Seaside Grant held in reserve. Full budget still to be determined.
8700	Waverley Terrace Allotments	28	28	23	5	0	28	0	GRANT	Relates to completion of scheme started in 15/16 using Lottery funding and assumes all of the remaining grant will be spent.
8429	Adult Education - Replace IT	7	1	1	0	0	1	0	RCCO	This budget is no longer required and can be transferred back to the CCF pot.
7531	Adult Education - Accommodation	20	0	0	0	0	0	0	RCCO	This budget is no longer required and can be transferred back to the CCF pot.
Regeneration Committee Sub Total		11,387	6,897	1,766	3,929	1,183	6,878	(19)		

REGENERATION & NEIGHBOURHOOD SERVICES

CAPITAL MONITORING REPORT PERIOD ENDING 31st JULY 2016

Project Code	Scheme Title	BUDGET		EXPENDITURE IN CURRENT YEAR					Type of Financing	2016/17 COMMENTS
		A 2016/17 and Future Years Budget £'000	B 2016/17 Budget £'000	C 2016/17 Actual as at 30/07/16 £'000	D 2016/17 Expenditure Remaining £'000	E Expenditure Rephased into 2017/18 £'000	F (C+D+E) 2016/17 Total Expenditure £'000	G (F-B) 2016/17 Variance from Budget £'000		
Neighbourhoods Committee										
7272	Wheelie Bin Purchases	60	60	41	19	0	60	0	UDPB	The annual budget for new wheelie bins.
7466	DSO Vehicle Purchases	2,094	2,094	475	575	1,044	2,094	0	UDPB	Replacement of vehicles has been kept to the minimum possible while services are reviewed.
7508	Anhydrite Mine	231	231	20	211	0	231	0	MIX	This is the final year of the scheme.
7878	Community Safety CCTV Upgrade/Relocation	399	399	3	296	100	399	0	MIX	The relocation of the monitoring centre is now expected to be complete by April 2017.
8828	Crematorium refurbishment	158	158	4	154	0	158	0	RCCO	Essential works are required to the chapel. Additional funding is required to cover the cost of this work. A report will be presented to SAMB.
8829	Children's Cemetery Resurfacing	12	12	12	0	0	12	0	RCCO	Completion of the scheme started in 15/16.
Allot	Allotments Improvements	338	338	0	0	338	338	0	UDPB	The Neighbourhoods Committee at its meeting on 27th July 2016 approved for £100k to be rephased to fund relocation costs as a result of the future expansion of Stranton Cemetery. A second phase of the Allotments review is underway and is expected to report in 2017 on a proposed programme of works.
LTP	Local Transport Plan (LTP)- Schemes	2,910	2,910	513	2,247	150	2,910	0	GRANT	Consist of various highways schemes. The rephased element reflect the need to carry forward funding as a result of unforeseen delays.
7005	Waverley Terrace Road Safety Improvements	230	230	1	229	0	230	0	CAP REC	Funded from the 2016/17 Corporate Priorities pot. Note that there is no requirement for additional funding.
PLAY	Parks & Playgrounds	87	87	17	56	14	87	0	GRANT	This budget is for major works to ensure the safety of parks and playgrounds.
SL	Street Lighting Replacement	339	339	312	27	0	339	0	UDPB	The scheme is ongoing and expected to be completed in the current year within budget.
TVBNI	Tees Valley Bus Network Improvement Schemes	98	98	34	64	0	98	0	GRANT	Although 2015/16 was intended to be the final year of the TVBNI programme, additional funding has been made available which has been used on Catcote/Oxford Road junction.
Waste	Burn Road Recycling Centre Redevelopment	234	234	16	0	218	234	0	UDBB	Improvements as detailed in the 16/17 MTFS
Neighbourhoods Committee Sub Total		7,190	7,190	1,448	3,878	1,864	7,190	0		
Regeneration & Neighbourhoods Total		21,452	16,759	3,414	10,159	3,047	16,620	(139)		

Key			
RCCO	Revenue Contribution towards Capital	GRANT	Grant Funded
MIX	Combination of Funding Types	CAP REC	Capital Receipt
UCPB	Unsupported Corporate Prudential Borrowing	UDPB	Unsupported Departmental Prudential Borrowing
SCE	Supported Capital Expenditure (Revenue)	SPB	Supported Prudential Borrowing

Section 106 - Developers Contributions as at 31st July, 2016

	Cycleway £000	Bus Stop £000	Green Infrastructure £000	Housing £000	Maintenance £000	Play £000	Off Site Recreational £000	Public Art £000	Security Monitoring £000	Sport £000	Ecological Mitigation £000	Traffic Calming £000	Total £000
Balance as at 1 April (A)	9	15	63.5	0	36	114.5	60.5	15	10	56.5	46	15	441
<u>Received in Year (B)</u>													
Wynyard				240									240
NDC Morison Hall			2			2				2			6
Esh - Seaton Nursery			9			9							18
	0	0	11	240	0	11	0	0	0	2	0	0	264
<u>Transferred to Schemes (C)</u>													
Summerhill - upgrade to multi user route										4			4
Mill House - Pool Seating										4			4
	0	0	0	0	0	0	0	0	0	8	0	0	8
Balance Remaining (A+B-C) 31.7.16	9	15	74.5	240	36	125.5	60.5	15	10	50.5	46	15	697

FINANCE AND POLICY COMMITTEE

5th September 2016



Report of: Assistant Chief Executive

Subject: EMPLOYEE SICKNESS ABSENCE 1st QUARTER
2016/17

1. TYPE OF DECISION/APPLICABLE CATEGORY

The report is for information.

2. PURPOSE OF REPORT

- 2.1 To update the Committee on the Council's performance, in relation to employee sickness absence, for the first quarter of 2016/17.

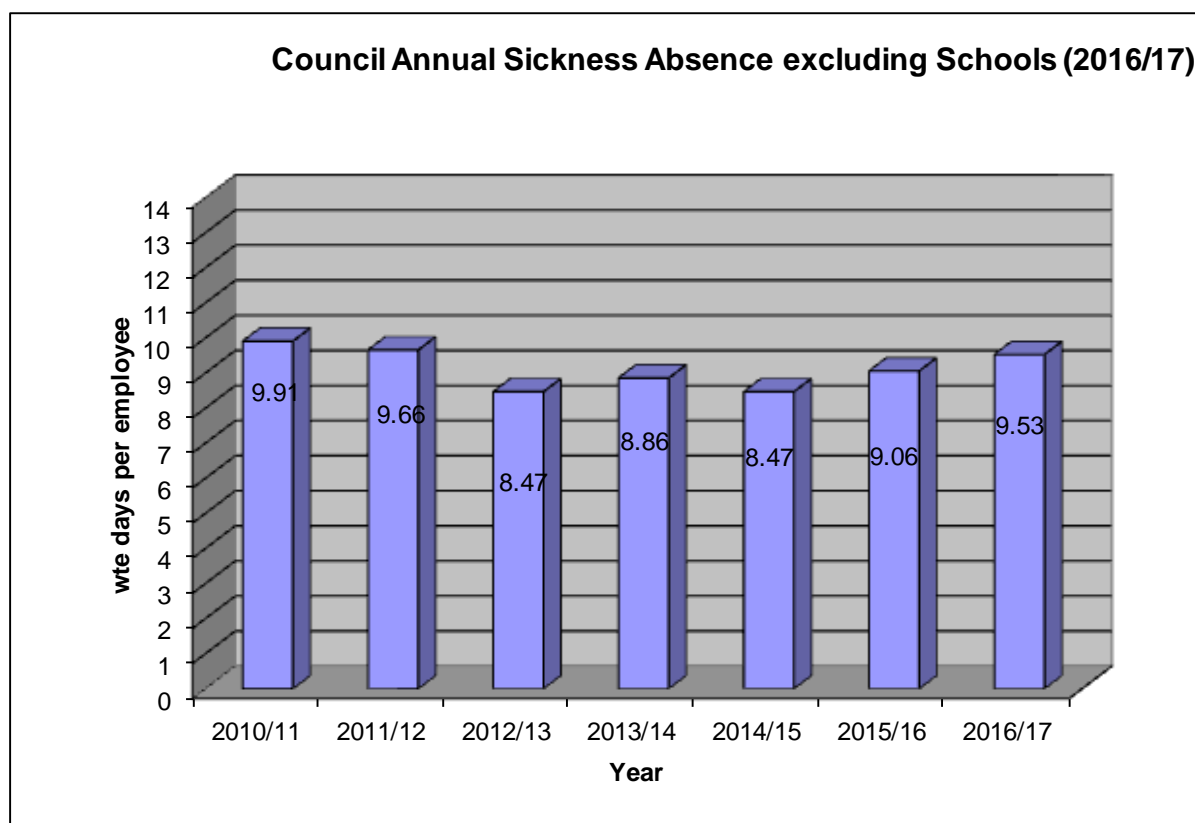
3. BACKGROUND

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

4. SICKNESS ABSENCE PERFORMANCE

4.1 THE COUNCIL'S PERFORMANCE EXCLUDING UP TO THE 1st QUARTER OF 2016/17

Figure 1



The target figure for the Council is 8.2 wte (whole time equivalent) days absence per employee. The actual sickness rate at the end of the 1st quarter shows the Council's performance is 9.53 wte per employee per annum, as illustrated in Figure 1 above. These levels are high for this time of year and reflect levels from the same period in 2015. It is expected with early intervention and good management of cases that the numbers will decline as they did in 2015/16. The Council will continue to focus on sickness absence management to try and achieve its 8.20 wte average sickness per employee target at the end of the reporting year.

4.2 ACTUAL PERFORMANCE BY DEPARTMENT

Figure 2

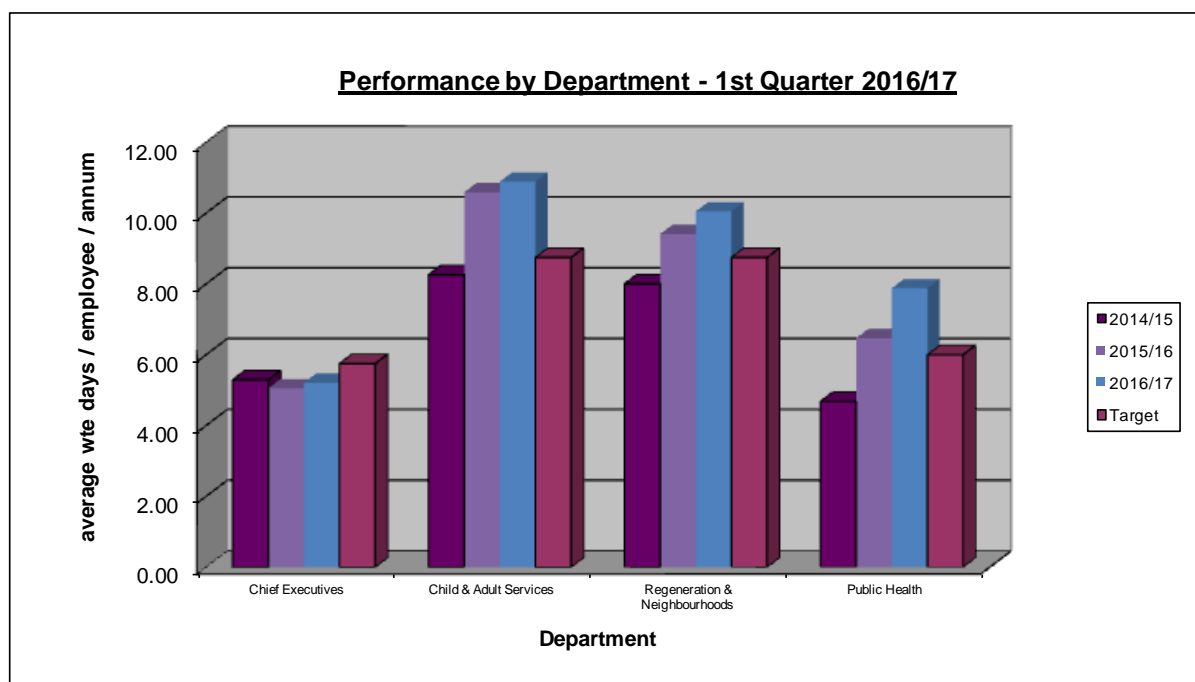


Figure 2 above illustrates the actual performance for each Department as at 30th June 2016. This can be compared to performance over the previous three years. The final column shows the 2016/17 annual target set by each Department.

The figures identify an increase in sickness absence rates across all Departments. In addition, the current rates are over the Departmental targets.

4.3 PREDICTED PERFORMANCE BY DEPARTMENT

Figure 3

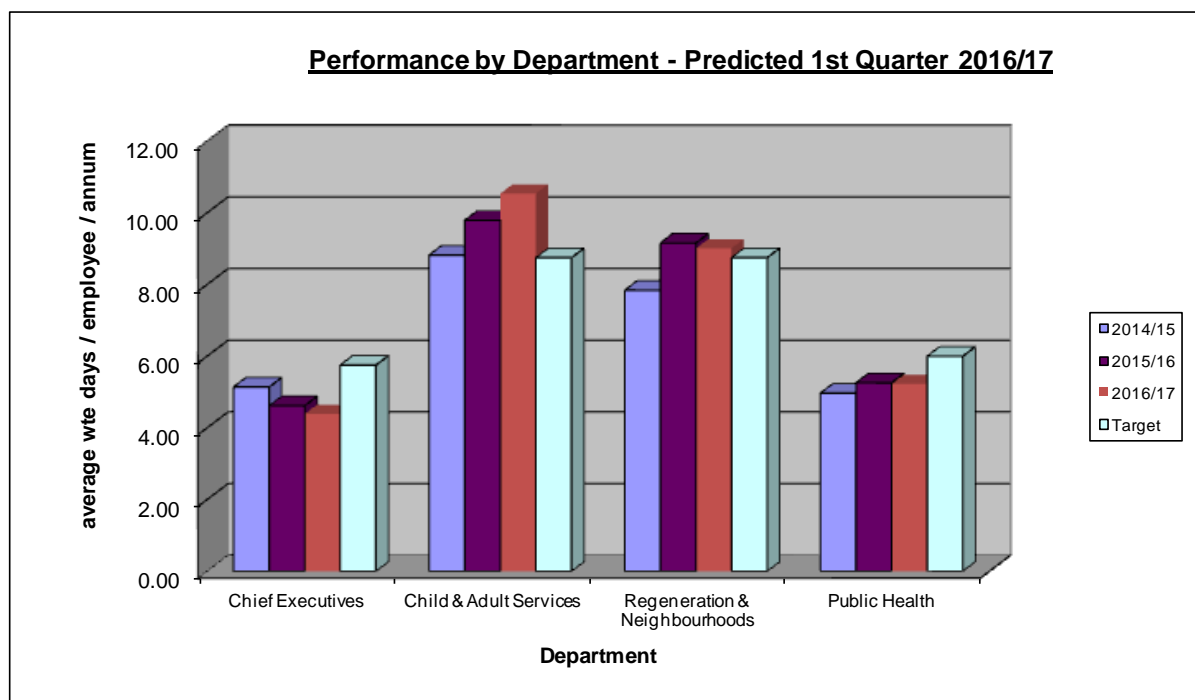
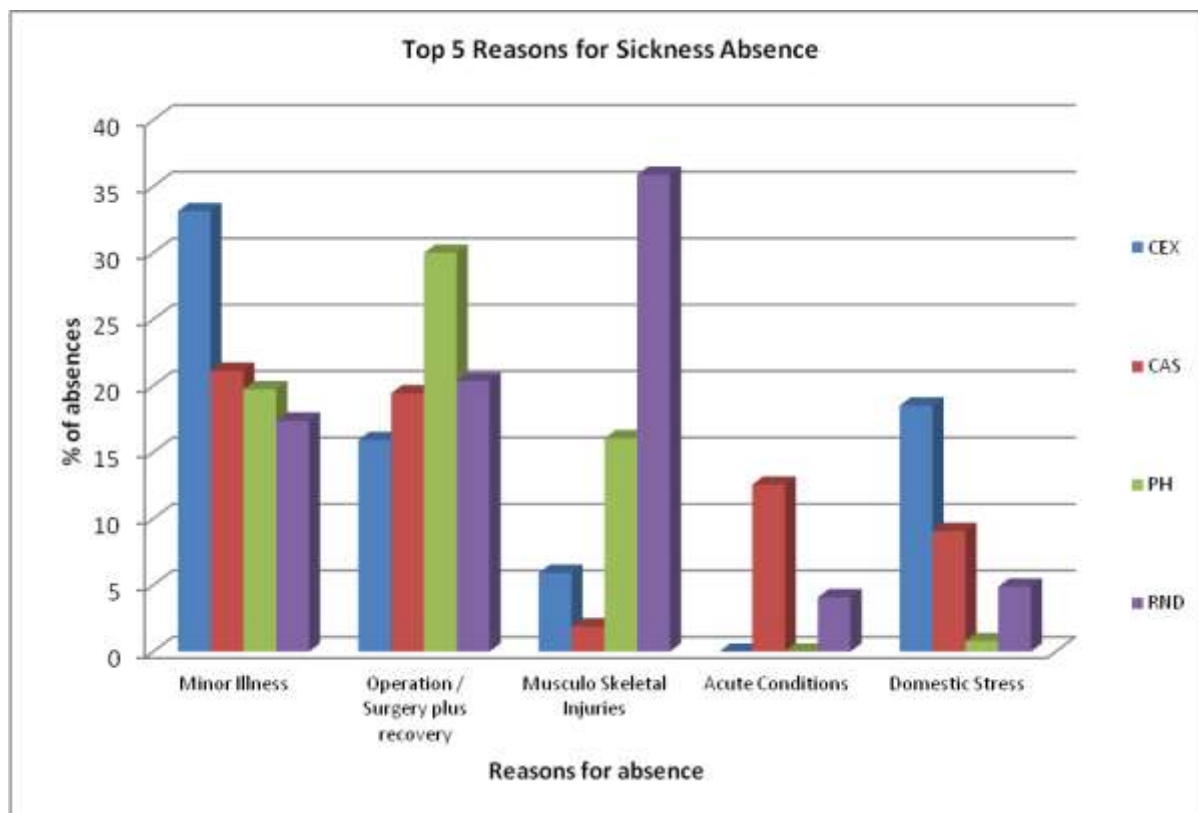


Figure 3 above identifies the end of year predicted figures (forecast for the annual year 2016/17) for each Department as at 30th June 2016. This can be compared to the actual performance over the previous three years. The final column shows the approved 2016/17 annual target for each Department. These figures illustrate that Chief Executives and Public Health are expected to meet their targets. However, based on the last 12 months data, Child & Adult Services and Regeneration & Neighbourhoods are not as likely to meet their target.

4.4 REASONS FOR SICKNESS

Figure 4 below identifies the rates for the top 5 reasons for sickness for each Department.



The top 5 reasons for sickness absence within the Council are minor illness, operation / surgery plus recovery, musculo skeletal injuries, acute conditions and domestic stress.

The most common cause of absence within both Child and Adult Services and Chief Executives Department's is minor illness; with Child & Adult Services having 21% and Chief Executives having 33% of their absences related to this.

In Regeneration and Neighbourhoods the most common cause of absence is 'musculo skeletal injuries' with 36% of absences attributable to this. The Council has a number of proactive strategies it adopts to manage 'musculo-skeletal injuries' such as regular refresher training on manual handling, hand arm vibration awareness, use of personal protective equipment and referrals to Physiotherapy services to avoid or assist returns to work.

Within Public Health Department the most common cause of absence is 'operation / surgery plus recovery' with 30% of absences being related to this.

4.5 LONG, MEDIUM AND SHORT TERM SICKNESS ABSENCE ANALYSIS

Long = 20+ days / Medium = 5 to 20 days / Short = under 5 days

Figure 6 Council Long Medium and Short Terms Sickness 1st Quarter Analysis 2016/17

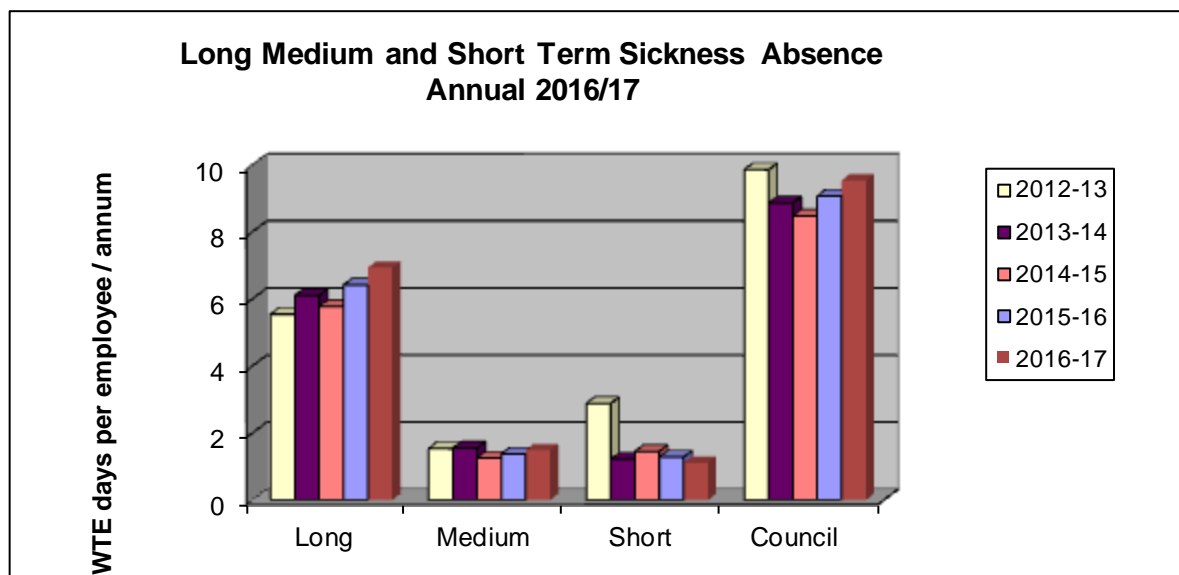
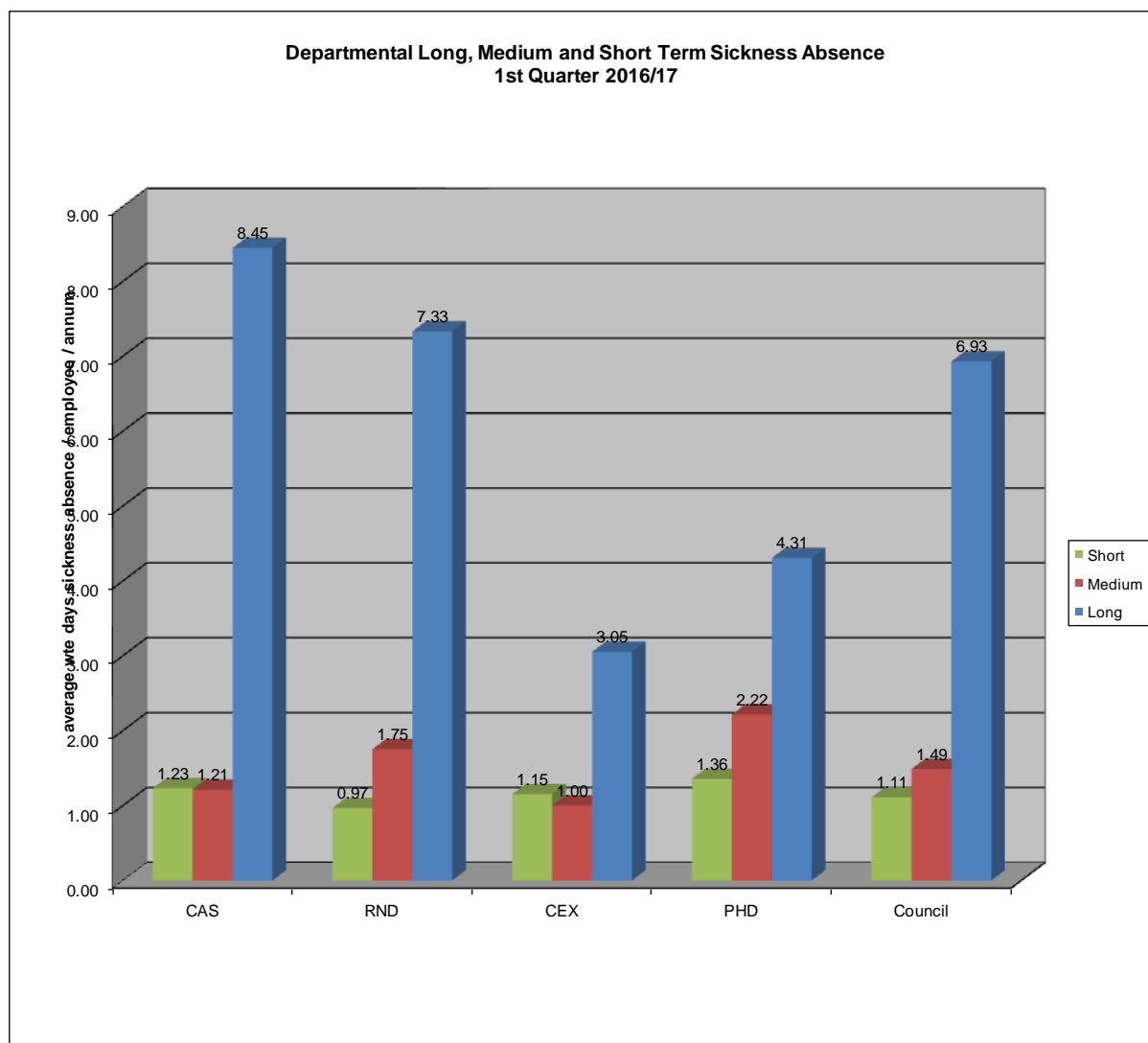


Figure 6 above shows a breakdown of long, medium and short term sickness absence in the Council for the past 3 years and up to 30th June for the 2016/17 year. The final block shows the impact this had on the overall Council sickness absence figure.

In the 1st quarter there is a sharp increase in the long term rates, a smaller increase in medium term rates and a decline in short term sickness. Overall for the Council there is an increase in sickness for the Council which is currently being managed to try and bring these rates down over the next 9 months. The Council continues to ensure it targets resources to the management of long term sickness absence cases which accounts for the majority of sickness.

Figure 7: Departmental Long, Medium and Short Term Sickness 2016/17
(April to June 2016 figures)



As we can see from the information in Figure 7 above, long term sickness absence continues to account for the majority of the Council's sickness absence. The Council is focusing resources to support managers on the long term cases through individual case management and early intervention to support employees to return to work as quickly as possible.

5.0 RISK IMPLICATIONS

There are no specific Risk implications from this report

6.0 FINANCIAL CONSIDERATIONS

There are no specific financial considerations from this report

7.0 LEGAL CONSIDERATIONS

There are no specific legal considerations from this report

8.0 CHILD/FAMILY POVERTY CONSIDERATIONS

There are no specific child / family poverty considerations from this report

9.0 EQUALITY AND DIVERSITY CONSIDERATIONS

There are no specific equality / diversity considerations from this report

10.0 STAFF CONSIDERATIONS

There are no specific staffing considerations from this report other than those highlighted in the body of the report

11.0 ASSET MANAGEMENT CONSIDERATIONS

There are no specific asset management considerations from this report

12.0 RECOMMENDATIONS

12.1 That employee sickness absence rates for the first quarter of 2016/17 are noted.

12.2 That Finance and Policy Committee note that Corporate Management Team are to consider the current actions and arrangements in place to determine if any alternative actions could be considered.

13.0 REASONS FOR RECOMMENDATIONS

13.1 To advise the Committee of the current performance in respect of sickness levels.

14. BACKGROUND PAPERS

14.1 None

15. CONTACT OFFICERS

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Report of: Director of Regeneration and Neighbourhoods

Subject: DOMESTIC ABUSE STRATEGY 2016-19

1. TYPE OF DECISION/APPLICABLE CATEGORY

1.1 For information / consultation.

2. PURPOSE OF REPORT

2.1 To present and seek comments from the Finance and Policy Committee on the draft Safer Hartlepool Partnership Domestic Abuse Strategy 2016-19.

3. BACKGROUND

3.1 The Crime and Disorder Act 1998 established a statutory duty for the Local Authorities, Police, Fire Brigades, Clinical Commissioning Groups, Community Rehabilitation Companies and National Probation Service to work together to address local crime and disorder, substance misuse and re-offending issues. Collectively these six bodies are known as Responsible Authorities and make up the Safer Hartlepool Partnership.

3.2 The current Hartlepool Domestic Violence & Abuse Strategy which was developed in 2012 came to an end in December 2015.

4. DEVELOPMENT OF THE DRAFT DOMESTIC ABUSE STRATEGY 2016 – 2019

4.1 Overseen by the Safer Hartlepool Partnership work began on developing the Domestic Violence & Abuse Strategy in March 2016.

4.2 Using a wide range of quantitative and qualitative data sources from Cleveland Police, Hartlepool Borough Council Child & Adult Services, Safe Lives, Hartlepool Borough Council Public Health, Harbour Support Services, North Tees & Hartlepool NHS Foundation Trust and local consultation exercises; a local needs assessment has been undertaken to ascertain the extent of

domestic abuse in Hartlepool and understand the impact it has on those affected by this issue.

- 4.3 Key findings from the needs assessment have been used to inform the development of the strategy attached at **Appendix 1**, including the identification of proposed strategic objectives, which include:

- **Prevention of Abuse** - Prevent violence and abuse from happening by challenging the attitudes and behaviours which foster it, educating and informing young people about healthy relationships, and intervening early where possible to prevent it.
- **Partnership Working** - Make awareness of and improve responses to domestic abuse making it “everyone’s business’ across all agencies, professionals and the wider public. Whilst developing new and more integrated approaches to facilitate earlier intervention and co-ordinated action to achieve the best outcomes for victims and their families.
- **Provision of Services** Change the way local services are commissioned and delivered, ensuring the provision of accessible and effective support services. Adopting a ‘Whole Family’ approach we will respond to the needs of victims and their families, addressing the complex issues they face
- **Pursuing Perpetrators** Improve criminal justices responses, tackle offenders and protect victims; reducing risk and supporting the delivery of interventions that lead to sustainable change in perpetrators behaviour.

- 4.4 The Safer Hartlepool Partnership Domestic Abuse Group will be responsible for delivery against the strategic objectives, where performance will be monitored by the Safer Hartlepool Partnership.

5. NEXT STEPS

- 5.1 The draft strategy is being consulted upon in accordance with the Voluntary and Community Sector Strategy undertaking (this contains the former consultation codes of the Hartlepool Compact). The results of the consultation on the draft Domestic Abuse Strategy 2016-19 will be considered and used to inform the production of the final draft which will be presented to the Safer Hartlepool Partnership in September 2016 for adoption.

6. RISK IMPLICATIONS

- 6.1 There are no risk considerations associated with this report.

7. FINANCIAL CONSIDERATIONS

- 7.1 There are no financial considerations associated with this report.

8. LEGAL CONSIDERATIONS

- 8.1 Under the Crime and Disorder Act 1998, Community Safety Partnerships have a statutory responsibility to develop and implement strategies to reduce crime and disorder, substance misuse and re-offending in their local area.

9. CHILD POVERTY CONSIDERATIONS

- 9.1 There are no child poverty implications associated with this report.

10. EQUALITY AND DIVERSITY CONSIDERATIONS

- 10.1 Effective implementation of the strategy will ensure that those affected by domestic abuse have equal access to services, and that vulnerable victims and their families are safeguarded and protected, including those affected by Honour Based Violence.

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

- 11.1 Failure to develop and implement a Domestic Abuse Strategy will undermine the Safer Hartlepool Partnerships ability to fulfil its statutory obligations under Section 17 of the Crime and Disorder Act 1998 to formulate strategies to reduce crime and disorder.

12. STAFF CONSIDERATIONS

- 12.1 There are no staff considerations associated with this report.

13. ASSET MANAGEMENT CONSIDERATIONS

- 13.1 There are no asset management considerations associated with this report.

14. RECOMMENDATION

- 14.1 Finance and Policy Committee is requested to note and comment on the draft Safer Hartlepool Partnership Domestic Abuse Strategy 2016-2019.

15. REASON FOR RECOMMENDATION

- 15.1 As a Responsible Authority, the Local Authority has a statutory obligation under the Crime and Disorder Act 1998 to develop and implement strategies aimed at reducing crime and disorder, including domestic abuse.

16. BACKGROUND PAPERS

- 16.1 Safer Hartlepool Partnership 11th March 2016
Safer Hartlepool Partnership 17th June 2016

17. CONTACT OFFICER

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Hartlepool Domestic Abuse Strategy

2016-2019

DRAFT

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DRAFT

Foreword

Domestic abuse has a devastating effect on victims, their children, families and the wider community. Often hidden by victims and perpetrators domestic abuse is a crime, and it is unacceptable at any level. It is characterised by patterns of coercive, controlling or threatening behaviour, and can involve physical, psychological, financial, emotional and sexual abuse.

The impact of domestic abuse upon the victim, their children and family members can be sustained, traumatic and damaging. The average length of an abusive relationship is five years, though many victims suffer from abuse for much longer.

A lot of good work to better support people who experience domestic abuse has taken place in Hartlepool, but the case for change is still strong. Tackling domestic abuse effectively requires a multi-agency response, all local agencies have a vital part to play in supporting victims, bringing perpetrators to account and raising awareness of the issue. Many of these agencies are already undertaking significant and valuable work to promote safety and provide effective intervention, however, we know there is still much more for us to do.

By producing this updated Strategy, the Safer Hartlepool Partnership aims to send out a clear message that domestic abuse will not be tolerated, and that we will work together to do all that we can over the next three years to raise awareness, prevent abuse, protect and support victims, and challenge perpetrators.

Clare Clark
Chair of Safer Hartlepool Partnership Domestic Violence and Abuse Group

1. Defining Domestic Abuse

In March 2013 the Home Office amended the definition of domestic abuse to include controlling and coercive behaviour and incidents involving victims and perpetrators aged from 16 years, to include:

'Any incident or pattern of incidents of controlling, coercive or threatening behaviour, violence or abuse between those aged 16 or over who are or have been intimate partners or family members regardless of gender or sexuality.'

This can encompass, but is not limited to, the following types of abuse:

- Psychological
- Physical
- Sexual
- Financial
- Emotional

Controlling behaviour: is a range of acts designed to make a person subordinate and/or dependent by isolating them from sources of support, exploiting their resources and capacities for personal gain, depriving them of the means needed for independence, resistance and escape, and regulating their everyday behaviour.

Coercive behaviour: is an act or pattern of acts of assaults, threats, humiliation and intimidation or other abuse that is used to harm, punish or frighten their victim.

This definition includes so called 'Honour' based violence, female genital mutilation (FGM) and forced marriage, and is clear that victims are not confined to one gender or ethnic group.

The change in definition has also been accompanied by the introduction of new legislative powers making coercive and controlling behaviour, stalking and forced marriage criminal offences, in addition new statutory duties have been placed on agencies to tackle Female Genital Mutilation and Modern Slavery.

2. National Policy & Context

Over recent years, national government have increasingly recognised the complex issues relating to domestic abuse and the devastating impact it can have on the lives of victims, families and communities.

In March 2016, the Home Office published its refreshed cross-government strategy for tackling violence against women and girls: ***Ending Violence against Women and Girls 2016-2020***. The refreshed strategy aims to achieve real and sustainable progress by ensuring national and local government, local partners and agencies, and communities work together to prevent women and girls from becoming victims in the first place and ensuring those who experience abuse receive the support they need to recover.

The strategy and subsequent action plan sets out the government's approach and framework, focussing on four key priorities;

Prevention of Abuse	Provision of Services
Prevent violence and abuse from happening by challenging the attitudes and behaviours which foster it, educating and informing young people about healthy relationships, and intervening early where possible to prevent it.	Transforming the way local services are commissioned and delivered, ensuring the provision of accessible and effective support services that respond to the needs of victims.
Partnership Working	Pursuing Perpetrators
Make awareness of and responses to violence against women and girls 'everyone's business' across all agencies, professionals and the wider public. Whilst supporting local areas to develop new and more integrated approaches to facilitate earlier intervention and co-ordinated action to achieve the best outcomes for victims and their families.	Improving criminal justices responses, promoting the use of new technology to support prosecutions, tackle offenders and protect victims; and supporting the delivery of interventions that lead to sustainable behaviour change in perpetrators.

As part of the strategy the government will publish a National Statement of Expectations (NSE) setting out what good commissioning and service provision looks like. To promote greater transparency and local democratic accountability, the NSE, will require local areas to publish detailed data about the level of need in their area and the services they are providing to meet that need. In addition, consideration will be given to how existing inspections arrangements can be developed and applied to multi-agency violence against women and girls service provision.

It is accepted that anyone can be a victim of domestic abuse regardless of their gender, ethnicity, religion, sexuality, class, age or disability, and it can occur across a range of different relationships types including heterosexual, gay, lesbian, bi-sexual and transgender, as well as within extended families. While perpetrators are often partners, they may also be boy/girlfriends, parents, parent-in-laws, siblings or ex-partners.

There are a range of factors and characteristics that can increase the risk of being a victim of domestic abuse, for instance we know:

- One in four women will experience domestic abuse during their lifetime.
- 500,000 people suffered some form of sexual assault in the last 12 months.
- Six women a month are killed by a current or former partner.
- Domestic abuse has the highest rate of repeat victimisation of any crime type.
- One in seven children and young people under the age of 16 will have lived with domestic violence at some point in their childhood.
- Domestic abuse was a factor in more than 60% of serious case reviews where children were seriously injured or killed.
- Women and men with a long term illness or disability are more than twice as likely to be victims of domestic abuse in the last year compared with those without a long-term illness or disability.
- Almost one in three women who suffer from domestic abuse during their lifetime report that the first incidence of violence happened while they were pregnant.
- It is estimated that 41% of the prison population have witnessed or experienced domestic abuse.
- Almost 20% of domestic abuse incidents were linked to alcohol.
- In 2014, the Forced Marriage Unit gave advice and support in relation to 1,267 forced marriage cases.
- It is estimated that approximately 103,000 women aged 15-49 years are living with the consequences of Female Genital Mutilation (FGM).
- Four in ten high-risk domestic abuse victims report having mental health issues.
- One in four lesbians and bisexual women have experienced domestic abuse in a relationship.
- Half of all gay and bisexual men have experienced at least one incident of domestic abuse from a family member or partners since the age of 16 years.

3. Domestic Abuse in Hartlepool

Both nationally and locally, understanding the full extent of domestic abuse remains challenging, as it is known to be significantly under-reported. However in an aim to overcome this issue and obtain a comprehensive picture of domestic abuse issues in Hartlepool we have undertaken a needs assessment using a wide range of data from Cleveland Police, Hartlepool Borough Council, Harbour Support Services and North Tees & Hartlepool NHS Trust.

3.1 Estimated prevalence of domestic abuse in Hartlepool

Applying the figures from the latest Crime Survey England & Wales to the local population (aged 16-59 yrs) it is estimated that in Hartlepool:

- 2,200 women & 1,000 men were a victim of domestic abuse in the last year
- 7,200 women & 3,400 men have experienced domestic abuse during their lifetime.
- 700 women and 150 men have experienced some form of sexual assault (including attempts) in the last 12 months.

3.2 The cost of domestic abuse in Hartlepool

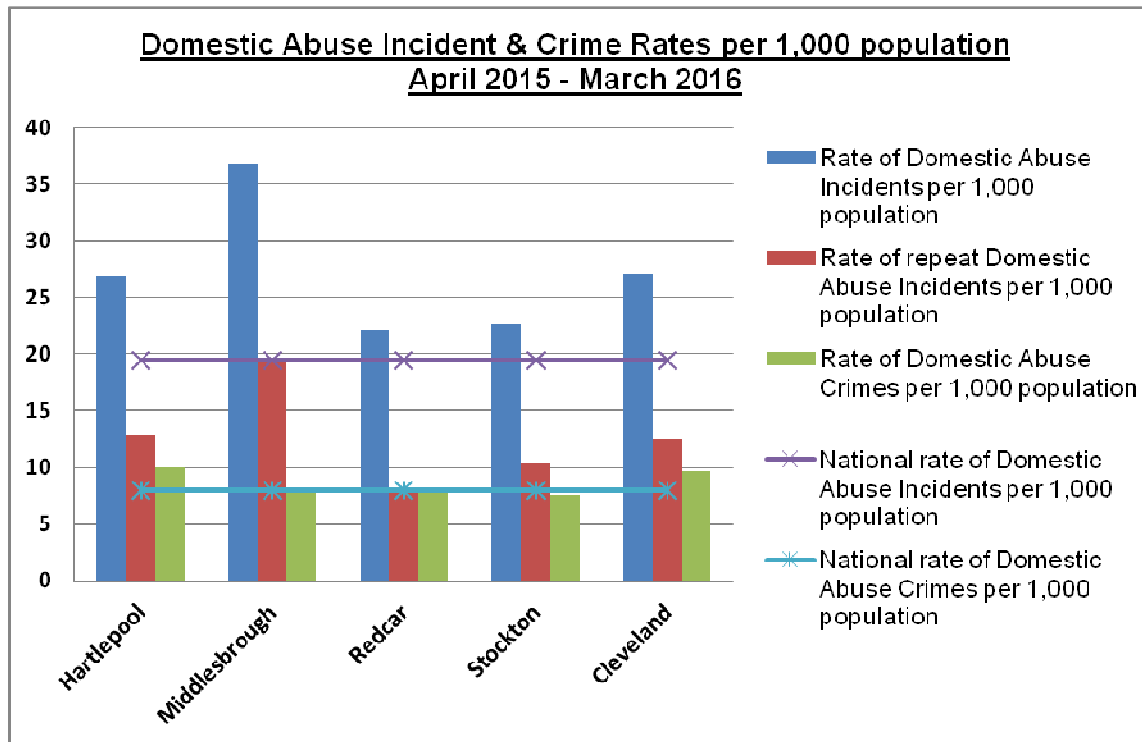
Based on reported domestic related crime in 2015/16 it is estimated that the cost to society of abuse in Hartlepool is at least **£15 million**, the equivalent to £165 per head of population.

- £9 million of the total cost estimate relates to the physical and emotional impact on direct victims.
- £6 million of total cost is in relation to the impact of sexual offences.
- £2.1 million Criminal Justice System
- £1.2 million Health Services

3.3 Who do victims report domestic abuse to in Hartlepool.

Those victims who feel ready to seek help and support are more likely to approach family or friends, with around one in four women reporting/disclosing the issue to the police and health professionals. In the 12 months before accessing the Hartlepool community outreach domestic abuse support service, half of clients had visited their General Practitioner (GP), on average 5 times. For those that chose not to report the abuse the most common reasons given was that the abuse was too trivial or not worth reporting, it was a private family matter and it was not the business of the police, and the victim didn't think the police could help.

Locally, in Hartlepool both domestic abuse incident and crime rates are higher than the national average. In comparison to our local peers Hartlepool has the second highest rate per 1,000 population for domestic abuse incidents, repeat incidents and domestic related crimes in the Cleveland area.



During the last 12 months up to April 2016 in Hartlepool Cleveland Police recorded 2,490 domestic abuse incidents, of which 930 (37.3%) were recorded as domestic related crimes. In line with the national trend, the number of domestic related crimes recorded in Hartlepool are following an increasing trend which is largely attributed to improvements in police recording practice as a result of changes to National Crime Recording Standards (NCRS), and in response to recommendations highlighted in the HM Inspectorate of Constabulary (HMIC) report [Everyone's business: Improving the police response to domestic abuse](#).

There is a clear relationship in Hartlepool between the level of deprivation in an area and the prevalence of recorded domestic abuse incidents, with more than one half of domestic abuse incidents occurring within the six most deprived wards in Hartlepool.

Similar to the national picture, women and girls in Hartlepool continue to be at the greatest risk of domestic abuse with more than three quarters of victims being female, and more than half being aged between 18-34 years. Whilst numbers are much lower, male victimisation is evident with males aged between 25-44 years being at the greatest risk.

One in ten domestic abuse incidents reported to and risk assessed by Cleveland Police were deemed high risk, accounting for the largest proportion of high risk incidents across the Cleveland area.

3.4 The profile and needs of domestic abuse victims in Hartlepool

Analysis of the needs of clients accessing local specialist domestic abuse support services shows that, 73% of clients have children, with almost one third of clients accessing the community outreach service reporting mental health issues, two in ten clients have substance misuse issues and almost one in four clients reported having financial problems, with 68% of outreach clients not being in employment, education or training at the time of entry to the service.

In terms of the type of abuse experienced by clients, the majority have experienced jealous and controlling behaviours (83%) or harassment and stalking (73%). Physical abuse is also common (61%). Approximately one out of five (18%) clients disclosed they had been a victim of sexual abuse.

The average length of abuse experienced prior to accessing support was 3 years.

3.5 The profile and needs of domestic abuse perpetrators in Hartlepool

Nine in ten domestic abuse perpetrators are male, with almost two thirds (62.6%) being aged between 18 and 34 years. With many of these male perpetrators, particularly repeat offenders, having been victims of, or witness to, domestic abuse during their childhood. Almost 20% of male perpetrators were repeat domestic abuse offenders, with one third of perpetrators having a previous criminal record related to domestic abuse. In relation to the complex needs of perpetrators, the most commonly reported needs were alcohol misuse and drug misuse, followed by financial problems.

Three out of four victims accessing outreach support services report that the perpetrator of abuse was a male ex-intimate partner, with more than two thirds of clients reporting that they did not live with the perpetrator. Whilst female offending is evident, numbers remain low.

3.6 How does domestic abuse affect children and young people in Hartlepool

An NSPCC study reported that that one in seven (14.2%) children and young people under the age of 16 will have lived with domestic abuse at some point in their childhood; this is equivalent to 2,500 of Hartlepool's children and young people. In the 12 months up to April 2016, more than 400 incidents of domestic abuse have been identified where children or young people have been present, accounting for 16.1% of all domestic abuse incidents recorded by the police. In total these incidents have involved more than 700 children and young people.

Local analysis identifies that 20% of young people identified at risk of child sexual exploitation have been a victim or witness of domestic abuse in the last 12 months and 17% have been a victim of a sexual offence, with domestic abuse also being a

key factor in children entering the care system, and is commonly associated with an increased risk of youth offending.

4. What has been done to tackle domestic abuse in Hartlepool

During the life span of the previous strategy, the Safer Hartlepool Partnership has supported and delivered a number of projects and initiatives to tackle domestic abuse. Outlined below are a few examples of how we have delivered against our objectives between 2012-2015.

Objective 1: Prevention and Early Intervention

Promoted Healthy Relationships – Reaching more than 3,000 children and young people in Hartlepool, we have delivered a range of programmes in the primary and secondary education setting promoting healthy and respectful relationships. This has been accompanied by the delivery of programmes in Higher Education settings and within the Lesbian, Gay, Bi-Sexual and Transgender (LGBT) Community.

Implemented a Domestic Abuse Workforce Policy – To ensure employers recognise and support victims of domestic and/or sexual abuse at the earliest opportunity, a workforce policy has been developed and implemented by Hartlepool Borough Council, accompanied by the identification and training of a network of Domestic Abuse Champions.

Delivered a series of awareness campaigns - To raise awareness of domestic abuse and increase reporting including a local world cup campaign and Honour Based Violence (HBV) awareness raising sessions.

Objective 2: Provision of Services

Commissioned effective support services - In 2012 we commissioned a range of specialist support services to help victims and their families affected by domestic abuse, based on a Community Co-ordinated Response Model, these services have improved the safety and wellbeing of clients:

- 77% of clients reported a reduction in the abuse experienced
- 86% of clients reported increased feelings of safety
- 87% of clients reported improved quality of life

Improved Refuge Provision – Through a dispersed property scheme we have improved refuge provision for those made homeless by domestic abuse, including

female victims with older children and male victims.

Objective 3: Partnership Working

Improved Information Sharing - In April 2015 we launched Operation Encompass to ensure timely information sharing between schools, police, and social care, to improve early intervention and support for children who have witnessed domestic abuse. During the first 12 months of the initiative more than 700 children and young people have been identified.

Strengthened Links within the Health Care Setting – Through the work of the Domestic Abuse Health Link Worker and training with GP's we have increased the awareness of domestic abuse and specialist support services in the primary and secondary health care setting. We have also embedded domestic abuse referral pathways in sexual health and community health visiting services.

Delivered a multi-agency response to high-risk victims – Through the Multi-agency Risk Assessment Conference (MARAC) a range of agencies including the Independent Domestic Violence Advisor (IDVA) work together to ensure the safety of high risk victims and their family. During the last 3 years more than 200 cases, involving over 300 children have been referred to the Hartlepool MARAC.

Objective 4 : Justice Outcomes and Risk Reduction for Victims

Used new tools and powers to keep victims safe – Introduced in 2014 Domestic Violence Protection Orders, have been used by the Police in Hartlepool on more than 30 occasions, to prevent domestic abuse perpetrators from returning to the residence and having contact with a victim.

Reviewed Domestic Homicides – During the last 3 years, the Partnership has undertaken two domestic homicide reviews, to identify what lessons could be learned with a view to preventing and reducing incidents of domestic abuse and ultimately homicides that occur in a domestic setting

Kept victims safe in their own homes – Through the provision of expert crime prevention advice and the installation of enhanced security measures we have enabled more than 100 victims of domestic abuse to stay in their home.

5. What more do we know

There are groups of people who suffer from domestic abuse that are particularly vulnerable and face additional barriers to accessing support. Whilst domestic abuse is under reported, it is particularly so with these groups of people and therefore we need to develop a greater understanding as to the prevalence and specific issues that they may face. These groups include:

5.1 Children and Young People

Domestic abuse and violence harms children and young people as they are affected directly and indirectly by witnessing it, or through the negative impacts on the family unit. Nationally, three quarters of children living with domestic abuse witness it personally, and half are directly abused. Children exposed to domestic abuse are at increased risk of behavioural problems, emotional trauma and mental health issues that may continue into adulthood. Unfortunately in extreme cases children can be seriously injured or die as a direct result of domestic violence and abuse, national research indicates that domestic violence and abuse was a factor in more than 60% of serious case reviews.

Local analysis identifies:

- More than three quarters (77%) of domestic violence victims who accessed specialist domestic abuse support services had one or more children aged 16 years and under.
- Domestic abuse was a factor in more than one half (53%) of Looked after Care (LAC) cases.
- 20% of young people identified as risk of Child Sexual Exploitation have been a victim or witness of domestic abuse in the last 12 months; 17% have been a victim of a sexual offence, and one third of young people have substance misuse issues.
- Family and personal relationships, including domestic abuse, are commonly associated with increased risk of youth offending.
- One in four domestic related crimes affecting young people aged 18 years and under involved domestic abuse in a teenage relationship.

In addition the term '**Toxic Trio**' has been used to describe the issues of domestic abuse, mental ill-health and substance misuse which have been identified as common features of families where harm to children has occurred. They are viewed as indicators of increased risk of harm to children and young people. Work in this area has shown that there is large overlap between these parental risk factors and cases of child death, serious injury and generally poorer outcomes for children

across all ages. Nationally, analysis of 139 serious case reviews, between 2009-2011 investigations showed that in over three quarters incidents (86%) where children were seriously harmed or died one or more of a "toxic trio" were present..

National, research undertaken by SafeLives highlights that there is a clear co-occurrence between the 'toxic trio' risk factors of domestic abuse, substance misuse (alcohol and/or drugs) and parental mental ill health, with nearly a third of mothers (31%) and a third of fathers (32%) in these families experiencing domestic abuse disclosed either mental health problems, substance misuse, or both. Locally, findings from the Better Childhood Programme root cause analysis of children becoming LAC clearly demonstrates the link between domestic abuse and substance misuse, with 4 in 10 cases involving these issues.

This is supplemented further by domestic abuse support service data, where almost one third (32%) of clients report mental health issues and 19% indicate a substance misuse issue. In terms of domestic abuse perpetrators alcohol (49%) and drug (44%) misuse are common factors, accompanied by mental health issues (24%). In addition, data received from the Hartlepool Action Recovery Team, shows that in the 12 month period ending March 2016, 23.4% (184 clients) adults in drug treatment and 22.5% (89 clients) in alcohol treatment were recorded as living with a child. A further 28.9% (227 clients) of adults in drug treatment and 22.0% of adults in alcohol treatment are parents but not living with their children.

5.2 Black, Minority, Ethnic and Refugee (BMER)

Whilst the BMER population in Hartlepool is less than 2%, the issues facing women and girls from BMER backgrounds are quite complex and they may find it difficult to leave an abusive situation due to cultural beliefs, or concerns such as; bringing shame on the family, family pressure to stay, the abuse can be viewed as normal behavior, or accepted, and in some cases they do not trust authorities from who they can seek help. There may also be language barriers or they don't know who to talk to or go to for help.

Other issues that may face young people is that of being 'forced' into marriage against their will and without their permission. This is not the same as an arranged marriage where families take a role in choosing and introducing the marriage partners and the marriage is entered into freely by both people.

So called Honour Based Violence and Female Genital Mutilation can also be an issue in some BMER communities and are exclusively against women and girls. National research indicates that approximately 60,000 girls aged 0-14 years were born in England and Wales to mothers who had undergone FGM. It is also estimated that approximately 103,000 women aged 15-49 years; 24,000 women aged 50 years and over; and 10,000 girls who have migrated to England and Wales are living with the consequences of FGM. Consequently national research suggests that no local authority area is likely to be entirely free from FGM.

Research of latest data from the Health and Social Care Information Centre (HSCIC) about patients with FGM treated within the National Health Service (NHS) in England, notes that no females have been identified in the Hartlepool & Stockton Clinical Commissioning Group area. Under the Serious Crime Act, from the 31st October 2015 regulated health and social care professionals and teachers in

England and Wales are legally required to report known cases of FGM in under 18-year-olds, to the police.

5.3 People who identify themselves as Lesbian, Gay, Bisexual or Transgender

Domestic abuse is a considerable problem for Lesbian, Gay, Bi-sexual, and Transgender (LGBT) people, national research shows that many lesbian, gay and bisexual people who have experienced domestic abuse from family members or partners rarely report these incidents to the police, of those that do, more than half were not happy with the response they received. This means that other agencies need to be proactive in identifying them, with clear referral pathways into support.

Additionally, research indicates that domestic abuse is very common experience for people who identify themselves as transgender. One study in 2010 found that 80% of respondents stated that they had experienced emotionally, sexually, or physically abusive behaviours by a partner or ex-partner.

During the 12 months up April 2016, less than five LGBT clients have accessed specialist support services in Hartlepool.

5.4 Adults at Risk

Both women and men with a long-term illness or disability are twice as likely to experience domestic abuse compared with those without. The 2011 Census provides an estimate of 23,315 people in Hartlepool with a long term health condition or disability that restricts their everyday activities. Their disability may restrict their understanding of domestic abuse, isolate them from support networks or limit their ability to seek help.

One route of identification for adults at risk is through adult safeguarding processes, where during 2015, less than 10% of safeguarding adults investigations carried out by Hartlepool Borough Council Adult Services were in relation to domestic abuse, where the alleged perpetrator was a partner or other family member. From April 2016 onwards, in accordance with the Care Act 2014, domestic abuse, sexual exploitation and modern slavery will be recorded by Adult Safeguarding services by individual abuse categories.

5.5 Older People

We know nationally and locally we have a growing elderly population, however the number of older people reporting that they have experienced domestic abuse is low compared to other age groups. There is however research to suggest that older people are more likely to believe that abusive behaviour within relationships is the norm and socially acceptable. With many older being economically dependent on their abuser and may find it more difficult to access information and support aimed at people who are victims of abuse.

5.6 Victims of Sexual Abuse

Sexual abuse is often a component of domestic abuse – for example, partners and former partners may use force, threats or intimidation to engage in sexual activity; they may taunt or use degrading treatment related to sexuality, threat the use of “revenge porn”, or force their partners to have sex with other people. Rape and

sexual assault are crimes, whether or not they take place within marriage or between ex-partners.

6. What more can we do

We know that there is a great deal more to be done to tackle the challenges in reducing domestic abuse in Hartlepool.

Prevention and early intervention remain the foundation of our approach to tackling domestic abuse. Once patterns of abuse are entrenched the harder it is to break the cycle of abuse, support victims to recovery and independence, and deter perpetrators. To do this we will:

6.1 Deliver Awareness Campaigns

We know that victims of domestic abuse are more likely to tell a friend or family member about the issues they are experiencing; therefore we need to develop and deliver an awareness campaign to help people spot the signs of domestic abuse and how they can help victim's access advice and support. In conjunction with our partners we will deliver a range of targeted awareness campaigns raising the profile of abuse in teenage relationships, teen to parent abuse, elder abuse, Honour Based Violence (HBV) and issues affecting the Lesbian, Gay, Bi-sexual & Transgender Community.

6.2 Promote Healthy Relationships

The age at which an individual starts to experience or witness abuse that may influence behaviour and beliefs as an adult is crucial. Promoting healthy relationships and challenging abuse in teenage relationships is critical, therefore the continued delivery of our Healthy Relationships Programme forms a core element of our strategy.

6.3 Build on the role of health services

We know GP's, midwives, health visitors, mental health, drug and alcohol services, sexual health and hospital staff are all well placed to identify abuse. They have the opportunity to intervene early and direct victims to the most appropriate statutory and non-statutory services. Therefore we need to continue our work with health professionals, raising awareness of domestic abuse, including FGM, and referral pathways into services.

6.4 Change behaviours to prevent abuse and reduce offending

A sustainable approach to preventing abuse is dependent on changing the attitudes and behaviours of perpetrators. We will work together to ensure that evidence based perpetrator programmes are available to address the needs of offenders.

6.5 Provision of Support Services

We recognise that domestic abuse can happen at any stage of life; therefore it is essential that all victims and families affected by domestic abuse in Hartlepool have access to the right support at the right time to help them live free from abuse. In an

aim to achieve this, we will seek to change the way services are delivered to victims and their families, providing support at an earlier stage so that fewer victims will reach crisis point, as well as providing better access to integrated pathways of support to meet the needs of victims experiencing multiple disadvantages including substance misuse and mental health issues.

6.6 Partnership Working

We cannot tackle the issue of domestic abuse in isolation. We know partnership working is effective in helping victims, but we must continue to increase opportunities for victims to come forward and receive help, by working together, sharing information through Multi-agency Risk Assessment Conferences (MARAC's) and the development of a local Multi-agency Children's Hub we will be able to devise risk management and safety plans to protect and reduce the harm faced by victims and their families.

In addition we recognise that employers have a critical role in both identifying abuse and developing workplace policies to support employees who may be victims of abuse, through the Better Health at Work Award we will work with local employers to adopt our domestic abuse workforce policy, offering support through the establishment of a Domestic Abuse Champions Network.

6.7 Pursuing Perpetrators

While we want to stop abuse happening in the first place, where it does happen, perpetrators must be brought to justice. We will continue to ensure that effective sanctions are taken against perpetrators and that they are prevented from influencing children and other vulnerable people from becoming perpetrators in turn. We will use the learning and implement recommendations from HMIC inspections to improve the police response to domestic abuse.

6.8 Specialist Domestic Violence Court's

Despite the proposed closure of Hartlepool Magistrates Court in 2017, supporting victims through the challenging and often distressing process of bringing an offender to justice remains one of our main priorities. We will ensure victims are supported through the criminal justice process, through the provision of the Specialist Domestic Violence Court (SDVC) and Independent Domestic Violence Advisor (IDVA) services, and will look at opportunities to allow vulnerable victims and witnesses to give evidence in suitable locations away from the court setting.

6.9 Restorative Justice

We will use learning from national studies to improve understanding of the use of safe and competent restorative justice and how it fits within the criminal justice system, acknowledging wherever appropriate domestic abuse cases involving adults should be prosecuted. Alongside that, we know that victims need support to cope with and recover from abuse. With effective risk assessment and safeguarding in place, restorative justice may help some victims to do this.

7. Strategic Priorities

The approach of the Safer Hartlepool Partnership is to build on the progress made during the previous strategy, take into consideration recent research and national policy, consultation and development work that consolidate its strategic objectives for 2016-2019 into four key priorities; prevention and early intervention; support; partnership working ; reducing risk for victims and bringing perpetrators to justice.

Prevention of Abuse

Prevent violence and abuse from happening by challenging the attitudes and behaviours which foster it, educating and informing young people about healthy relationships, and intervening early where possible to prevent it.

Partnership Working

Make awareness of and improve responses to domestic abuse making it 'everyone's business' across all agencies, professionals and the wider public. Whilst developing new and more integrated approaches to facilitate earlier intervention and co-ordinated action to achieve the best outcomes for victims and their families.

Provision of Services

Change the way local services are commissioned and delivered, ensuring the provision of accessible and effective support services. Adopting a 'Whole Family' approach we will respond to the needs of victims and their families, addressing the complex issues they face

Pursuing Perpetrators

Improve criminal justices responses, tackle offenders and protect victims; reducing risk and supporting the delivery of interventions that lead to sustainable change in perpetrators behaviour.

8. Monitoring Delivery of the Domestic Abuse Strategy

Underpinned by an outcome performance framework, an action plan will be developed detailing how the aim and objectives of the Strategy will be achieved. It is imperative that progress made against the Strategy is managed and monitored. This will be overseen by the Safer Hartlepool Partnership Domestic Abuse Group. The action plan will be monitored on a quarterly basis and reviewed annually by the Safer Hartlepool Partnership to ensure that delivery is being achieved as well as to ensure that it is kept up to date with any changes in national or local policy.

DRAFT

FINANCE AND POLICY COMMITTEE

5th September 2016



Report of: Director of Regeneration and Neighbourhoods

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

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 in respect of the Council's 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 awarded 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 and any confidential information relating to Contract Procedure Rule exemptions or contract extensions.

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, Appendix C.

5. RISK IMPLICATIONS

- 5.1 This report is for information only. There are no risk implications attached to this report.

6. FINANCIAL CONSIDERATIONS

- 6.1 This report is for information only. There are no financial considerations attached to this report.

7. LEGAL CONSIDERATIONS

- 7.1 This report is for information only. There are no legal considerations attached to this report.

8. CHILD AND FAMILY POVERTY

- 8.1 This report is for information only. There are no child and family poverty implications attached to this report.

9. EQUALITY AND DIVERSITY CONSIDERATIONS

- 9.1 This report is for information only. There are no equality and diversity considerations attached to this report.

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

- 10.1 This report is for information only. There are no Section 17 considerations attached to this report.

11. STAFF CONSIDERATIONS

- 11.1 This report is for information only. There are no staff considerations attached to this report.

12. ASSET MANAGEMENT CONSIDERATIONS

- 12.1 This report is for information only. There are no asset management considerations attached to this report.

13. RECOMMENDATIONS

- 13.1 That the Committee note and comment on the contents of the report,

14. REASONS FOR RECOMMENDATIONS

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

15. BACKGROUND PAPERS

- 15.1 There are no background papers.

16. CONTACT OFFICER

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Tender Information

Date of Contract Award	Contract Name and Reference Number	Description of Goods / Services being procured	Duration of Contract (optional extensions in brackets)	Department / Service area procuring the goods / services	Details of Bidders	Location of Bidder	Basis of award decision if not lowest/highest price payable / receivable	Outcome of contract letting procedures	Previous Provider / Location
26/6/16	151-2016 Framework Agreement for the Provision of a Highway Maintenance Resurfacing Service with Cold Planing and Ancillary Works	Framework Agreement for the Provision of a Highway Maintenance Resurfacing Service with Cold Planing and Ancillary Works	3 years (plus a further 1 x 12 month extension)	R&N	Rainton Construction Limited Tarmac Trading Limited	Durham Birtley, Durham	Most Economically Advantageous Tender	Tarmac Trading Limited Birtley County Durham	Tarmac Trading Limited Birtley County Durham
18/7/2016	797-2016 Civil Work at Tofts Farm	Scheme is part of an overall programme for the relocation of HBC's operational depot from Church Street to Tofts Farm – Using HBC's Select List of Contractors for Civil Engineering Work	4 months	R&N	Esh Construction Limited Hall Construction Services Limited Seymour Civil Engineering Contractors Limited Tangent Construction	Bowburn Durham Rushyford Durham Hartlepool Hartlepool	100% Price	Tangent Construction Limited	N/A

					Limited				
18/7/2016	813-2016 Civil Works at Waverley Terrace Allotment Improvements	Scheme to improve the pedestrian facilities to the Waverley Terrace Allotment programme. Using HBC's Select List of Contractors for Civil Engineering Work	6 weeks	R&N	Hall Construction Services Limited	Rushyford Durham	100% Price	Tangent Construction Limited	N/A
					Highway Construction Services Limited	Stockton			
					Seymour Civil Engineering Contractors Limited	Hartlepool			
					Tangent Construction Limited	Hartlepool			
22/7/16	815-2016 Waste Transfer Station Improvement Works	The works generally involve the erection of a steel portal framed shed including construction of a concrete flood slab and foundation, the construction of new drainage and demolition of raised concrete structure and a number of single story cabin type structures.	6 weeks	R&N	Hall Construction Services Limited	Rushyford Durham	100% Price	Hall Construction Services Limited	N/A
					Seymour Civil Engineering Contractors Limited	Hartlepool			
					Tangent	Hartlepool			

		Using HBC's Select List of Contractors for Civil Engineering Work			Construction Limited				
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7.4 APPENDIX B**Procurements Exempted from Council Contract Procedure Rules**

Dept	Service Unit	Company Name	Company Based at	Estimated Expenditure	Description	Approved
R&N	Technical Services	McNicholas Homes Ltd	Billingham	£19,000	Unforeseen electrical issues around the installation of street lighting and the requirement is to use an existing contractor for the additional works	23.05.2016.
R&N	Building Design and Construction	A19 Pools and Spas	Peterlee	£25,000	Specialist Installation of a Hydrotherapy Pool at the Havelock CIL	3.6.2016
R&N	Building Design and Construction	Care-ability	Washington	£39,000	Specialist Installation of a Specialist Access Hoist at the Havelock CIL	3.6.2016
C&A	Management	Impower	London	£160,000	Consultancy Services to support the implementation of a Tees Valley Adoption Service	1.8.2016
R&N	Heritage and Countryside	Catherine Woolfitt Associates	Bristol	£8,175	Historic England Grant to Carry out Survey work at The Shades, Church Street	22.6.2016
C&A	Childrens Commissioning	Anne Heyward Associates Ltd	York	£20,000	Consultancy work to review, develop and implement a new Special Educational Needs (SEN) funding, banding and admissions system	20.07.2016

7.4 APPENDIX B

C&A	(1) Careline Homecare Limited (2) Carewatch Limited (Hartlepool)	Further information provided in Confidential Appendix C
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