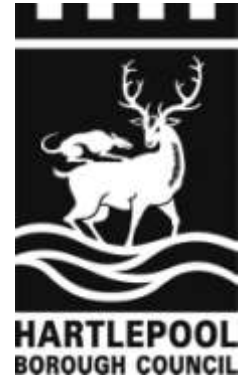


# FINANCE AND POLICY COMMITTEE

## AGENDA



**Monday 10 July, 2017**

**at 10.00 am**

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

MEMBERS: FINANCE AND POLICY COMMITTEE

Councillors C Akers-Belcher, Clark, Cranney, Fleming, Hunter, James, Lindridge, 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 12 June, 2017 (*for information as previously published and circulated*).
- 3.2 To receive the minutes of the meeting of the Joint Meeting of Finance and Policy Committee and the Children's Services Committee held on 12 June, 2017 (*for information as previously published and circulated*).
- 3.3 To receive the minutes of the meeting of the Health and Wellbeing Board held on 13 March, 2017.
- 3.4 To receive the minutes of the meeting of the Safer Hartlepool Partnership held on 10 March, 2017.
- 3.5 To receive the minutes of the meeting of the Tees Valley Combined Authority held on 31 May, 2017.

**4. BUDGET AND POLICY FRAMEWORK ITEMS**

- 4.1 Draft Community Safety Plan 2017-20 - *Director of Regeneration and Neighbourhoods*
- 4.2 Community Engagement and Cohesion Strategy - *Director of Regeneration and Neighbourhoods and Director of Finance and Policy*
- 4.3 Final Outturn 2016/17 - *Corporate Management Team*



## **5. KEY DECISIONS**

- 5.1 Local Business Rates Relief Scheme - *Director of Finance and Policy*

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

- 6.1 Community Safety – Integrated Working - *Director of Regeneration and Neighbourhoods*  
6.2 Leased Estate - Sales and lettings at less than Market Value - *Director of Regeneration and Neighbourhoods*  
6.3 Review of Options for Delivering Development in Hartlepool - *Director of Regeneration and Neighbourhoods*

## **7. ITEMS FOR INFORMATION**

- 7.1 Employee Sickness Absence Annual Report 2016/17 - *Assistant Director, Corporate Services*

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

### **FOR INFORMATION**

Future meeting dates –

Monday 24 July, 2017 at 10.00 am  
Monday 18 September, 2017 at 10.00 am  
Monday 2 October, 2017 at 10.00 am  
Monday 30 October, 2017 at 10.00 am  
Monday 20 November, 2017 at 10.00 am  
Monday 8 January, 2018 at 10.00 am  
Monday 12 February, 2018 at 10.00 am  
Monday 12 March, 2018 at 10.00 am



# **FINANCE AND POLICY COMMITTEE MINUTES AND DECISION RECORD**

12 JUNE 2017

The meeting commenced at 11.00 am in the Civic Centre, Hartlepool.

**Present:**

Councillor Christopher Akers Belcher (In the Chair)

Councillors: Alan Clark, Kevin Cranney, Marjorie James, Stephen Thomas and Paul Thompson.

Also Present: Councillor Buchan as substitute for Councillor Tim Fleming in accordance with Council Procedure Rule 5.2.

Officers: Gill Alexander, Chief Executive  
Peter Devlin, Chief Solicitor  
Chris Little, Director of Finance and Policy  
John Morton, Assistant Director, Finance and Customer Services  
Dr Paul Edmondson-Jones, Interim Director of Public Health  
Denise Ogden, Director of Regeneration and Neighbourhoods  
Steve Hilton, Public Relations Officer  
David Cosgrove, Democratic Services Team

## **1. Apologies for Absence**

Councillors Tim Fleming, Dave Hunter and Brenda Loynes.

## **2. Declarations of Interest**

None.

## **3. Minutes of the meeting held on 27 March, 2017**

Confirmed.

## **4. Minutes of the joint meeting of the Finance and Policy Committee and the Regeneration Services Committee held on 6 March, 2017**

Confirmed.

## 5. **Capital Maintenance Programme 2017** *(Director of Regeneration and Neighbourhoods)*

### **Type of decision**

Key Decision test (i) applies. General Exception Notice issued.

### **Purpose of report**

To seek Members approval to allocate the Council's Capital Planned Maintenance – Building Condition Fund on Council property and assets in 2017/18.

### **Issue(s) for consideration**

The Director of Regeneration and Neighbourhoods reported that as part of the Council's Medium Term Financial Strategy reported to Finance and Policy Committee on 9 January, 2017, one off resources were identified to fund capital priorities including £1m to address building condition issues and ensure the continued delivery of services. This was in addition to £0.8m allocated to address specific building condition works required at the Borough Hall, which will be carried out between 2017 and 2020.

The Medium Term Financial Strategy approved by Council, delegated authority to the Finance and Policy Committee to approve schemes to be funded from the above £1m resources. The report set out details (in appendix A) of schemes relating to urgent mechanical and electrical works, health and safety issues or immediate deterioration such as roofing repairs identified to be undertaken in year 1 following condition surveys. In addition there were capital works relating to the setting up of the three Community hubs as reported to Committee in December 2016. Details of these works to enable all three hubs to be initially opened and operational from July 2017 and fully operational by April 2018 were set out in Appendix B. Some elements of work were deemed to be absolutely essential to facilitate the hubs becoming operational from July, with other works carried out over the following months as planning and other constraints allow. Details of the expected overall expenditure for 2017/18 Capital Maintenance Programme were as follows –

		£
CETL		113,000.00
War Memorial, Victory Square		55,000.00
Headland Sports Centre		50,000.00
Carnegie Building		51,000.00
Sir William Gray House		16,000.00
West View HUB	Phase 1	78,150.00
	Phase 2	2,250.00
Owton Manor HUB	Phase 1	117,450.00
	Phase 2	1,500.00
Central Library HUB	Phase 1	67,500.00
	TOTAL	551,850.00

The Director highlighted that the Tees Valley Combined Authority had recently been successful in obtaining One Public Estate funding of £115,000 which had been identified to undertake feasibility studies on Hartlepool Borough Council Civic buildings, which would enable the Council to produce a strategic asset management plan over the next two years. It, therefore, made sense for the authority to await the outcome of this piece of work prior to allocating further funds for Building Condition Funds 2018 - 2020. Departments were carrying out service reviews which may determine alternative ways of working which, again, could impact on the Council's estate. Essential day to day maintenance to ensure buildings were operational and safe would continue until the reviews were complete. Proposals for years 2 and 3 would, therefore, be the subject of future Finance and Policy Committee reports.

The recommendation was agreed unanimously.

### **Decision**

That the proposals detailed in Appendix A and B to the report be approved and that £551,850 of the Council's £1m Capital Planned Maintenance – Building Condition Fund be committed to those schemes, leaving £448,150 to be considered at a future date following the outcome of ongoing reviews.

## **6. Holy Trinity School Land Transfer** *(Director of Regeneration and Neighbourhoods)*

### **Type of decision**

Non-key decision.

### **Purpose of report**

To seek approval for the transfer of land at Holy Trinity School, Seaton Carew.

### **Issue(s) for consideration**

The Director of Regeneration and Neighbourhoods reported that prior to the construction of the new school building, the school buildings, playground and car park were located on land owned by the Diocesan Board of Education, whilst the school playing field was owned by the Council.

The new school building was now located partly on the former playing field, which was unavoidable, as there was no other way of providing the new building whilst keeping the school open on the site. The existing land ownership of the site and the land to be transferred was shown on the Plan at Appendix 1 to the report. Under Part II of Schedule 3 of the School Standards and Frameworks Act 1998 the Council was required to transfer the land on which the buildings lie to the trustees of the school, in this case

the Diocesan Board of Education.

### **Decision**

That the transfer of the land, as set out in the report and plan, be approved.

## **7. Irrecoverable Debts – Council Tax and Business Rates** *(Director of Finance and Policy)*

### **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 were now considered to be irrecoverable.

### **Issue(s) for consideration**

The Assistant Director, Finance and Customer Services reported that in 2015/16, the Council collected 95.4% of the Council Tax due, slightly below the average of North Eastern councils of 95.9%, (the range was 93.6% to 97.8%). However after 5 years, in Hartlepool in excess of 99.3% of Council Tax will have been collected (this is a local indicator and comparative data is not available). The Hartlepool Council Tax collection level was sustained in 2016/17 at 95.3%.

The Council currently bills and collects around £33.9 million of business rates per annum. The Council's performance in collection of National Non-Domestic Rates was positive. In 2015/16, 98.5% of business rates were collected within the financial year they were billed, slightly higher than the average of North Eastern Councils of 98.3% (the range was 97.2% to 99.2%). In terms of long term collection of business rates; after 5 years in Hartlepool, in excess of 99.8% of business rates due will have been collected (this was a local indicator and comparative data was not available). The Hartlepool Business Rates collection level was sustained in 2016/17 at 98.4%.

The Business Rates recommended for write out largely related to company liquidations where the Council was limited to submitting a claim in insolvency proceedings. The Council was unlikely to receive any settlement from these proceedings, as the Council ranked below other creditors notably HM Revenue and Customs, therefore, the debt was being prudently written out of the accounting system.

Furthermore, it was important that these sums were written out of the accounts at this stage with 53% of the write out being borne by central government under the current business rates retention system, before full responsibility for business rates under the 100% system transferred to local

authorities.

The Assistant Director assured members that all courses of action open to the local authority had been undertaken/utilised in order to recover the debts. In terms of the amounts being written out, it was acknowledged that on their own they did appear sizeable, however, in terms of the levels of debt written out, Hartlepool ranked nationally 261st for Council Tax write outs and 266th for NNDR write outs (i.e. in the lowest quartile) of 327 local authorities.

The Director of Policy and Finance referred members to the consideration of write out issues in 2016, when the Committee requested that a letter be sent to the Secretary of State for Business, Energy and Industrial Strategy. A copy of that letter together with the response from the Minister for Small Business, Consumers and Corporate Responsibility were tabled for Members information.

Councillors and the member of the public present at the meeting questioned how some of the larger business rate debts had been allowed to build to the sizable sums reported. The Director of Finance and Policy reported that businesses had the option to pay their 'rates' monthly, quarterly and annually. The vast majority paid regularly and on time. However, there were those that were harder to collect and the Authority used all available legal means of recovering any outstanding debts. If the company became insolvent, there was little officers could do. Firms struggling to pay were offered options including payment plans to assist them pay.

A Member commented that three of the business rates debt amounts being written out totalled over £300,000, the same sum that would have maintained the Council's Youth Service for a full year but which was facing severe cuts due to austerity. Concerns were also expressed as to how the debts had been allowed to build to such levels before action was taken. Officers shared the concerns though assured Members that every appropriate action had been taken including payment arrangements, joint meetings involving senior officers and the business operators, and the use of bailiffs. Members commented that it would be valuable for future reports to include a case study showing the steps taken in a case where business rates payments had defaulted.

Members discussed the potential of changing the approach towards these instances of businesses defaulting on agreed payment plans through not offering further instalment plans and moving towards recovery action much quicker. There was a concern that recovery action such as bailiffs could actually have a detrimental effect in making a business non-viable and forcing insolvency. A Member commented that households were pursued much quicker for any failures to meet scheduled council tax payments and legal action to recover debts also happened much quicker and perhaps this should be applied with business rates. The Director of Policy and Finance commented that the letter from the Minister did request further comments and Members discussions could be reflected in a further letter to

government.

### **Decision**

1. That approval be given to write-out of irrecoverable Council Tax of £45,283.68 and Business Rates debts to the value of £497,858.08 and to note that £266,547.83 (53%) of this Business Rates write out is the responsibility of Central Government.
2. That a further letter be submitted to the Department for Communities and Local Government reflecting Members discussions.

## **8. Organised Crime and Procurement Pilot Report** (*Chief Solicitor*)

### **Type of decision**

Non-key decision.

### **Purpose of report**

To bring to the Committee's attention the conclusions and recommendations from a pilot programme to explore the threat from serious and organised crime to publically procured services in Local Government, following correspondence to Local Authority Council Leaders on the 6 December 2016. This correspondence, as a joint initiative between the Home Office and the Department for Communities and Local Government follows concerns about the vulnerability of public procurement to organised crime as outlined in the Government's Serious and Organised Crime Strategy (October 2013). This report was tabled before the Audit and Governance Committee with a recommendation that the report should be received by the Finance and Policy Committee, not least to raise awareness on this item.

### **Issue(s) for consideration**

The Chief Solicitor reported that in 2013, the Home Office Serious and Organised Crime Strategy, estimated that £2.1bn of fraud was perpetrated against Local Government of which £876 m related to procurement and fraud (National Fraud Authority (2013) Annual Fraud Indicator). In order to obtain a better understanding of the nature and scale of the threat in England, a joint pilot was undertaken through Local Authorities and Police forces in seven pilot areas to examine the threat and strengthen protective measures. Ten possible links between public procured services and organised crime were identified by the pilot areas with the most serious areas of risks being waste contracts, taxi/transport services and low level spend. In their final report, the Home Office and the Department for Communities and Local Government had recommended some "resource – light interventions" which they believe might help to reduce the vulnerabilities identified in the pilot, namely;



- A Serious and Organised Crime Checklist (detailed in Appendix A to the report)
- A Serious and Organised Crime Audit (detailed in Appendix B to the report)
- Non Involvement with Serious and Organised Crime Statement.

The Chief Solicitor highlighted that the main recommendation was that a “Serious and Organised Crime Audit” should take place through the Council’s Internal Audit team as part of their work programme for 2017/18 and this had been adopted following a recommendation from the Audit and Governance Committee.

Members suggested that they would wish to see a comparison of the changes that incorporating the Serious and Organised Crime Checklist would make to the Council’s corporate governance procedures.

### **Decision**

1. That the approach of the Audit and Governance Committee be endorsed in that the Serious and Organised Crime Checklist (Appendix A to the report) and that the Serious and Organised Crime Audit (Appendix B to the report) from part of the work programme for the Council’s Internal Audit team for 2017/18 and that the outcome of their findings be brought back for consideration before the Audit and Governance Committee and thereafter the Finance and Policy Committee setting out a comparison of the changes recommended.
2. That the Committee further endorses the approach that the Council should utilise the ‘Non Involvement Serious and Organised Crime Statement’ official journal notices and invitations to tender, as outlined within this report.
3. That this report should also be received by the Safer Hartlepool Partnership.

## **9. Quarter 4 – Council Overview of Performance and Risk 2016/17** *(Chief Executive)*

### **Type of decision**

Non-key decision.

### **Purpose of report**

To inform Finance and Policy Committee of the progress made against the 2016/17 Council Plan at the end of quarter 4 and to seek approval to a number of changes/updates to the plan.

### **Issue(s) for consideration**

The Director of Finance and Policy reported that the Quarter 4 Performance Report (appendix 1 to the report) set out progress against actions,

performance indicators and risks in the Council Plan 2016/17. Members were asked to consider and note the following main issues as set out in appendix 1 to the report:

- The overall progress against the Council Plan 2016/17 for actions, performance indicators and risks;
- The use of Regulation of Investigatory Powers Act (RIPA);
- The detailed commentary provided by officers on those performance indicators that have been identified as requiring intervention or not achieving target at the end of quarter 4;
- The detailed commentary provided by officers on those actions that have been identified as requiring intervention or not completed at the end of quarter 4 and agree the date change for action RND 16/17 OD11 *“Explore opportunities to create an arms-length company which will improve availability of housing stock throughout the borough and generate income for the Council”* to 31 June 2017;
- The risks that had changed in rating during quarter 4 and the commentary provided by officers;
- Progress against those actions, performance indicators and risks from those service areas that are specifically relevant to the Finance and Policy Committee.

The front page of the performance reports for each of the other four Policy Committees are included as appendix 2 to the report for the Committee’s information.

A Member commented that those indicators that were not achieved should have a greater explanation as to the reasons why. Some the comments stated within the report the Member disagreed with, citing the shortfall in numbers of visitors to the Town Hall (ACS P108a) as one instance where the reason for the shortfall was explained as being due to a number of dance schools choosing other venues when action was supposed to have been taken to attract these groups back to the Town Hall.

The numbers of visitors to the Carlton Outdoor Centre were also raised with concern being expressed that some groups were not returning to use the centre due to price increases. The Chair of the Children’s Services Committee stated that there was still a high level of usage by local schools though it was acknowledged that there were price differentials between schools and other groups.

### Decision

1. That the overall progress made on the Council Plan 2016/17 for actions, performance indicators and risks at the end of Quarter 4, as set out in appendix 1 to the report, be noted;
2. That the position in relation to use of RIPA powers be noted;
3. That the detailed commentary provided by officers on those performance indicators that had been identified as requiring intervention or not achieving target at the end of quarter 4, as set out

- in appendix 1 to the report, be noted;
4. That the detailed commentary provided by officers on those actions that had been identified as requiring intervention or not completed at the end of quarter 4 be noted and that the date change request for action RND 16/17 OD11, as set out in appendix 1 to the report, be approved.
  5. That the risks that had changed in rating during quarter 4 and the commentary provided by officers, as set out in appendix 1, to the report be noted;
  6. That the progress against the actions, performance indicators and risks from those service areas that were specifically relevant to the Finance and Policy Committee at the end of Quarter 4 be noted;
  7. That the progress made on the Council Plan relevant to the other four Policy Committees, as set out in appendix 2 to the report, be noted.

## **10. Corporate Procurement Quarterly Report on Contracts** *(Director of Finance and Policy)*

### **Type of decision**

For information only.

### **Purpose of report**

To satisfy the requirements of the Council's Contract Procedure Rules with regard to the Finance and 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.

### **Issue(s) for consideration**

The Director of Finance and Policy indicated that the report included details of the required information for each procurement tender awarded since the last quarterly report (Appendix A to the report), together with details of Contract Procedure Rules exemptions granted since the last Corporate Procurement Quarterly Report on Contracts (Appendix B to the report), and the commercial information in respect of the tenders received and any confidential information relating to Contract Procedure Rule exemptions or contract extensions (Appendix C to the report). Appendices B and C to the report 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).

**Decision**

That the report be noted.

**11. Any Other Items which the Chairman Considers are Urgent**

None.

The Committee noted that the next meeting would be held on Monday 10 July, 2017 at 10.00 am in the Civic Centre, Hartlepool.

The meeting concluded at 11.45 am.

**P J DEVLIN**

**CHIEF SOLICITOR**

**PUBLICATION DATE: 19 JUNE 2017**

# **JOINT FINANCE AND POLICY COMMITTEE AND CHILDREN'S SERVICES COMMITTEE**

## **MINUTES AND DECISION RECORD**

12 JUNE 2017

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

### **Present:**

Councillor Alan Clark (In the Chair)

Councillors: Christopher Akers Belcher Kevin Cranney, Marjorie James, Brenda Harrison, John Lauderdale, Jean Robinson and Stephen Thomas.

Also Present: Councillor Bob Buchan as substitute for Councillor Tim Fleming in accordance with Council Procedure Rule 5.2.

Member of the public: - Mr R Pocklington.

Officers: Gill Alexander, Chief Executive  
Chris Little, Director of Finance and Policy  
Sally Robinson, Director of Child and Adult Services  
Mark Patton, Assistant Director, Education, Learning and Skills 0-19  
Denise Ogden, Director of Regeneration and Neighbourhoods  
Katie Hammond, Projects Manager  
Steve Hilton, Public Relations Officer  
David Cosgrove, Democratic Services Team

### **1. Apologies for Absence**

Councillors Tim Fleming, Brenda Loynes, and Dr George Morris.

### **2. Declarations of Interest**

None.

### **3. Proposed Business Plan for the Future Use of the Centre Currently known as Northern Lights Academy (NLA) *(Director of Child and Adult Services)***

#### **Type of decision**

Key Decision test (i)/(ii) Forward Plan Reference No. CAS51/16.

### **Purpose of report**

The purpose of the report was to gain approval from Finance and Policy Committee and Children's Services Committee for a business plan in relation to the future use of the centre currently known as Northern Lights Academy (NLA).

### **Issue(s) for consideration**

The Assistant Director, Education, Learning and Skills 0-19 briefly outlined the background of the NLA facility and highlighted that at the meeting of the Finance and Policy Committee on 27 March 2017, Members had agreed to acquire the NLA and site to bring it within the Council's estate. The Assistant Director went on to explain the proposals for the future use of the facility and the business plan that had been prepared to develop the facility as a centre of excellence in technical training for the creative industries.

The centre aims to plug a gap that currently exists in the educational offer available to young people in Hartlepool through:

- primarily offering curriculum opportunities around vocational training and qualifications, traineeships and apprenticeships to 14-19 year olds focusing on technical training in TV and Film Production, Sound Production, Theatre and Live Event Production, and Graphic Design and Animation.
- providing new, unique and engaging learning opportunities for young people at key stages 3 and 4 who are experiencing difficulties in academic education and for whom the current vocational training offer – of construction and related trades training - is unsuitable.
- supporting the emotional development and resilience of young people through universal and targeted 'creative therapies'.
- offering a route to enterprise and self-employment in the creative industries by providing a base from which young people can develop arts and music projects, and business proposals, with a view to establishing new business start-ups.
- outside of school hours; the centre will also offer children and young people an opportunity to engage in creativity-based activities such as Saturday Club, a well established programme developed by the Sorell Foundation.

Examples of the kinds of students that would benefit from the facility and the delivery programme, funding sources and potential outcomes were highlighted within the report.

The Assistant Director indicated that Cleveland College of Art and Design (CCAD), Hartlepool College of Further Education and Hartlepool Sixth Form College had been valued partners in supporting a new use for NLA and developing the current business case and plan for a change of use to a the centre. They considered that this proposal would not only assist them to

expand their current FE offer to support the creative sector, but would also help demonstrate to young people that fulfilling careers in the creative sector are available in Tees Valley and the North East.

The Assistant Director stressed that the business plan was centered around a phased approach for the development of the centre so that not too much was done too soon so the centre could develop into its new role progressively. It was key that, as well as offering a new facility for students, the centre had to be seen as part of the local community.

Details of the business plan and risks were outlined within the report and the confidential appendices to the report which set out projections for the income strategy, staffing and running costs. 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, information relating to the financial or business affairs of any particular person (including the authority holding that information (para. 3).

The meeting was also informed that bids to the Tees Valley Combined Authority had been made for both revenue underwriting for the first three years of the project and up-front capital investment. A response on these bids had been delayed due to election purdah periods. Should these funding bids not be successful, or only partially successful, it would be necessary to identify alternative funding from outside the General Fund revenue budget. In this regard one-off funding of £136,000 was available from Trading Standard fine income secured from the successful settlement of a recent case. These monies had not been included in the Council's financial plans as the outturn for the case was unknown. It was therefore recommended that these one-off resources should be allocated towards this project until the outcome of the funding bid to TVCA is known.

The Chair commented that it had been a long journey to reach the point where the centre could be brought back into the use for which it was designed. The Chair wished to record his thanks to the Assistant Director and Project Manager for bringing the project to this point. Members supported the comments and considered that as well as the wider potential of the facility, the benefit to local residents in the De Bruce ward had to be maximized. Many members of the local community had not wanted the building in the first place and its mothballing for almost two years had only heightened their concerns. Members hoped that bringing the building back into use in such a positive way would allay those concerns and stressed that local community had to be involved. Key towards this aim had to be the pricing for use of the building and facilities for local groups; they should not be priced out of the centre.

The Assistant Director acknowledged Members concerns, particularly on pricing. Officers had looked to the removal of any financial impact on the council from opening and running the centre. This was the main driver behind the phased business model to ensure the centre could be self-

sustaining. It would be wrong to make promises on pricing but there would be local community involvement in the Board to ensure local access.

In relation to the name for the new facility, a number of options were set out in the report and Members considered that it should be renamed the Centre For Excellence in Creative Arts. The Leader also proposed that should the Trading Standard fine income not be required in full or part, the remaining funds be transferred to the Family Poverty Reserve. This was seconded and agreed by Members.

It was agreed that regular update reports would be brought to Children's Services Committee once the centre was operational.

### **Decision**

1. That the business proposal that the centre is used as a centre of excellence in technical training for creative industries be approved.
2. It was noted that the business case provided a 'worst case' financial model and should actual pupil numbers and income exceed the forecasts, the centre would break even sooner than currently anticipated.
3. That the re-branding of the centre, beginning with a new name for the centre and that forthwith it be known as the Centre for Excellence in Creative Arts and that signage for the facility set out the full name of the project.
4. That commissioning Option 1, concession tendering, as detailed in paragraph 4.13 of the report, be approved.
5. That the proposed four year financial plan, incorporating a staggered opening of faculty areas be approved.
6. That the allocation of the Trading Standards Fine income of £136,000 be approved to underwrite the project in the event that financial support from the Tees valley Combined Authority could not be secured for the worst case forecast deficit.
7. That in the event that all/part of the Trading Standards fine income was not needed for this project, the remaining fund be transferred to the Family Poverty Reserve.

## **4. Any Other Items which the Chairman Considers are Urgent**

None.

The meeting concluded at 10.20 am.

**P J DEVLIN**

**CHIEF SOLICITOR**

**PUBLICATION DATE: 19 JUNE 2017**



# HEALTH AND WELLBEING BOARD

## MINUTES AND DECISION RECORD

13 March 2017

The meeting commenced at 10.00 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 Buchan, Clark and Thomas

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

Interim Director of Public Health, Hartlepool Borough Council – Dr Paul Edmondson-Jones

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

Representatives of Healthwatch – Ruby Marshall and Margaret Wrenn

### **Other Members:**

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

Representative of Cleveland Police – Temporary Assistant Chief Constable Ciaron Irvine

Representative of GP Federation – Fiona Adamson

Also in attendance:-

Dave Turton and Alan Pearson, Cleveland Fire Brigade

Lynn Allison and Judy Gray, Healthwatch

Hartlepool Borough Council Officers

Joan Stevens, Scrutiny Manager

Amanda Whitaker, Democratic Services Team

## **38. Apologies for Absence**

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

Representative of Hartlepool Voluntary and Community Sector – Tracy Woodhall

### **39. Declarations of interest by Members**

Councillors Christopher Akers-Belcher and Thomas declared interests as employees of Hartlepool Healthwatch.

### **40. Minutes**

The minutes of the meeting of the Board held on 16<sup>th</sup> January 2017 were confirmed.

There were no matters arising from the minutes.

### **41. Health and Wellbeing Strategy (2013-2018) - Refresh** *(Interim Director of Public Health)*

The report sought approval for the process and timetable for the refresh of the Health and Wellbeing Strategy (2013 – 2018). The Health and Social Care Act 2012 required the Local Authority, with partner agencies including the NHS, to develop a joint Health and Wellbeing Strategy based on the Joint Strategic Needs Assessment (JSNA). The Health and Wellbeing Strategy (2013-2018) had been developed in 2012-2013 in order to comply with this statutory requirement. At the time the Strategy was developed, both the health system and local government were experiencing significant local and national service change. Whilst there is still significant service / system change, with the development of the Better Health Programme locally and nationally the implementation of the Sustainability and Transformation Plans (STPs), the Health and Wellbeing Board had been successfully operating since 2013. On this basis, it was considered to be time to review the Health and Wellbeing Strategy to ensure that it was fit for purpose and effectively reflected local priorities.

The Board was advised that the Joint Health and Wellbeing Strategy (2013-2018) had been agreed by Full Council on the 11<sup>th</sup> April 2013. The strategy had been based upon the principles of the Marmot Report (2010) and had focused on protecting and improving the health of the population through a range of evidence based interventions. A copy of the Strategy, and the process undertaken in its development, was submitted to the Board.

It was noted that as the Health & Wellbeing Strategy sat within the Council's Policy Framework there was a defined route that had to be followed in the preparation and approval of the Strategy, as set out in Part 4 of the Council's Constitution. In accordance with the requirements of the Constitution, the proposed timetable for the refresh of the Strategy was outlined in the report. It was proposed that, in accordance with the timetable, a small group be established to refresh the Health and Wellbeing Strategy. This group to be chaired by the Interim Director of Public Health, with representatives from each of the partners that sit on the Health and Wellbeing Board, with support from the Council's Legal Services Division.

**Decision**

- (i) That the refresh of the Health and Wellbeing Strategy be approved;
- (ii) That a group be established to progress the refresh of the Health and Wellbeing Strategy, as detailed in the report, and that each of the partners that sit on the Health and Wellbeing Board nominate an representative to be involved; and
- (iii) That the timeframe outlined in the report be approved and a detailed Project Plan produced (with recognition that there may be the need for minor changes to reflect Council and CCG's diaries for 2017/18, as and when they are published).

**42. NHS Planning Guidance Delivering the Forward View: NHS Planning Guidance 2017/18-2020/21** *(Chief Officer, Hartlepool and Stockton on Tees Clinical Commissioning Group)*

The report set out an update on NHS Hartlepool and Stockton-on-Tees Clinical Commissioning Group progress against NHS Planning Guidance for 2017/18. The 'NHS Operational Planning and Contracting Guidance 2017-19', appended to the report, had been published on 22<sup>nd</sup> September 2016 and was a continuation of the previous year's 'Delivering the Forward View: NHS planning guidance 2016/17 -2020/21'. The planning cycle had been brought forward in recognition that NHS operational planning and contracting processes needed to change in order to support delivery of Sustainability and Transformational Plans (STPs).

The Board was advised that the requirement for a two year CCG level operational plan to cover 2017/18 and 2018/19, which was consistent with the STP, was a continuation of the principles laid out in the Five Year Forward View. The CCG Plan consisted of ambitions that covered 4 years (2017/18-2020/21 to ensure alignment with the STP timeframe which was originally a 5-year plan started in 2015/16). The ambitions had been developed according to the CCGs commissioning portfolio areas whilst also being aligned to the transformational areas within the STP.

A presentation to the Board provided an overview of alignment between the NHS Planning Process to STP priorities and to the key aims of the 'Hartlepool Matters' report. The presentation highlighted that in order to support delivery of these ambitions over the next 2 years, a detailed commissioning work plan and performance framework had been developed which had identified key actions, milestones and expected outcomes, a snapshot of this was set out within the appended Operational Plan and was addressed in the presentation.

During the course of the presentation, the Director of Commissioning & Transformation provided assurances to the Board that as a co-author of the STP the outcomes were, although strategic in the STP, aligned to the CCG Local Plan. This includes commitment to continuing to work with the Local Authority in relation to the development of joint health and social care services. It was highlighted that all areas previously under consideration, including issues identified in the 'Hartlepool Matters' report, are incorporated into the Operational Plan and STP objectives which will reflect the population needs of the Hartlepool locality. Board Members noted that Hartlepool was 'ahead of the game' in a number of areas and reiterated views expressed in relation to the positive work which was being progressed with examples of joint working and patient engagement to deliver a service relevant to the locality need.

Board Members and members of public expressed a number of concerns regarding the communication and engagement processes relating to the Sustainable Transformation Plans. The Chair requested that a report be submitted, to the next meeting of the Board that outlined the STP communications and engagement Plan.

Further concerns were expressed in the discussion which followed in relation to communication associated with the relocation of the Integrated Urgent Care Service from One Life Hartlepool to the University Hospital of Hartlepool. The Director acknowledged the misconceptions, provided assurances to Board Members and the public and explained the rationale for the changes.

### **Decision**

- (i) The presentation and report were noted.
- (ii) The Chair requested that a report be submitted, to the next meeting of the Board, that outlines the STP engagement that had been undertaken, how members of the public had been informed of events and how future consultation would be taken forward including associated publicity.

### **43. Safe and Well Visit Development - Presentation** (*Interim Director of Public Health*)

The Interim Director of Public Health introduced a presentation to update the Board regarding the work undertaken with Cleveland Fire Brigade, to develop a health and wellbeing element to their home safety visits. In December 2015 the Chief Fire Officer of Cleveland Fire Brigade, had delivered a presentation entitled 'Fire as a health asset' which had made an offer to strategic health partners to develop new, joined up ways of working. An initial meeting had

been scheduled with health and social care partners in the Authority. It had been agreed that a falls prevention element would be the first element for development and a working group had been assembled.

The presentation, by Cleveland Fire Brigade's Head of Community Safety, updated the Board on the background to the initiative, the Partners involved in the initiative and the three stranded visit approach incorporating prevention, assessment and intervention. Fire fighters currently carry out a fire safety assessment of the home, aimed at the over 65 population. The working group had developed a complimentary assessment which would be carried out during these visits which would initially consider the risks of slips, trips and falls. Once risks had been identified, where possible these would be mitigated immediately by staff present, otherwise clearly identified pathways would be followed, which aimed to divert people into low level services, lowering the risk of injury and hospital admission, and lowering the number of people who required longer term, higher intensity interventions and service provision.

The Board was advised that the initiative had commenced at the end of October 2016. There had been 118 completed visits in Hartlepool with 8 falls team referrals, 7 Loneliness referrals and 6 smoking referrals. It was intended to continue delivery with a target of 10,000 visits across Cleveland per annum and the expectation was that the take up rate would improve from its current rate of 52%.

Following the presentation, the Head of Community Safety responded to questions arising from the presentation in terms of the operation of the initiative.

### **Decision**

The report and presentation were noted and the Cleveland Fire Brigade's Head of Community Safety was thanked for the presentation.

## **44. 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.

## **45. Membership Request**

Following recent discussion by Headteachers, the Chair sought consideration of a membership request seeking a position on the Health and Wellbeing Board to an education representative.

### **Decision**

That the membership of the Health and Wellbeing Board be amended to include a education representative as a non-prescribed member.

#### **46. Health and Wellbeing Board**

The Chair highlighted that the next scheduled meeting of the Board was due to be held on 15<sup>th</sup> May 2017 and that it was proposed that any items to be considered at that meeting be deferred to the next Board meeting.

##### **Decision**

That Board Members note that the meeting of the Board, scheduled for 15<sup>th</sup> May 2017, be cancelled

#### **47. ‘Hartlepool Matters’ Implementation and Monitoring Group**

Delegated authority was sought in relation to agreement of the composition of the above Implementation and Monitoring Group.

##### **Decision**

That authority be delegated to the Chair of the Board and the Chief Executive to agree the composition of the ‘Hartlepool Matters’ Implementation and Monitoring Group; a sub-group of the Board.

Meeting concluded at 11.25 a.m.

CHAIR

## **SAFER HARTLEPOOL PARTNERSHIP MINUTES AND DECISION RECORD**

10 March 2017

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

### **Present:**

Councillor: Christopher Akers-Belcher (In the Chair)  
Councillor Marjorie James  
Clare Clark, Head of Community Safety and Engagement  
Paul Edmondson-Jones, Interim Director of Public Health  
Chief Superintendent Alastair Simpson, Cleveland Police  
John Bentley, Safe in Tees Valley  
Steve Johnson, Cleveland Fire Authority  
Stewart Tagg, Housing Hartlepool  
Karen Hawkins, Hartlepool and Stockton on Tees Clinical  
Commissioning Group

Rachelle Kipling was in attendance as substitute for Barry  
Coppinger, John Bagley as substitute for Julie Allan and Danielle  
Swainston as substitute for Sally Robinson

### **Also present:**

Gilly Marshall, Housing Hartlepool

Officers: Lisa Oldroyd, Community Safety Research and Development  
Co-ordinator  
Penny Thompson, Head of Service, The Children's Hub and  
Partnerships  
Denise Wimpenny, Principal Democratic Services Officer

### **40. Apologies for Absence**

Apologies for absence were submitted on behalf of Denise Ogden, Director of Regeneration and Neighbourhoods, Hartlepool Borough Council, Barry Coppinger, Police and Crime Commissioner for Cleveland, Chief Inspector Lynn Beeston, Chair of Youth Offending Board, Julie Allan, National Probation Service, John Graham, Durham Tees Valley Community Rehabilitation Company and Sally Robinson, Director of Child and Adult Services, Hartlepool Borough Council

### **41. Declarations of Interest**

None.

## **42. Minutes of the meeting held on 20 January 2017**

Confirmed.

## **43. Matters Arising from the Minutes**

With regard to Minute 33 and in response to clarification sought in relation to the accuracy of the statistics relating to the number of men who were a victim of domestic abuse in Hartlepool, the Partnership was advised that the figures had been revisited and were accurate as reported.

### **Decision**

That the information given be noted.

## **44. Operation Encompass Evaluation/Presentation** *(Police and Crime Commissioner)*

### **Issue(s) for consideration**

A representative from the Office of the Police and Crime Commissioner for Cleveland, who was in attendance at the meeting, provided the Partnership with a presentation in relation to the Operation Encompass Evaluation. The presentation focussed on the following:-

- Definition of Operation Encompass
- Background to the development and launch of Operation Encompass
- PCC committed to fund the roll-out throughout Cleveland by April 2016 and completed by January 2016
- Terms of Reference:-

To produce a detailed evaluation of effectiveness of Operation Encompass including examining domestic abuse data trends, speaking to stakeholders, literature review of causes of domestic abuse and successful interventions, identify factors contributing to domestic abuse, present a report to Cleveland PCC and Cleveland Police detailing findings and recommendations for the future of this initiative.

- Research Approach
- Recommendations:-
  - Training and Support



- A framework to support active interventions
- Risk assessments and safety protocols
- Positive Police Action
- Monitoring and data collection
- Working Together
- Formulation of a strategic and operational framework

Partnership Members welcomed the initiative and commented on the benefits as a result. Emphasis was placed upon the need to encourage the programme as widely as possible and the key role for schools in terms of taking this forward was highlighted. It was suggested that Operation Encompass training be provided to Elected Members and should form part of the school governor training programme. In response to clarification sought as to how the programme had been rolled out in schools, it was reported that following discussions at the Safeguarding Board meetings some schools had taken responsibility for this issue particularly well. It was noted that the representative for secondary schools on the Safeguarding Board was currently looking towards a more consistent approach across schools in terms of taking the programme forward.

The Chair thanked the representative for an informative presentation.

### **Decision**

- (i) The contents of the presentation and comments of Members were noted.
- (ii) That Operation Encompass training be provided to Elected Members and should form part of the School Governor Training Programme.

## **45. Safer Hartlepool Partnership Development Day** (*Director of Regeneration and Neighbourhoods*)

### **Purpose of report**

To consider the scope of the Safer Hartlepool Partnership development day.

### **Issue(s) for consideration**

The Head of Community Safety and Engagement reported on the background to the Partnership's agreement at the last meeting in relation to the proposed process for developing a new three year Community Safety Strategy and the benefits of holding a development day to develop the strategy. The development day would enable partners to reflect upon performance over the last year.

It was proposed that the Community Safety Team would circulate a pro-forma, attached at Appendix A, for Partnership Members to complete and return prior to the development day. It was proposed that the Development Day would be held on Monday 8 May 2017 from 9.00 am to 1.00 pm at Cleveland Fire Brigade Headquarters.

In relation to who should be invited to the development day, Members views were sought on the inclusion of strategic leads from other key local strategic partnerships such as the Health and Wellbeing Board, Hartlepool Safeguarding Children's Board and the Tees Adults Safeguarding Board. It had also been suggested that Policy Chairs of Hartlepool Borough Council be also invited. Members were also asked to consider whether they would like to use an independent facilitator to manage discussions on the day.

The Chief Superintendent commented on the prominent issues around Children's Safeguarding and the opportunities for closer working across the various boards and it was suggested that the development day be used as an opportunity to review the functionality of the Partnership's task groups.

### **Decision**

- (i) That the proposals in relation to the development day, as outlined in the report, be agreed.
- (ii) That invitees to the development day should include strategic leads from other key local strategic partnerships and the Council's Policy Chairs.
- (iii) That an independent facilitator be utilised to manage discussions on the day.
- (iv) That the development day be used to review and discuss current task group arrangements.

## **46. The Children's Hub – Progress Update** (*Director of Child and Adult Services*)

### **Purpose of report**

To provide the Partnership with a six month progress report on the Children's Hub.

### **Issue(s) for consideration**

The Head of Service, Children's Hub and Partnerships, presented the report together with a detailed presentation, in support of the report, which provided background information in relation to the development of the

service. The purpose of the Children's Hub was to provide a single point of access across North Tees offering multi agency triage and assessment of enquiries about children and young people. The Children's Hub went live on 1 June 2016.

The report included an overview of progress made over the last six months. In summary, for the period 1 June 2016 to 31 December 2016 the Hub:-

- Answered on average 750 phone calls a month
- Dealt with on average 1154 referrals per month
- Sent approximately 31% of referrals for social care assessment
- Chaired at least 32 strategy meetings a month

The split of work across the two local authorities was 60% Stockton and 40% Hartlepool, as predicated. A performance management framework had been developed and agreed by partners and was currently being populated. Quarters 1 and 2 showed positive progress, details of which were set out in the report.

Members were advised that the Children's Hub had been subject to rigorous audits in order for partners to be confident that thresholds were appropriate and that children were kept safe from harm, the outcome of which was provided. Regular audits would continue and arrangements had been made with North Yorkshire District Council to undertake a two day review of the Hub to provide recommendations for business improvement. A full review of demand and resource requirements was underway including budget implications for all partners. This would be part of the 12 month review.

Partnership Members debated issues arising from the presentation and the Head of Service provided clarification on aspects of the data presented. The Chair commented on the high volume of work managed by the Hub and details of how performance management information was monitored and reported was outlined. Reference was made to the out of hours arrangements and a query was raised as to whether this issue had been considered in line with the pressures on the service. The Partnership was advised that whilst the possibility of extending the Hub's office hours had been discussed, this needed to be considered in the broader context given the need to consider how this would interact with the role of the Emergency Duty Team.

A Member was pleased to note the decision to integrate two local authorities and the improvements in the process. Clarification was sought as to whether there was any information available to confirm children were safer as a result of these new arrangements. The Head of Service indicated that there was still a lot of work to be done around understanding this issue and this would need to be further explored as part of the audit process.

The Chair acknowledged the hard work that had gone into the development

of the Children's Hub and welcomed progress to date and current performance. The Chair requested that the Partnership's thanks be conveyed to the Children's Hub Team. The Partnership was keen to receive feedback in relation to the outcome of the review and requested that a report be submitted to a future meeting of the Partnership to include any trends or changes to the business model.

### **Decision**

- (i) The Partnership noted the progress of the Children's Hub and associated performance management information.
- (ii) That a report be presented to a future meeting of the Partnership in relation to the outcome of the review to include any trends or changes to the business model.

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

### **Purpose of report**

To provide an overview of Safer Hartlepool Partnership performance for Quarter 3 – October 2016 to December 2016 (inclusive).

### **Issue(s) for consideration**

The report provided an overview of the Partnership's performance during Quarter 3, as set out in an appendix to the report. Information as a comparator with performance in the previous year was also provided. In presenting the report, the Community Safety Research and Development Co-ordinator highlighted salient positive and negative data.

In the discussion that followed presentation of the report, the Community Safety Research and Development Co-ordinator responded to queries raised in relation to crime figures by type.

Reference was made to the potential cause of crime and the impact of welfare reform on crime figures generally. The need to monitor trends over the last three years to establish any links was suggested. The Partnership was advised that this issue would be explored and details of trends would be provided for consideration at the Partnership's development day.

The Chief Superintendent added that the force had seen an 8% increase in burglaries and, experienced higher than average rates of domestic abuse incidents in comparison to other forces in the country. Theft from vehicles was also an area of concern. The importance of continuing to promote crime prevention messages was emphasised. The representative from the

Fire Service commented on the latest statistics in relation to fire related crime highlighting an increase in deliberate fires.

Partnership Members debated the recent media coverage around improving safety for drug users that had recently been introduced by Durham Constabulary. The Interim Director of Public Health reported that the evidence to support such arrangements was mostly Scandinavian. In response to concerns regarding the increase in hate crime related incidents, the Chief Superintendent advised on the potential reasons for an increase and highlighted that this had followed the national trend of an increase following Brexit.

### **Decision**

- (i) That the Quarter 3 Performance figures and comments of Members be noted and actioned as appropriate.
- (ii) That the trends over the last 3 years in relation to the links between crime figures and welfare reform be explored and considered at the Partnership's forthcoming development day.

## **48. Local Government (Access to Information) (Variation Order) 2006**

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

**Minute 49 – Prevent Update** – This item contained exempt information under Schedule 12A Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) Order 2006 namely information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime. (para 7).

## **49. Prevent Update** (*Director of Regeneration and Neighbourhoods*)

This item contained exempt information under Schedule 12A Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) Order 2006 namely information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime. (para 7)

**Purpose of report**

To update the Safer Hartlepool Partnership on the Tees Silver Prevent Group Action Plan.

To consider the development of a local operational Prevent Group.

**Issue(s) for consideration**

The Partnership considered the proposal to establish a local operational group to ensure SHP Members' statutory responsibilities under the Counter Terrorism and Security Act were effectively discharged in line with the Act.

Further details were set out in the exempt section of the minutes.

**Decision**

- (i) That the progress against the Silver Prevent Group Action Plan be noted.
- (ii) That the development of a local operational group to co-ordinate activity around the Prevent Duty be agreed.

**50. Communities Against Violence in Cleveland** (*Cleveland Police*)**Issue(s) for consideration**

The Chair reported that this item would be deferred to a future meeting.

**Decision**

That the item be deferred to a future meeting.

**51. Any Other Items which the Chairman Considers are Urgent**

The Chairman ruled that the following item 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.

**52. Any Other Business – Adoption of the International Holocaust Remembrance Working Definition of Anti-Semitism**

The Chair tabled a copy of a letter from the Department for Communities and Local Government, in relation to the Government's formal adoption of the International Holocaust Remembrance Alliance Working Definition of Anti-Semitism for information purposes.

**Decision**

That the information given be noted.

**53. Date and Time of Next Meeting**

The Chair reported that the date of next meeting would be scheduled in due course and requested that Members note their diaries in relation to the Development Day to be held on Monday 8 May 2017 9.00 am to 1.00 pm.

The meeting concluded at 11.00 am.

CHAIR



# Minutes

## TEES VALLEY COMBINED AUTHORITY CABINET

**Cavendish House, Teesdale Business Park, Stockton-on-Tees at 10.00am on  
Wednesday, 31st May, 2017**

### ATTENDEES

#### Members

Mayor Ben Houchen (Chair)  
Mayor David Budd  
Councillor Christopher Akers-Belcher  
Councillor Bob Cook  
Councillor Steve Harker  
Councillor Sue Jeffrey

Tees Valley Mayor  
Mayor of Middlesbrough  
Leader, Hartlepool Borough Council  
Leader, Stockton-on-Tees Borough Council  
Deputy Leader, Darlington Borough Council  
Leader, Redcar and Cleveland Borough Council

#### Associate Members

Phil Cook  
Jerry Hopkinson  
Angela Howey  
Mike Matthews  
Nigel Perry  
David Soley

Member of Tees Valley LEP  
Member of Tees Valley LEP  
Member of Tees Valley LEP  
Member of Tees Valley LEP  
Member of Tees Valley LEP  
Member of Tees Valley LEP

#### Apologies for absence

Councillor Bill Dixon  
Paul Booth  
Alistair Hudson  
Professor Paul Croney

Leader, Darlington Borough Council  
Member of Tees Valley LEP  
Member of Tees Valley LEP  
Member of Tees Valley LEP

#### Officers

Ada Burns  
Garry Cummings  
Neil Schneider

Chief Executive of Darlington Borough Council  
Chief Finance Officer, Stockton Borough Council  
Chief Executive of Stockton-On-Tees Borough Council

David Bond

Monitoring Officer, Tees Valley Combined Authority

Andrew Lewis

Managing Director, Tees Valley Combined Authority

Sarah Brackenborough

Governance Manager, Tees Valley Combined Authority

Amanda Skelton

Chief Executive of Redcar & Cleveland Borough Council



**TVCA CONFIRMATION OF CHAIR**

**1/17** Ben Houchen, Tees Valley Mayor, was confirmed as Chair.

**TVCA CONFIRMATION OF DEPUTY MAYOR/VICE-CHAIR**

**2/17**

As per the rotation in the Combined Authority Constitution, the Deputy Mayor and Vice-Chair for 2017/18 was confirmed as Councillor Bob Cook, Leader of Stockton-On-Tees Borough Council.

**TVCA DECLARATIONS OF INTEREST**

**3/17**

No declarations of interest were declared.

**TVCA ANNOUNCEMENTS FROM THE CHAIR**

**4/17**

As the first meeting of the Cabinet under the new legislation the Mayor welcomed all attendees, including the newly appointed LEP Board members, and spoke about the significant amount of work undertaken on the devolution deal, the establishment of the Combined Authority and the importance of collaborative working going forwards.

**TVCA ANNUAL MEETING BUSINESS**

**5/17**

Consideration was given to a report detailing a number of items for agreement and confirmation by the Combined Authority Cabinet.

The Cabinet was asked to consider and agree a number of appointments to its statutory Committees for the municipal year 2017/18. Cabinet also considered a number of non-statutory/advisory board appointments, external appointments and confirmation of statutory officers.

Information was also provided on the intention of the Managing Director to conduct a review of the obligations on LEP members in order to assure that the Tees Valley is fully in line with national best practice.

It was also discussed that the establishment of portfolio holders for Cabinet Members provided the opportunity to consider appropriate delegations, for matters within established Combined Authority policy and our Investment Plan, below a set financial value, and which can be determined without the need for a discussion at a full Cabinet meeting. Proposals on delegations for approval jointly by the Mayor and Cabinet portfolio holder would be brought to a future meeting of the Cabinet for consideration.

The Cabinet also received confirmation of the Members' Allowances scheme and Mayoral Allowance.

RESOLVED that the appointments as set out in the schedule at Appendix 1 be agreed.

**TVCA DATE OF THE NEXT MEETING**

**6/17**

The June Cabinet meeting had been brought forward to allow the timely consideration of items that had been postponed due to the General Election

purdah guidelines. The next meeting was therefore on 13<sup>th</sup> June 2017 at 5.00pm.

# FINANCE AND POLICY COMMITTEE

10 July 2017



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

**Subject:** DRAFT COMMUNITY SAFETY PLAN 2017-20

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## 1. TYPE OF DECISION/APPLICABLE CATEGORY

1.1 Budget and Policy Framework.

## 2. PURPOSE OF REPORT

2.1 To consider and comment on the Community Safety Plan 2017-20.

## 3. BACKGROUND

3.1 Introduced by the Crime and Disorder Act 1998, Community Safety Partnerships (CSP's) have a statutory responsibility to develop and implement a three year Community Safety Strategy (now known as the Community Safety Plan) setting out how it intends to address crime and disorder, substance misuse, and re-offending issues in Hartlepool.

3.2 CSP's are made up of representatives from the six 'responsible authorities'. These include the Local Authority, Police, Fire Brigade, National Probation Service, Community Rehabilitation Company and Clinical Commissioning Group. CSP's have a number of statutory duties which includes:

- Producing a **Community Safety Strategy Plan** that details how the CSP will tackle the crime, disorder, anti-social behaviour, substance misuse and re-offending priorities in its local area;
- Producing an annual partnership **strategic assessment** to help identify and better understand local community safety priorities;
- **Consulting** with local residents and organisations on community safety priorities.

- 3.3 Based upon the Safer Hartlepool Partnership Strategic Assessment 2016, the draft Community Safety Plan, at **Appendix 1** will be considered by the Safer Hartlepool Partnership at their meeting on 16 June 2017. The strategy has been developed using a wide range of data sources including Police, Fire, Council and NHS data. Public perception information gathered from over 250 residents as part of the Safer Hartlepool Partnership 'Face the Public' activities held during October /November 2016, and discussions with partners at the Safer Hartlepool Partnership development day have also been used to inform the development of the three year strategic objectives and year one priorities.

#### 4. DRAFT COMMUNITY SAFETY PLAN 2017-20

- 4.1 The Community Safety Plan 2017-20 provides an overview of some of the recent activities undertaken to improve community safety in Hartlepool, and key findings from the Partnerships Strategic Assessment and public consultation as outlined above, Partnerships proposed strategic objectives 2017-20, along with year one priorities and some of the key activities it will take forward over the next year are also outlined.
- 4.2 The proposed strategic objectives and annual priorities as recommended in the annual strategic assessment are as follows:

Strategic Objectives 2017 - 2020	
Reduce crime and repeat victimisation	Reduce the harm caused by drug and alcohol misuse
Create confident, cohesive and safe communities	Reduce offending and re-offending

Annual Priorities 2017-2018	
<b>Re-offending</b> - reduce re-offending through a combination of prevention, diversion and enforcement activity.	<b>Acquisitive Crime</b> – reduce acquisitive crime through raising awareness and encouraging preventative activity with a particular focus on domestic burglary.
<b>Domestic Violence and Abuse</b> – safeguard individuals and their families from violence and abuse and implement programmes to tackle those identified as 'high risk'.	<b>Anti-social behaviour</b> –. reduce anti-social behaviour through a combination of diversionary, educational, and enforcement action and increase restorative interventions.
<b>Substance misuse</b> – reduce the harm caused to individuals, their family and the community, by drug and alcohol misuse and alcohol related violence.	<b>Vulnerable Victims</b> - work together to identify and support vulnerable victims and communities experiencing crime and anti-social behavior.

## **5. CONSULTATION**

- 5.1 Subject to Safer Hartlepool Partnership approval on 16 June 2017, the draft Community Safety Plan is subject to an eight week consultation period with the consultation exercise comprising of the following:
- An online consultation survey – with links published on the Safer Hartlepool Partnership website, Hartlepool Borough Council website, Hartlepool Borough Council Facebook page and Hartlepool Borough Council Twitter page. The use of local media mechanisms including but not limited to Hartlepool Mail.
  - Targeted emails will be sent to a wide range of public, private, community and voluntary sector representatives and groups containing a link to the online consultation survey.
  - Officers will link into and share the draft strategy with community and residents groups.
  - Presentation of the draft strategy to the Councils Audit and Governance Committee, Finance and Policy Committee, and Community Forums.
- 5.2 It is anticipated that the final document will be presented to the Safer Hartlepool Partnership in September 2017, and subject to the approval by the Partnership will be considered by the Councils Finance and Policy Committee prior to being adopted by full Council in October 2017.

## **6. PERFORMANCE MONITORING**

- 6.1 Progress made against the Community Safety Plan will be managed and monitored by the Safer Hartlepool Partnership, through quarterly performance reports and monitoring of Partnership Sub Group Action Plans. The Community Safety Plan incorporates performance indicators for 2017-18, along with a proposed delivery structure.

## **7. RISK CONSIDERATIONS**

- 7.1 There are no risks associated with this report.

## **8. FINANCIAL CONSIDERATIONS**

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

## **9. LEGAL CONSIDERATIONS**

- 9.1 In accordance with the Crime and Disorder Act 1998 and the Crime and Disorder Regulations 2007 the Safer Hartlepool Partnership is required to produce a three year Community Safety Plan to set out how it intends to address crime and disorder, substance misuse, and re-offending issues.

## **10. CHILD AND FAMILY POVERTY**

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

## **11. EQUALITY AND DIVERSITY CONSIDERATIONS**

- 11.1 The strategic assessment and consultation process with an annual refresh will ensure that the needs of all sections of the community are considered when formulating and implementing the Community Safety Plan 2017-2020.

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

- 12.1 Failure to develop a Community Safety Plan would undermine the Safer Hartlepool Partnerships ability to fulfil its statutory responsibilities around reducing crime and disorder, substance misuse, and re-offending in Hartlepool.

## **13. STAFF CONSIDERATIONS**

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

## **14. ASSET MANAGEMENT CONSIDERATIONS**

- 14.1 There are no asset management considerations relating to this report.

## **15. RECOMMENDATION**

- 15.1 As part of the Safer Hartlepool Partnership consultation process it is recommended that the Finance and Policy Committee consider and comment upon the draft Community Safety Plan.

## **16. REASONS FOR RECOMMENDATIONS**

- 16.1 Failure to develop a Community Safety Plan would undermine the Safer Hartlepool Partnerships ability to fulfil its statutory responsibilities around reducing crime and disorder, substance misuse, and re-offending in Hartlepool.
- 16.2 In formulating the Community Safety Plan the Safer Hartlepool Partnership are undertaking further consulting on the plan with a wide range of partners, including the Finance and Policy Committee, to enable all policy chairs to comment on the proposed plan.

## **17. BACKGROUND PAPERS**

- 17.1 Safer Hartlepool Partnership 16<sup>th</sup> June 2017  
Audit and Governance 21<sup>st</sup> June 2017

## **18. CONTACT OFFICER**

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# Safer Hartlepool Partnership

## Community Safety Plan 2017 - 2020





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## Foreword

I am delighted to introduce Hartlepool's Community Safety Strategy for the next three years. It sets out our bold vision for maintaining and improving community safety in Hartlepool and identifies our priorities to help us achieve this which are to:

- Reduce crime and repeat victimisation
- Reduce the harm caused by drug and alcohol misuse
- Create confident, cohesive and safe communities
- Reduce offending and re-offending



Councillor Christopher Akers-Belcher  
Chair of the Safer Hartlepool  
Partnership

During the lifetime of the last Community Safety Strategy which was introduced in 2014 there have been a number of changes to the community safety landscape, and a number of contextual factors that have presented significant challenges to making Hartlepool safer. These include a challenging economic climate, the impact of Welfare Reform, and changes to the way offenders are managed in the community following the introduction of the National Probation Service, and Community Rehabilitation Companies.

Despite these challenges incidents of anti-social behaviour are lower than they were when the previous strategy was introduced in 2014. The rate of repeat victimisation in relation to our high risk domestic abuse cases has also reduced and the number of first time entrants into the youth justice system has decreased. But the number of crimes reported to the Police increased by 7% during 2016, and although we know this is likely to be due to national changes in recording standards the Partnership will continue to work hard to ensure Hartlepool remains a safe, welcoming and attractive place to live work and visit.

We know we continue to be faced with significant budgetary challenges whilst demand for services is rising. We are fully committed to collaborative working both locally and at a Cleveland wide level with the Police and Crime Commissioner. We recognise both fighting crime and tackling the underlying causes of it is key to our success, and in true Hartlepool spirit, we will do it together in Partnership.

## Introduction

The Safer Hartlepool Partnership is Hartlepool's statutory Community Safety Partnership as defined by the Crime and Disorder Act 1998. The Partnership comprises of a core group of statutory partners, Elected Members and a range of other stakeholders from the public and voluntary sectors. Their main aim and purpose is to reduce crime and disorder, substance misuse and re-offending in Hartlepool. The full current membership is detailed in **Appendix A**.

It is a statutory requirement of all Community Safety Partnerships that they regularly prepare and publish a Plan that shows how they will work together to address community safety issues in the local area. The aim of this Plan is to inform people about the work of the Partnership, its priorities for the next three years and how these will be achieved.

Our priorities continue to be informed through analysis of crime and community safety data, and by listening to the views of those living and working in Hartlepool through surveys and events such as our annual Face the Public event, the Safer Hartlepool Partnership annual on-line survey, and Cleveland Police Public Confidence Survey.



The Partnerships vision is that 'Hartlepool will be a safe place to live, work and visit'. Our approach for achieving this vision will be to focus on 'prevention'. We want to stop problems from happening in the first place by tackling root causes, and where problems do exist we want to stop them from escalating by intervening early and focusing our resources where they are most needed. We also remain committed to safeguarding and protecting vulnerable people from harm, and exploitation in the community. To do this we will work collaboratively and flexibly to deliver integrated models of service delivery, in conjunction with other Boards and Partnerships such as the Safeguarding Children's Board, Tees-wide Safeguarding Adults Board, Health and Wellbeing Board and Local Criminal Justice Board.

## Local Context

Hartlepool is the smallest unitary authority in the North East region and the third smallest in the country comprising of some of the most disadvantaged areas in England. Issues around community safety can be understood by a number of contextual factors:

### Population

At 92,500 the Hartlepool population has remained relatively unchanged over the last decade.

### Health & Wellbeing

There is a higher prevalence of long term health problems, including mental health, in Hartlepool.

### Deprivation

Hartlepool is the 18<sup>th</sup> most deprived local authority area out of 326 local authorities.

### Housing

The percentage of long term empty properties in Hartlepool is higher than the Tees Valley average.

### Geography

Community Safety issues are concentrated in geographic hotspots, particularly in the most deprived wards in Hartlepool.

### Unemployment

Unemployment rates in Hartlepool are above the regional average and double the national average.

Over the last year, the Partnership has delivered a number of activities against its strategic priorities to make Hartlepool safer some of which are outlined below:

**Strategic Objective 1:  
Reduce crime and repeat  
victimisation**

Continued to offer crime prevention advice and awareness raising campaigns.

Provided support to more than 500 victims of crime and anti-social behaviour and improved security to 450 homes.

Developed a new strategy for tackling domestic abuse and commissioned a new domestic abuse service to support families and children affected by domestic abuse.

Delivered a healthy relationships programme to over 3,000 children.



**Strategic Objective 2:  
Reduce the harm caused by  
drugs and alcohol**

Launched a new Substance Misuse Strategy .

Continued to work with national organisations such as Balance and delivered a series of awareness raising campaigns linked to topics such as FSD at a variety of locations, including schools and colleges.

Improved access to early and preventative treatment.

Provided training to license holders and staff to encourage responsible trading and reduce instances of underage sales.



**Strategic Objective 3:  
Create confident, cohesive  
and safe communities**

Delivered our annual Anti-Social Behaviour Awareness Day to 1,500 pupils.

Introduced a new case management system (E-CINS) to improve information sharing and responses to vulnerable victims.

Introduced a community resolution service using restorative approaches to anti-social behaviour and low level crime.

Made more than 2,500 contacts with young people through assertive outreach activity .



**Strategic Objective 4:  
Reduce re-offending**

We have continued to implement the Troubled Families programme supporting more than 170 to successfully turn their lives around.

The multi-agency Integrated Offender Management team has successfully worked with repeat offenders to address their accommodation and employment needs and reduce their offending behaviour.

The youth offending triage programme has continued to reduced the number of young people entering the justice system.





The Safer Hartlepool Partnership Strategic Assessment was completed in January 2017 and contains information to aid the Partnership's understanding of the priority community safety issues in Hartlepool. The Assessment forms part of an intelligence-led approach to community safety which enables a more focused, resource-effective and partnership-oriented delivery of options.



To ensure that the Partnership is focusing on the issues that residents consider to be a priority, findings from local community consultations have been taken into consideration when setting strategic objectives and priorities.

In the autumn of 2016, members of the public were invited to complete the Partnership's on-line survey. Accessed via the Safer Hartlepool website, more than 250 people responded with more than 40% stating that reducing crime and repeat victimisation should be the first priority.

From a community cohesion perspective almost two thirds of respondents said that they feel part of the local community, with almost one quarter feeling able to Influence local decisions. Whilst more than three quarters of respondents said they feel safe or fairly safe while out in their local area during the day, this reduces to 51% when outside after dark.

Respondents continue to identify litter, speeding traffic, groups of young people hanging around the streets, alcohol related anti-social behaviour and drug misuse as problems. When asked how the Partnership could improve safety in Hartlepool responses overwhelmingly included more police/police presence on the streets, more council enforcement officers, the need for the Police and Council to work together and the need to take a proactive rather than a responsive approach.



Priority	% of respondents
Reduce crime and victimisation	42%
Create confident, strong and safe communities	32%
Reduce the harm caused by drug and alcohol misuse	16%
Reduce offending and re-offending	10%

Based on the findings in the annual Strategic Assessment and consultation with the local community, the Partnership will retain the following four strategic objectives during the lifetime of the three year plan:

Strategic Objectives 2017 - 2020	
Reduce crime and repeat victimisation	Reduce the harm caused by drug and alcohol misuse
Create confident, cohesive and safe communities	Reduce offending and re-offending

### Partnership Priorities 2017-2018

Annual Priorities 2017 - 2018	
<b>Re-offending</b> - reduce re-offending through a combination of prevention, diversion and enforcement activity.	<b>Acquisitive Crime</b> – reduce acquisitive crime through raising awareness and encouraging preventative activity with a particular focus on domestic burglary.
<b>Domestic Violence and Abuse</b> – safeguard individuals and their families from violence and abuse and implement programmes to tackle those identified as ‘high risk’.	<b>Anti-social behaviour</b> – reduce anti-social behaviour through a combination of diversionary, educational, and enforcement action and restorative interventions.
<b>Substance misuse</b> – reduce the harm caused to individuals, their family and the community, by drug and alcohol misuse and alcohol related violence.	<b>Vulnerable Victims</b> - work together to identify and support vulnerable victims and communities experiencing crime and anti-social behavior.

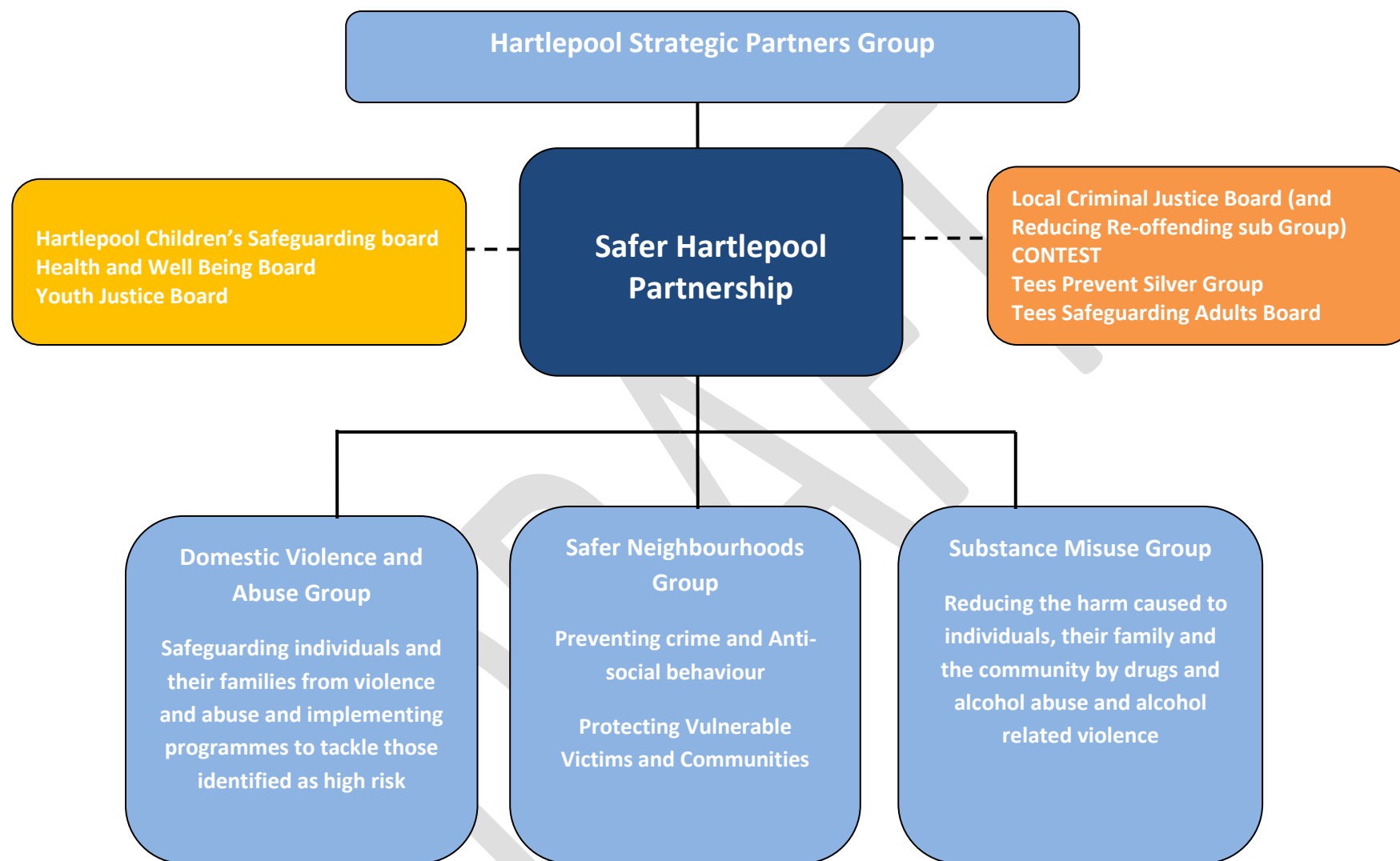
### Key Activities 2017 - 2018





This chart outlines the Partnership delivery structure. Performance monitoring will be undertaken on a quarterly basis

to assess progress against key priorities drawn from the strategic assessment and identify any emerging issues. Partnership performance will be monitored over the next 12 months using the indicators outlined in **Appendix B**



## Safer Hartlepool Partnership Plan 2017-2018

SHP Vision	"Hartlepool is a safe place to live, work and visit"			
Landscape	Increased crime in Hartlepool	Fewer resources	Organisational Change	Rise in complex cases impacting on demand
Statutory Functions	Crime and Disorder	Anti Social Behaviour	Substance Misuse	Reducing re-offending
Strategic Objectives	Reduce crime and repeat victimisation	Create confident, cohesive and safe communities	Reduce the harm caused by drug and alcohol misuse	Reduce re-offending
Priorities	Reduce Acquisitive Crime with a focus on domestic burglary Safeguard individuals and their families from domestic abuse	Reduce Anti Social Behaviour and support Vulnerable Victims and Communities	Reduce the harm to individuals, and the community by drug and alcohol misuse and alcohol related violence	Reducing offending and re-offending by a combination of education, diversion and enforcement
Cross Cutting Themes	Early intervention & prevention	Vulnerable individuals with complex needs	Substance misuse	Domestic abuse Child sexual Exploitation
Supporting Partnerships	Health & Wellbeing Board	Hartlepool Safeguarding Childrens Board	Tees Adult Safeguarding Board	Local Criminal Justice Board Youth Justice Board
Performance Measures	Reduce crime and repeat victimisation	Create confident, cohesive And safe communities	Reduce the harm caused by drugs and alcohol misuse	Reduce re-offending
	Total recorded crime rate per 1,000 population  % of violent crime that is domestic related  % of repeat cases of domestic abuse (MARAC)  Domestic Burglary Rate per 1,000 households	Anti-social behaviour rate per 1,000 population  Number of reported hate crimes and incidents  % of people who think the Police & Local Authority are dealing with crime & ASB issues that matter locally  % of people who feel that they belong to their local area	% of opiate users successfully completing treatment  % of non opiate users that have successfully completed treatment  Rate of alcohol related hospital admissions per 10,000 population  Number of young people known to substance misuse services	Number of first time entrants into the criminal justice system  Re-offending rate of prolific and priority offenders  % of offenders that re-offend  Average number of re-offences per offender

**Appendix A****Membership of the Safer Hartlepool Partnership**

Membership of the Partnership reflects the statutory requirements and consists of senior representatives from the five responsible authorities<sup>1</sup> plus additional stakeholders as follows:

Responsible Authorities	Other Members
Hartlepool Borough Council – Two Elected Members including Leader of the Council Hartlepool Borough Council – Chief Executive Hartlepool Borough Council - Director of Regeneration and Neighbourhoods Hartlepool Borough Council – Head of Community Safety and Engagement Cleveland Police – Chief Superintendent – Neighbourhoods and Partnerships Cleveland Fire and Rescue Authority – District Manager Durham Tees Valley Community Rehabilitation Company - Director of Operations Cleveland National Probation Service – Head of Area Representative of Hartlepool and Stockton on Tees Clinical Commissioning Group Youth Justice Board - Chair	Hartlepool Borough Council – Director of Public Health Office of Police and Crime Commissioner for Cleveland Hartlepool Borough Council – Head of Youth Services Representative of Voluntary & Community Sector – Chief Executive, Safe in Tees Valley Thirteen – Head of Housing Services Hartlepool Magistrates Board – Chair of the Bench

This group is the ‘strategy group’ for the purposes of the statutory Regulations. New members may be added to the Partnership by agreement of existing members. There is also the potential for co-opting members onto the Partnership to undertake specific pieces of work or for specialist knowledge and skills as and when required.

<sup>1</sup> Responsible Authorities – Police, Local Authority, Fire and Rescue Authority, Clinical Commissioning Group, National Probation Service, Durham Tees Valley Community Rehabilitation Company

## Appendix B

Strategic Objective	Performance Indicators
Reduce crime and repeat victimisation	Total recorded crime rate per 1,000 population
	Domestic burglary rate per 1,000 household
	Vehicle crime rate per 1,000 population
	Robbery rate per 1,000 population
	Shoplifting rate per 1,000 population
	Violent crime (including sexual violence) rate per 1,000 population*
	% of violent crime (including sexual violence) that is domestic related
	% of repeat cases of domestic violence (MARAC)
	Violent crime (including sexual violence) hospital admissions for violence per 100,000 population*
Reduce the harm caused by drug and alcohol misuse	Drug offences per 1,000 population
	% of people who think drug use or dealing is a problem
	% of opiate drug users that have successfully completed drug treatment*
	% of non-opiate drug users that have successfully completed drug treatment*
	% of alcohol users that have successfully completed alcohol treatment
	Alcohol related hospital admissions rate per 100,000 population*
	Number of young people known to substance misuse services

\*Indicators link to the Public Health Outcome Framework

Strategic Objective	Performance Indicators
Create confident, cohesive & safe communities	Anti-social behaviour incidents per 1,000 population
	Public order offences per 1,000 population
	Criminal damage rate per 1,000 population
	Deliberate fires rate per 1,000 population
	Number of reported hate crimes & incidents
	% of the population affected by noise - number of complaints about noise
	% of people who feel safe during the day
	% of people who feel safe after dark
	% of people who think rubbish or litter lying around is a problem
	% of people who think groups hanging around the streets is a problem
	% of people who think people being drunk or rowdy in a public place is a problem
	% of people who think vandalism, graffiti and other deliberate damage to property is a problem
	% of people who think noisy neighbours or loud parties is a problem
	% of people who think abandoned or burnt out cars are a problem
	% of people who think that they belong to their local area
	% of people who feel that they can influence decisions that affect their local area
	% of people who believe that people from different back grounds get on well together
	% of people who think that people in the area pull together to improve the local area
Reduce offending & re-offending	Rate of first-time entrants to the Youth Justice System per 100,000 population*
	Re-offending levels - percentage of offenders who re-offend*
	Re-offending levels - average number of re-offences per offender*
	Re-offending rate of Prolific & Priority Offenders
	Re-offending rate of High Crime Causers
	% of Troubled Families who have reduced their offending behaviour

\*Indicators link to the Public Health Outcome Framework



# FINANCE AND POLICY COMMITTEE

10<sup>th</sup> July 2017



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

**Subject:** COMMUNITY ENGAGEMENT AND COHESION  
STRATEGY

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## 1. TYPE OF DECISION/APPLICABLE CATEGORY

1.1 Budget and Policy Framework.

## 2. PURPOSE OF REPORT

2.1 The purpose of this report is to outline the proposed purpose and scope of the Community Engagement and Cohesion Strategy and the timetable for its development for Finance and Policy Committee's agreement.

## 3. BACKGROUND

3.1 In Hartlepool we have a strong tradition of working with our communities to improve and develop services. As an organisation we recognise the importance of engagement in our work and the need for this to be delivered appropriately throughout our Departments through a single, organisational approach. We also recognise the importance of cohesion within our communities and our role in supporting and developing this.

3.2 The Community Engagement and Cohesion Strategy - set out in the budget and policy framework of the constitution under the remit of the Finance and Policy Committee - is a new strategy to be developed by the Council during 2017/18.

## 4. PURPOSE AND REMIT OF THE COMMUNITY ENGAGEMENT AND COHESION STRATEGY

4.1 The purpose and remit of the Community Engagement and Cohesion Strategy is proposed to be as follows:



- to formally establish the Council's approach to community engagement;
- to set out what we will do to build community capacity; and
- to confirm how we will work to support community cohesion in the town.

4.2 Within the Strategy we will provide a definition and a set of principles for our work on community engagement. It is also proposed that the strategy sets out further details of how our work in this area will be developed and improved across the Council and what our priorities for the future will be. This will reflect our activities around Community Hubs, the Community Protection Service and Prevent. Ultimately, the strategy will clearly set out our principles and approach to working with our local communities.

## 5. PROPOSED TIMETABLE FOR DEVELOPMENT

5.1 The following timetable is proposed for the development of the strategy:

Who	What	When
Finance & Policy Committee	Agree purpose & remit of strategy and timeline for consultation and decision making.	10 <sup>th</sup> July 2017
Finance & Policy Committee	Agree draft strategy for consultation	18 <sup>th</sup> September 2017
Consultation for 8 weeks – 22 <sup>nd</sup> September to 17 <sup>th</sup> November 2017, to include: <ul style="list-style-type: none"> <li>• Safer Hartlepool Partnership - 20<sup>th</sup> October 2017</li> <li>• Community Forums - 18<sup>th</sup> October 2017</li> <li>• Your Say, Our Future Roundtable - TBC September / October 2017</li> </ul>		
Finance & Policy Committee	Consider feedback from consultation and agree updated draft strategy for final consultation.	8 <sup>th</sup> January 2018
Consultation for 2 weeks – 12 <sup>th</sup> to 26 <sup>th</sup> January 2018		
Finance & Policy Committee	Consider feedback from consultation and agree final strategy for approval by Council.	12 <sup>th</sup> February 2018
Council	Consider final strategy for approval	15 <sup>th</sup> March 2018

## 6. NEXT STEPS

6.1 Following agreement of the purpose and remit of the strategy and the timetable for development by Finance and Policy Committee officers will work

to prepare the first draft of the strategy to come to Finance and Policy Committee on 18<sup>th</sup> September 2017 for approval to begin consultation.

## **7. RISK IMPLICATIONS**

7.1 There are no risk implications.

## **8. FINANCIAL CONSIDERATIONS**

8.1 There are no financial considerations – all activity will be undertaken within existing resources.

## **9. LEGAL CONSIDERATIONS**

9.1 There are no legal considerations.

## **10. CHILD AND FAMILY POVERTY**

10.1 There are no child and family poverty implications.

## **11. EQUALITY AND DIVERSITY CONSIDERATIONS**

11.1 We recognise the need to take into account the needs of vulnerable groups when engaging with the community. Any activity will consider the equality and diversity needs of all those with protected characteristics.

## **12. STAFF CONSIDERATIONS**

12.1 Staff will be given every opportunity to engage and will be actively encouraged by the Council to do so.

## **13. ASSET MANAGEMENT CONSIDERATIONS**

13.1 There are no asset management considerations.

## **14. RECOMMENDATIONS**

14.1 Finance and Policy Committee is requested to consider and agree the proposed purpose and scope of the Community Engagement and Cohesion Strategy and the proposed timetable for its development.

**15. REASONS FOR RECOMMENDATIONS**

- 15.1 Finance & Policy Committee is the responsible committee for the Community Engagement and Cohesion Strategy.

**16. BACKGROUND PAPERS**

- 16.1 None.

**17. CONTACT OFFICER**

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## **FINANCE AND POLICY COMMITTEE**

10<sup>th</sup> July 2017



**Report of:** Corporate Management Team

**Subject:** FINAL OUTTURN 2016/17

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### **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 2016/17 and to approve the strategy for funding the final 2016/17 General Fund overspend of £0.262m.

### **3. 2016/17 REVENUE OUTTURN**

3.1 Financial management reports considered during 2016/17 included an assessment of the forecast outturn. These forecasts reflected an assessment of demand led services throughout the year, including the specific impact on a range of services affected by higher demand over the winter months. The forecasts were considered in the context of the complexity of the broad range of demand led services managed by the Council. Additionally, the forecasts reflected the complexity of managing variances in both the gross General Fund expenditure budget of £213m, income budgets of £127m and a resulting net budget of £86m.

3.2 On the basis of the actual expenditure at 31st December 2016 and forecasts for the final three months of the financial year a worst case overspend of £0.479m was forecast. This forecast anticipated departmental budget overspends being partly offset by Corporate budget under spends and the use of the uncommitted 2015/16 outturn.

3.3 As the outturn position was not certain it was recommended that a strategy for managing an overspend would be developed when the actual outturn was known. Members were advised that depending on the scale of a year-end overspend this would need to be either funded from the General Fund Reserve, or by reducing the resources earmarked for Capital priorities.

- 3.4 The actual outturn is a net overall overspend of £0.262m, as summarised below and detailed in **Appendix A**:

	Worst Case Forecast Over/ (under) spend  £'000	Actual Over/ (under) Spend  £'000	Increase/ (decrease) in overall forecast overspend £'000
Departmental budgets	1,070	1,035	(35)
Corporate budgets	(540)	(715)	(175)
Sub Total	<b>530</b>	<b>320</b>	<b>(210)</b>
Uncommitted 2015/16 Actual Outturn	(51)	(58)	(7)
<b>Net overall Overspend</b>	<b>479</b>	<b>262</b>	<b>(217)</b>

- 3.5 As detailed in the above table the overall overspend is lower than the worst case forecast. The position reflects an overspend on departmental budgets, which is owing to continued demand led pressures, and an underspend on corporate budgets, which is not sustainable as recurring corporate savings have been built into the 2017/18 budget. As reported during the year the actual outturn reflects the following key issues:

- **Chief Executive's department** - the outturn under spend is predominately owing to voluntary redundancies and holding posts vacant to achieve 2017/18 savings;
- **Child and Adult Services** – as anticipated Children and Families budgets have over spent by £2.5m reflecting higher levels of Looked After Children (LAC), including an increase in the number of high-cost, complex needs children being placed with Independent Foster Agencies and Residential Placements, increases in In-House Fostering placements and an increase in Care Proceedings budgets. These trends are not unique to Hartlepool and have been identified as a national issue, although no additional Government funding has been provided. The Medium Term Financial Strategy anticipates these trends continuing and a specific reserve has been earmarked to manage these pressures continuing and to provide a longer lead time to reduce costs. However, if demand cannot be reduced this will result in a permanent budget pressure.

This overspend is partly offset by a combination of planned use of reserves and under spends within Adult Services and Early Intervention Services. This has still resulted in a net overspend of £1.328m. The department is focused on transforming services to reduce demand for these packages of care, although these changes will take time to implement;

- **Public Health** – the General Fund budgets have overspent by £0.218m. As previously reported this variance relates to income shortfalls across the Sport

and Recreation service area, additional costs of operating the Carlton Outdoor Centre and the Borough Hall;

- **Regeneration and Neighbourhoods** –The actual under spend is lower than forecast. As previously reported this position reflects higher Waste and Environmental Services costs owing to growth of the town creating pressures in this area, and income from Professional Fees and Planning were also lower than forecast. These issues were offset by a surplus on other Trading Activities;
- **Corporate Budgets** – the underspend is mainly owing to Local Council Tax Support Schemes (LCTS) costs and loan repayment/ interest costs being lower than anticipated. This position is not sustainable as a recurring annual loan repayment savings of £2m has been included in the base budget from 2017/18. In addition, the LCTS budget has been reduced to reflect changes in caseload and Members' decision to retain a 12% scheme. Inclusions of these recurring savings reduced the cuts required in 2017/18.

The Corporate under spend is after earmarking £1.86m to fund future priorities, including capital investment, which were included in the 2017/18 Medium Term Financial Strategy approved by Council in February.

- 3.6 Detailed financial information on the projected outturn for individual Departments is provided in Appendices B to E.
- 3.7 The net overspend is after earmarking one-off resources to fund expenditure commitments re-phased from 2016/17 to 2017/18. In accordance with accounting regulations these amounts must be carried forward as reserves. Details of these reserves are provided in Appendix F Table 1 and total £0.693m.

#### **4. STRATEGY FOR MANAGING THE 2016/17 GENERAL FUND OVERSPEND OF £0.262m**

- 4.1 The General Fund overspend can be partly addressed by applying one off resources not previously identified when the outturn forecasts were prepared. These resources provide £0.126m and relate to one off funding allocated to fund potential protection costs. However, as previously reported, following the outcome of the Trade Union ballot these resources can now be released as they will no longer be needed for potential protection
- 4.2 The remaining overspend of £0.136m will be funded from the Unearmarked General Fund Reserve. This reserve is held to manage unforeseen events. The balance of this reserve at 31<sup>st</sup> March 2017, after reflecting the use of £0.136m, is £4.526m, which equates to 6% of the budget and is the recommended level for this reserve.

#### **5. SPECIFIC GRANT REGIMES**

- 5.1 The Council secured specific grant funding for a range of one off initiatives and in a number of cases this income has been received in 2016/17. However, a

number of initiatives cover more than one financial year. Therefore, in accordance with accounting regulations these resources will be carried forward as 'Ring Fenced Grant Reserves' to ensure resources are available to fund expenditure commitments in 2017/18.

5.2 Details of these grants are provided in Appendix F Table 2 and total £1.488m.

## 6. HOUSING REVENUE ACCOUNT

6.1 The Housing Revenue Account (HRA) is a ring fenced account relating to the Council's rented housing. It was reopened on the 1st April, 2016 as a result of the number of houses exceeding the Government's new limit of 200, which was announced in a Ministerial Statement on 20 March, 2015. Details of the outturn are shown at Appendix G. The revenue outturn was a surplus of £0.007m.

## 7. 2016/17 CAPITAL OUTTURN

7.1 Details of actual capital expenditure against the capital programme are provided in Appendices H to L and summarised below:

Department	BUDGET		EXPENDITURE IN CURRENT YEAR			
	A	B	C	E	F	G
					D+E	E-B
	2016/17 and Future Years Budget	2016/17 Budget	2016/17 Actual 31/03/2017	Expenditure Re-phased to 2017/18	2016/17 Total Expenditure	2016/17 Variance from Budget
	£'000	£'000	£'000	£'000	£'000	£'000
Child and Adult	10,411	10,411	6,178	4,233	10,411	0
Public Health	703	532	358	174	532	0
Regeneration and Neighbourhoods	24,180	22,055	14,621	7,346	21,967	(88)
Chief Executive	466	466	26	440	466	0
Corporate	1,976	1,976	262	1,714	1,976	0
<b>Total Capital Expenditure</b>	<b>37,736</b>	<b>35,440</b>	<b>21,445</b>	<b>13,907</b>	<b>35,352</b>	<b>(88)</b>

7.2 Capital expenditure of £13.907m will be re-phased to 2017/18 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. The favourable variance of £0.088m relates to the Waverley safety improvements scheme, after a revised specification, resulting in an underspend to be transferred back to the unallocated Council Capital Fund (CCF).

7.3 The rephased expenditure for Child and Adult Services is predominantly attributable to School works being delayed until 2017/18. This includes new build works at High Tunstall and English Martyrs and extensions at Rift House Primary, Eldon Grove and West Park are to be completed in 2017/18 so £1m has been rephased.

7.4 The main rephased item items for Regeneration and Neighbourhoods include £1.074m on deferred vehicle purchases, £0.847m carry forward funding of Developer Contributions, £1.006m ongoing works to Headland town wall, £0.912m LTP Highways schemes mainly owing to delays, £0.597 Elwick Bypass funding recently received and £0.669m for ongoing works to the Carr Hopps housing market renewal scheme.

7.5 Corporate rephasing is work involving improvements to Council Buildings has been temporarily suspended in 2016/17 to allow the outcome of many Service Reviews to be finalised. Many of these Service Reviews are likely to involve changes to the use of current buildings e.g. Community Hubs and Cultural Assets Review.

7.6 Coastal Communities Fund 2017/18

The project to deliver the works funded by the Coastal Communities Fund (CCF) in Seaton is scheduled to begin. The match funding provided by the Council on this scheme included a Landfill Tax Grant and a future Capital Receipt from the sale of Land at Coronation Drive. The Landfill Tax grant secured is less than originally anticipated by £0.1m, and the achievement of the Capital Receipt has been delayed. In order to achieve the expenditure profile approved as part of the CCF funding agreement, temporary funding will need to be identified to cover the full cost of the works until the Capital Receipt is received.

7.7 An update of the Medium Term Financial Strategy was submitted to the Finance and Policy Committee on 9th January 2017 and set out proposals to use one-off resources of £4.949m identified from the reserves review plus a contribution of savings achieved from the 2016/17 forecast outturn. These proposals included an amount of £2.862m set aside to contribute towards Regeneration Schemes. As part of the Medium Term Financial Strategy, recommendations approved by Council on 23rd February 2017, authority to approve schemes to be funded from the £2.862m regeneration schemes budget was delegated to the Finance and Policy Committee.

7.8 It is therefore proposed that £0.4m is allocated from the £2.862m set aside to support Regeneration Schemes to provide the temporary funding necessary for the scheme to progress within the necessary timescales. When the Capital Receipt is secured, either through sale on the open market or joint venture arrangement with a developer or the Homes and Communities Agency (HCA), the value of the amount secured, which may be more or less than the £0.300m, will be transferred back into the Regeneration Fund to support future regeneration schemes.

**8. 2016/17 OUTTURN – PROGRESS IN ACHIEVING THE EXISTING CAPITAL RECEIPTS TARGET**

8.1 Regular updates on progress in achieving the capital receipts targets have been reported to Members over the last few years as part of the quarterly financial management reports and within Medium Term Financial Strategy reports. These



reports have highlighted the significant challenges of achieving capital receipts against the difficult economic environment which has existed over this period, which resulted in annual shortfalls against the initial annual capital receipts target.

- 8.2 Capital receipts for 2016/17 were originally forecast to be between £1.289m and £1.925m. However over the course of the year significant sales were re-profiled into future years and the forecast was revised down to between £0.388m and £0.363m. Actual net receipts achieved totalled £0.214m. The shortfall against the revised forecast was predominantly the result of the delay in the sale of Melrose House, a custodian property managed by Middlesbrough Council.
- 8.3 At 31st March 2017 total capital receipts of £4.489m have been achieved against a target of £7.380m as summarised in the below table:

Description	Capital Receipts Target £'000
Existing Capital Receipts Target	7,500
One off Costs for Implementing 17/18 & 18/19 Savings Programme	300
Forecast Reduced Funding Requirement for the HMR Scheme	(300)
Forecast Reduced Funding Requirement for the Brierton Scheme	(120)
<b>Current Capital Receipts Target</b>	<b>7,380</b>
Net Capital Receipts Achieved at 31 March 2017	(4,489)
<b>Capital Receipts Still to be Achieved to Meet Original Target</b>	<b>2,891</b>

- 8.4 Despite the shortfalls against the capital receipts target, the Council has benefitted from the expenditure commitments funded by capital receipts being incurred later than expected. In relation to the remaining expenditure commitments, not all of the remaining costs were incurred during 2016/17. This resulted in a lower amount of temporary prudential borrowing required to fund the temporary shortfall 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.
- 8.5 The following table provides a summary of the position and highlights the two 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, 2015/16 and 2016/17 and reflects the benefits of re-phased expenditure as detailed above and summarised in column D.

Year	Cumulative				
	A	B	C=A+B	D	E=C+D
	Planned Expenditure	Actual Net Capital Receipts	Potential Capital Receipts Shortfall Before Benefit of Rephased Capital Expenditure	Rephased Capital Expenditure	Actual Cumulative Year End Capital Receipts Shortfall
	£'000	£'000	£'000	£'000	£'000
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
2016/17	7,380	(4,489)	2,891	(1,646)	1,245

- 8.6 As the Council can access temporary borrowing at interest rates around the Bank of England base rate the actual cost of the temporary borrowing as outlined in column E is approximately £0.016m for the period 2012/13 to 2016/17. The annual cost has been funded from the overall interest cost budget.

## 9. CONCLUSION

- 9.1 As detailed in paragraph 3.4 there has been a 2016/17 net General Fund budget overspend of £0.262m. Whilst, this amount is lower than the worst case forecast overspend of £0.479m, the actual overspend emphasises the increasing financial challenges facing the Council.
- 9.2 As reported in the February 2017 Medium Term Financial Strategy (MTFS) report the actual 2016/17 overspend reflects continued pressures on services, in particular Adult Social Care services and Children's Services. These pressures are continuing in 2017/18 and are affecting the majority of councils with responsibility for these services.
- 9.3 At a national level the Government has recognised the Adult Social Care pressures through a combination of the revised Adult Social Care precept arrangements for 2017/18 to 2019/20 and the announcement in the Chancellor's March 2017 budget of additional funding for Adult Social Care.
- 9.4 The additional funding announced by the Chancellor's in the March 2017 budget is front loaded and only approximately £0.7m will be sustained until 2019/20. The sustainability of this funding beyond 2019/20 is uncertain and will be linked to the roll out of 100% Business Rates Retention (assuming this is a priority of the new Government). A further report on a recommended strategy for using these resources will be submitted to a future meeting.
- 9.5 As reported in the February 2017 MTFS report the Government has not identified any additional funding to address Children's Services pressures. For Hartlepool, and other North East councils, these pressures are already resulting in budget overspends. As detailed earlier in the report Children and Families budgets overspent by £2.5m reflecting higher levels of Looked After Children (LAC), including an increase in the number of high-cost, complex needs children being

placed with Independent Foster Agencies and Residential Placements, increases in In-House fostering placements and an increase in Care Proceedings budgets.

- 9.6 Whilst, officers are working to reduce these pressures this will be extremely challenging and it will take a number of years to reduce costs. There is a significant risk that it will not be possible to reduce costs back to the level of the base budget. Analysis by the Local Government Association estimates that by 2020 Children's services will face a £1.9 billion funding shortfall.
- 9.7 In summary the revenue outturn position for 2016/17 highlights the continuing financial pressures on the Council's budget. As further budget reductions are implemented over the next two years (2018/19 and 2019/20) it will become increasingly challenging to manage budget risks.
- 9.8 The achievement of the existing capital receipts target of £7.380m remains challenging and receipts of £4.489m have now been achieved. It is anticipated that the remaining balance of £2.891m will be achieved from planned receipts and progress will continue to be made.

## **10. RECOMMENDATIONS**

### **10.1 It is recommended that Members:**

- i) Note the 2016/17 General Fund overspend of £0.262m, which although lower than the worst case forecast of £0.479m, reflects continued pressure on services and the Council's overall financial position.
- ii) Note the 2016/17 General Fund overspend has been funded from a combination of using part of the uncommitted Protection Costs Reserve (£0.126m) and Unearmarked General Fund Reserve (£0.136m).
- iii) Approve the proposals that a strategy for using the residual uncommitted balance of the Protection Costs Reserve of £0.067m (i.e. balance 01.04.16 £0.193m less allocated recommendation (ii) £126,000) is developed as part of the 2018/19 budget process to reflect the overall financial position of the Council prevailing at the time.
- iv) Note as at 31.03.17 capital receipts of £4.489m have been achieved leaving £2.891m of the existing target to be achieved from future planned land sales.

### **10.2 In accordance with the authority delegated by Council within the approved MTFS for 2017/18 it is recommended that Members:**

- i) Approve the proposals detailed in paragraphs 7.8 to use £0.4m from the Regeneration Projects Fund to provide the temporary funding necessary to deliver the Seaton CCF project within the necessary timescales,
- ii) Note that (i) above will mean that commitments against the £2.862m funding will total £2.017m leaving a balance of £0.845m available to support future Regeneration Schemes.

- iii) That when the Capital Receipt is achieved the value of the amount secured, which may be more or less than the £0.300m, will be transferred back into the Regeneration Fund to support future regeneration schemes.

## **11. BACKGROUND PAPERS**

Strategic Financial Management Report – as at 31<sup>st</sup> December 2016 report to Finance and Policy Committee 10.02.17.

Strategic Financial Management Report – as at 30<sup>th</sup> September 2016 to Finance and Policy Committee 02.12.16.

Strategic Financial Management Report – as at 31<sup>st</sup> July 2016 to Finance and Policy Committee 05.09.16.

## **12. CONTACT OFFICER**

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**Summary of 2016/17 General Fund Outturn**

	<b>Worst Case Forecast - Overspend/ (Underspend)</b>	<b>Actual - Overspend/ (Underspend)</b>	<b>Increase/ (Decrease) in overall forecast overspend</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Departmental Budgets</b>			
Chief Executive's Dept	(405)	(466)	(61)
Adult Services	(1,038)	(1,038)	0
Regeneration and Neighbourhoods	(100)	(45)	55
Total Underspends	(1,543)	(1,549)	(6)
Children's Services	1,613	1,641	28
Adult Reserve not released	725	725	0
Public Health - General Fund	275	218	(57)
<b>Total Departmental Budget Overspend</b>	1,070	1,035	(35)
<b>Non Departmental issues</b>			
Corporate Budgets	(2,400)	(2,575)	(175)
Allocated to fund one off priorities to be determined as part of MTFS	1,860	1,860	0
<b>Sub Total (Departmental overspend less net corporate budget underspend)</b>	530	320	(210)
Uncommitted 2015/16 Outturn	(51)	(58)	(7)
<b>Net Overspend</b>	479	262	(217)

<b>Funding Strategy to address Net Overspend</b>	<b>£'000</b>
Release Protection Costs Reserve	126
Use of General Fund Reserve	136
One off Funding Allocated to Fund Net Overspend	262

## REVENUE FINANCIAL OUTTURN REPORT FOR FINANCIAL YEAR 2016/17

Approved 2016/2017 Budget	Description of Service Area	Outturn Variance Adverse/ (Favourable)	Director's Explanation of Variance
£'000		£'000	

## Finance and Policy Committee

(163)	Benefits	(78)	Favourable variance is owing to a vacant post, reduced hours and some posts not being at the top of the grade. £38k favourable variance on Fraud and Error Reduction Incentive Scheme (FERIS), has been used to create a reserve to address 2017-18 DWP Housing Administration Grant cuts to mitigate impacts on benefit service standards.
(882)	Central Administration Recharges	8	
1,001	Corporate Finance	(98)	Vacancies which were being held for 2017-18 savings and several posts not being at the top of the grade, along with a saving achieved on bank charges, have contributed to this favourable variance.
643	Corporate Strategy & Public Consultation	(3)	
(143)	Housing Benefits Subsidy	(126)	Favourable variance of £42k additional grant from DWP for Universal Credit, has been used to create a reserve to address 2017-18 DWP Housing Administration Grant cuts. The remaining favourable variance is owing to the final claim on Housing Benefit Subsidy Grant which generates £46 million in subsidy.
191	Democratic	(10)	The favourable variance is owing to savings achieved on printing, staffing and supplies and services.
76	Fraud	(18)	
926	Customer and Support Services	(2)	
452	Human Resources & Health and Safety	(49)	The favourable variance is owing to temporary staff savings.
233	Internal Audit	(26)	Reduced working hours and overtime, reduced mileage and some additional income generation have contributed to the favourable variance.
410	Legal Services	(12)	A favourable variance is owing staff savings but this has been partially offset by a reduction in Land and Property Income within the Legal Section.
198	Municipal Elections and Registration of Electors	(55)	The favourable variance is owing to combined elections in May and no additional by-elections within the financial year.
(80)	Other Office Services	74	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.
85	Public Relations	1	
(107)	Registration Services	7	The adverse variance is owing to reduced income generation on both birth and death registration owing to services moving to North Tees Hospital.
884	Revenues	(20)	Staff savings have contributed to this favourable variance.
(435)	Revenue & Benefits Central	0	
70	Scrutiny	(12)	The favourable variance is owing to maternity leave savings and a return on reduced hours.
659	Shared Services	(1)	
123	Support to Members	(2)	
15	Training & Equality	(9)	Favourable variance on training courses and Diversity.
385	Corporate Management Running Expenses	(35)	The favourable variance is owing to some staffing savings on posts not being at the top of the grade, which is partly offset by a shortfall on the Trade Union budget.
4,541	Finance and Policy Total (Before Creation of Reserves)	(466)	

## CREATION OF RESERVES

The above figures include the 2016/2017 outturn position after the creation of Departmental Reserves.

The details below provide a breakdown of the reserves created in 2016/17

Approved 2016/2017 Budget	Description of Service Area	Actual Reserve Created	Director's Explanation of Variance
£'000		£'000	
0	FERIS Grant Project	38	Reserve created from favourable variance of £38k on Fraud and Error Reduction Incentive Scheme (FERIS), earmarked to address 2017-18 DWP Housing administration grant cuts to mitigate impacts on benefit service standards.
0	New Burdens Grant	47	The DWP Housing Administration Grant has reduced by almost a third since 2012-13.
0	Universal Credit Grant	42	The favourable variance on this schemes is earmarked to address a potential grant cut in 2017-18.
0	Benefit Grant Changes	38	
0	Customer Services - ICT Development	25	Reserve created to assist with the implementation of the Council's new digital solution - Firmstep. It is anticipated that this reserve will be utilised during 2017-18.
0	HR - Loss of income	25	Reserve created to support the HR budget owing to loss of income from school buybacks.
0	Public Relations	10	Reserve created to support changes to the Council's new branding guidelines.
0	Individual Electoral Registration Grant	4	Individual Electoral Registration Grant funding to be carried forward into 2017-18.
4,541	Chief Executives Total - Net of Reserves	229	

**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 £'000	Description of Service Area	Actual Usage 2016/2017 £'000	Variance Over/ (Under) £'000	Director's Explanation of Variance
<b>Finance and Policy Committee</b>				
(49)	Corporate Strategy - ICT System Development	0	49	Reserve to fund transition costs in relation to technology and mobile working, and any costs attributable to keeping the authority PSN compliant.
(5)	Corporate Strategy - Performance Management	(5)	0	
(5)	Registrars	0	5	
(9)	Resource Investment - HR	0	9	
(36)	Legal	(36)	0	
(10)	Finance - IT Investment Shared Services	0	10	
(193)	Chief Executive's Department Ring Fenced Grants	(108)	85	Chief Executive Department Ring Fenced Grants including those created in 2015-16 to support the DWP Housing Administration Grant in 2016-17.
(307)	<b>Total</b>	(149)	158	

## REVENUE FINANCIAL OUTTURN REPORT FOR FINANCIAL YEAR 2016/17

Approved 2016/2017 Budget  £'000	Description of Service Area	Outturn Variance Adverse/ (Favourable)  £'000	Director's Explanation of Variance
<b>Adult Committee</b>			
0	Carers & Assistive Technology	(4)	
3,540	Commissioning & Adults General	86	This reflects increased costs within premises and contracted services including Housing Related Support and historic rates charges.
1,358	Commissioning-Mental Health	168	This reflects an increase in the number of people accessing services over the last 12 months and has been identified as an on-going budget pressure.
10,079	Commissioning-Older People	(615)	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 mainly relates to increased income from the CCG for jointly-funded packages where people have identified health needs, however the nature of this budget area means that this increase may not be sustainable in the future. This budget area will be realigned during 2017/18 to partly offset the planned use of reserves to balance the budget.
0	Deprivation of Liberty Standards (DoLS) - Pressure	284	The overspend relates to new statutory responsibilities and a dramatic increase in activity following a Supreme Court Judgement.
8,168	Commissioning-Working Age Adult	(138)	There is a significant degree of volatility associated with the learning disability budget including high cost packages of care and the levels of contribution from the CCG, the Transforming Care Agenda and the number and complexity of transitions from children's services to adult services. An increase in the number of people with health needs who are eligible for jointly-funded CCG packages of care has helped offset some of the increased costs however as detailed in the 2017/18 Savings Reports on-going pressures remain in this area regarding both transitions and Transforming Care.
0	Commissioning - Direct Payments Support Services Contingency Funding	(344)	This is funding previously held by the external provider of Direct Payment Support Services within individual client accounts which mainly relates to the funding of 'contingencies' within their Direct Payments to cover redundancy, sickness cover and any other unexpected payments. There has also been a review of all managed accounts that have ended to ensure they have been reconciled and, where applicable, all uncommitted funds returned to the authority. A new approach to management of Direct Payments and contingencies has been implemented which means that one off benefits of this nature will not be possible in future years.
216	Complaints & Public Information	10	
463	Departmental Running Costs	(123)	This underspend reflects early achievement of 2017/18 savings from under spends across various supplies and services budgets.
752	Direct Care & Support Team	(97)	A staffing restructure to enhance Telecare services was implemented during Quarter 4 therefore this underspend reflects the part year effect of the changes not being implemented.
403	LD & Transition Social Work	(20)	
2,569	Locality & Safeguarding Teams	(344)	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 salary bands 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.
715	Mental Health Services	(40)	Underspend relates to vacant posts (now filled), incremental drift and some non-pay budgets which contributed towards 2017/18 budget savings.
372	OT & Disability Equipment	114	Current usage and expenditure is higher than budgeted.
409	Workforce Planning & Dev	(1)	
1,159	Working Age Adult Day Services	26	
30,203	<b>Sub Total</b>	<b>(1,038)</b>	
(725)	Departmental Reserves required to fund shortfall in 2016/17 savings	725	The shortfall against the 2016/17 savings target was funded from within the overall outturn position to protect departmental reserves which are required to fund pressures while demand management initiatives are implemented.
29,478	<b>Adult Committee Sub Total</b>	<b>(313)</b>	
<b>Children's Committee</b>			
11,863	Children & Families	2,195	The overspend relates to a combination of historic budget pressures and an increase in numbers of 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 throughout the year. Care Proceedings legal costs and the need to increase staffing at Exmoor Grove and the Children's Home owing to the increasing complexity of need and the requirement to maintain staffing ratios have also contributed to the overspend. The overspend shown is net of using an element of Public Health reserve funding.
3,517	Early Intervention Services	(441)	The underspend mainly relates to vacant posts, incremental drift on salaries, under spends against supplies and services budgets and early achievement of 2017/18 budget savings.
4	Play & Care	8	
428	Youth Justice Service	(77)	This reflects an underspend against remand costs and staff vacancies.
208	Access to Education	(61)	One-off savings achieved as a result of restructuring of the Attendance Service and the BSF project being wound down which resulted in consultancy costs being lower than budgeted for.
120	Central Support Services	0	
522	Other School Related Expenditure	(15)	In year pension savings which have been identified as savings for the 2017/18 MTFS.
524	Raising Educational Achievement	20	School Improvement income was lower than anticipated by £32k, this was off set by additional income generation in the Data Team and one-off grant funding in Commissioning.
237	Special Educational Needs	20	During 2016/17 the department undertook a review of SEND, contributing £60k to the cost of consultancy. This spend was off set by one-off funding received by Education Psychology and SEND and one-off savings relating to vacant posts.
65	Strategic Management	(8)	
17,488	<b>Children's Committee Sub Total</b>	<b>1,641</b>	
47,691	<b>Child and Adult Total - Net of Reserves</b>	<b>1,328</b>	



**CREATION OF RESERVES**

The above figures include the 2016/2017 outturn position after the creation of Departmental Reserves.  
The details below provide a breakdown of the reserves created in 2016/17

Approved 2016/2017 Budget £'000	Description of Service Area	Actual Reserve Created £'000	Director's Explanation of Variance
0	Adults - BCF	133	This reserve was created from the Better Care Fund and will provide funding for 2 planned schemes which will not commence until 2017/18.
0	Adults - Youth Participation	7	This relates to project work for which income has been received but the work has slipped into the new financial year.
0	Children's - Children's Hub	30	This reserve was created from an underspend on a jointly-funded service which will provide contingency funding in future years.
0	Children's - Youth Justice Service	20	Contribution to existing reserves to provide on-going support to the service.
0	Children's - Commissioning	20	This reserve was created from an underspend on the service which will provide contingency funding in future years.
0	Children's - Data Team	20	Additional income generated in year, has been used to create a training and IT development fund for the Data Team
0	Children's - CETL	35	The CETL reserve has been created from additional income generated by the facility. The reserve will be used for building improvements
0	Children's - Education Psychology	58	Ringfenced grant funding from Emotional Wellbeing funding has been transferred to reserves, to be spent in 2017/18
0	<b>Child &amp; Adult Total</b>	<b>323</b>	

**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	Actual Usage 2016/2017 £'000	Variance Over/ (Under) £'000	Director's Explanation of Variance
<b>Adult Committee</b>				
0	BCF Risk Reserve	277	277	One-off contribution towards financial pressures arising from non-elective admissions to hospital.
50	BCF Project Management	49	(1)	This relates to the funding of a temporary post funded from the Better Care Fund Reserve.
31	Care Act Implementation	31	0	This relates to the funding of a temporary post funded from the Care Act Implementation Reserve.
81	<b>Adult Committee Sub Total</b>	<b>357</b>	<b>276</b>	
<b>Children's Committee</b>				
(15)	Schools Transformation Team	(15)	0	
(57)	Data Team	(30)	27	The residual balance was received as grant funding
(69)	School Improvement	(139)	(70)	The budget included reserve funding for a temporary member of staff, which was not filled. In addition £0.139m was used in year to fund school improvement projects in schools.
(169)	Education Commission	(150)	19	This is the in year cost of Education Commission projects
(231)	Transforming Tees	(147)	84	The net transfer to reserves relating to the regional partnership which the Council are the host authority
0	Public Health Reserve	467	467	This reflects the budgeted use of Public Health reserves to contribute in 2016/17 towards the wider Public Health agenda within Children's Services.
361	Better Childhood Programme	299	(62)	This is ring-fenced grant funding carried forward from 2015/16 to support the implementation of the Better Childhood Programme in 2016/17.
175	Early Intervention Reserve	175	0	This reserve was released to fund additional social work requirements.
0	Local Safeguarding Children's Board	58	58	This specific reserve was required to contribute towards the costs of the Serious Care Review.
11	Independent Support / Short Breaks	6	(5)	This is ring-fenced grant funding carried forward from 2015/16 to support the Short Breaks Programme in 2016/17 and 2017/18.
6	<b>Children's Committee Sub Total</b>	<b>524</b>	<b>518</b>	

MEMO:-	Dedicated Schools Grant	Actual	Outturn Variance Adverse/ (Favourable)	Comments
4,191	Early Years	4,169	(22)	The funding for Early years is based upon participation levels. This is lagged funding, this will be reimbursed in 2016/17.
8,106	High Needs	8,225	119	A full review is currently underway to manage this volatile demand led budget. The overspend has been funded using brought forward DSG reserve balances.
35,649	Schools	35,517	(132)	The surplus predominantly relates to in year business rate adjustments.
0	Net Contribution to reserves	35	35	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.
47,946	<b>Dedicated Schools Grant Total</b>	<b>47,946</b>	<b>0</b>	

## REVENUE FINANCIAL OUTTURN REPORT FOR FINANCIAL YEAR 2016/17

Approved 2016/2017 Budget  £'000	Description of Service Area	Outturn Variance Adverse/ (Favourable)  £'000	Director's Explanation of Variance
<b>Finance and Policy Committee</b>			
<b>Public Health Grant</b>			
1,521	Children's Public Health	(143)	The variance relates to contract efficiencies achieved to date on the Young Peoples Health & Wellbeing and 0-5 contract. These savings will be used to support the 17/18 savings programme.
0	Health Protection	0	
732	Miscellaneous Public Health Services	16	The adverse variance relates to the costs associated with the demand led Primary Prevention Programme.
102	NHS Health Check Programme	(50)	The favourable variance relates to costs associated with the demand led Community Health Checks Programme.
154	Obesity	(2)	
165	Physical Activity	(11)	The favourable variance relates to an underspend on Physical Activity projects delivered by Sport and Recreation. Funding will be provided in 17/18 to support these projects.
862	Prescribing	(133)	The favourable variance reflects a lower than anticipated charge from providers for dispensing and supervised consumption.
889	Public Health Advice	(99)	The variance relates to a refund received in year from the Tees Valley shared service. Future savings in this area will be used to support the 17/18 savings programme.
694	Sexual Health	(33)	The favourable variance relates to contract efficiencies achieved in this area. These savings will be used to support the 17/18 savings programme.
253	Smoking & Tobacco	3	
2,361	Substance Misuse	(161)	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 current reduction in placements and an underspend on salary costs.
(7,733)	Public Health Grant	0	
0	Public Health Ringfenced Grant - Transfer to Reserves	613	The Public Health Grant is ring fenced and any underspend will be transferred into a ring fenced reserve in line with the grant conditions.
0	<b>Public Health Grant Subtotal</b>	0	The overall position is after the creation of reserves.
<b>Public Health General Fund</b>			
675	Consumer Services	(36)	The favourable variance relates to an underspend on staffing costs offset by a shortfall in Licensing income.
675	<b>Public Health General Fund Subtotal</b>	(36)	
675	<b>Finance and Policy Sub Total</b>	(36)	
<b>Regeneration Committee</b>			
<b>Public Health General Fund</b>			
(5)	Environmental Protection	(4)	The variance reflects planned under spends within supplies & services which are offset by a shortfall on Rodent Control income.
(91)	Environmental Standards	62	Adverse variance relates to income pressures on Outdoor Markets.
524	Sports & Recreation Facilities	196	The adverse variance includes a shortfall in income and an overspend on running costs across the Service Area, including staffing costs. The current year variance also includes additional costs associated with health and safety issues identified in year. A review is underway to identify and address the budget pressures in this area.
428	<b>Public Health General Fund Subtotal</b>	254	
428	<b>Regeneration Sub Total</b>	254	
1,103	<b>Total Public Health - General Fund</b>	218	
1,103	<b>Public Health Total</b>	218	

## CREATION OF RESERVES

The above figures include the 2016/2017 outturn position after the creation of Departmental Reserves.

The details below provide a breakdown of the reserves created in 2016/17.

Approved 2016/2017 Budget  £'000	Description of Service Area	Actual Reserve Created  £'000	Director's Explanation of Variance
0	Public Health Ringfenced Grant	613	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	20	Reserve created to fund future maintenance costs as required by the Football Foundation Grant Conditions.
1,103	<b>Public Health Total - Net of Reserves</b>	633	

## 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	Actual Usage 2016/2017  £'000	Variance Over/ (Under)  £'000	Director's Explanation of Variance
<b>Finance &amp; Policy Committee</b>				
33	PCT Reserve	33	0	
40	Drugs Action Team Reserve	35	(5)	This variance relates to the profile of expenditure over years.
184	Public Health Grant Reserve	184	0	
<b>Regeneration Committee</b>				
69	Sport and Recreation Reserve	69	0	
326	<b>Total</b>	321	(5)	

## REVENUE FINANCIAL OUTTURN REPORT FOR FINANCIAL YEAR 2016/17

Approved 2016/2017 Budget	Description of Service Area	Outturn Variance Adverse/ (Favourable)	Director's Explanation of Variance
£'000		£'000	
<b>Finance &amp; Policy Committee</b>			
1,088	Community Safety & Engagement	(8)	
2,452	Strategic Management, Admin & Service Development	(4)	
59	Procurement and Reprographics	7	
89	Estates & Asset Management	79	The variance relates to a shortfall in Fee income generated.
(345)	Building Design and Management	305	The variance relates to a shortfall in Fee income generated.
758	Facilities Management & Logistics	(177)	This is a volatile area which includes a number of Trading Activities. The variance includes favourable variances on Building Maintenance and School Catering which has been partly offset by an adverse variance in Functions Catering, the Garden Centre and Building Cleaning.
<b>4,101</b>	<b>Finance &amp; Policy Committee Sub Total</b>	<b>202</b>	
<b>Regeneration Services Committee</b>			
0	Adult Education	(687)	The favourable variance mainly relates to a surplus generated on the European funded schemes which ended in 2015/16.
20	Archaeology Services	0	
50	Community Centres	(5)	
664	Cultural Services	39	The variance mainly relates to the pre-transfer costs associated with the Hartlepool Maritime Experience.
970	Libraries	(4)	
(3)	Building Control	0	The shortfall in income of £96k has been funded from the Income Risk Reserve in year.
229	Planning Services	100	The adverse variance relates to a shortfall in planning income against budgeted levels. The income risk reserve set aside to cover potential shortfalls in Building Control and Development Control income has been used to fund part of this shortfall in 2016/17.
535	Housing Services	1	Income received in advance from the Selective Licensing Scheme has been transferred into a ringfenced reserve to fund the running costs associated with the scheme during the life of the programme.
752	Economic Regeneration	(2)	
<b>3,217</b>	<b>Regeneration Committee Sub Total</b>	<b>(558)</b>	
Approved 2015/2016 Budget	Description of Service Area	Projected Outturn Variance - Adverse/ (Favourable) Worst Case	Director's Explanation of Variance
£'000		£'000	
<b>Neighbourhood Services Committee</b>			
(136)	Cemetery and Crematoria	(7)	The underspend on the revenue maintenance budget resulting from the major Capital investment in the Crematorium last year, and additional income generated from fees and charges, have been transferred to Capital to fund a refurbishment of the Chapel and other major repairs and maintenance liabilities in the future.
282	Parks, Open Spaces and Beach Safety	65	The adverse variance mainly relates to an overspend on maintenance costs associated with Children's Playgrounds.
212	Heritage and Countryside	31	The adverse variance relates to additional costs one-off costs incurred in relation to feasibility/survey work.
30	Allotments	2	
(454)	Car Parking	119	The adverse variance on Car Parking relates mainly to a shortfall on income.
415	Engineering Services	(2)	The underspend on the Coastal Protection revenue maintenance budget has been transferred to Capital to provide the match funding required on the Headland Capital scheme.
1,610	Grounds Maintenance	(2)	
1,773	Highway Maintenance and Transport Management	(16)	
(116)	Highways Trading	103	The adverse variance relates to a deficit on the Trading Account which is offset by an underspend on the Highways Revenue Maintenance budget below.
491	Highways Traffic & Transport Management	(84)	The favourable variance relates to an underspend on scheduled maintenance budgets in year.
1,328	Passenger Transport	(48)	This variance relates to an underspend on the Home to School Transport budgets which are demand led.
129	Road Safety	(3)	
(53)	Traffic & Transportation Strategic Management	53	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. This income target has been reduced as part of the 2017/18 budget build.
(11)	Vehicle Fleet	(150)	Variance relates to a temporary saving on vehicle borrowing costs as vehicles are kept for longer. A review of vehicles is ongoing and this may result in some vehicles being withdrawn and others financed over a longer period. Permanent savings are expected in this area and these have been factored into the budget proposals approved for future years.
1,123	Network Infrastructure	11	
0	Traffic Management	(4)	
2,423	Sustainable Transport	(128)	The favourable variance reflects the negotiated position on Concessionary Fares which is less than the agreed budget.
1,413	Street Cleansing	44	The adverse variance relates an overspend in general running costs.
4,796	Waste & Environmental Services	327	The adverse variance includes the cost of an additional collection round required in year owing to the growth of the town. A further round will be required in 17/18 and these budget pressures have been funded as part of the 2017/18 budget build. The adverse variance also includes additional costs associated with recycling and the Household Waste Recycling Centre.
<b>15,255</b>	<b>Neighbourhood Committee Sub Total</b>	<b>311</b>	
(157)	Departmental Reserves required to fund shortfall in 2016/17 savings	0	The shortfall against the 2016/17 savings target was funded from reserves. Permanent savings have been identified as part of the 2017/18 Budget Build.
<b>22,416</b>	<b>Regeneration &amp; Neighbourhoods Department Total</b>	<b>(45)</b>	

**CREATION OF RESERVES**

The above figures include the 2016/2017 outturn position after the creation of Departmental Reserves.  
The details below provide a breakdown of the reserves created in 2016/17

Approved 2016/2017 Budget £'000	Description of Service Area	Actual Reserve Created £'000	Director's Explanation of Variance
0	Youth Employment Initiative (YEI) - Match Funding Reserve	346	This represents funding earmarked to provide the match funding required to fund expenditure over years in line with the funding agreement.
0	Adult Education Reserve	266	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	Selective Licensing Reserve	46	This represents income received in advance which will be carried forward and earmarked to fund the costs associated with running the scheme over the 5 year period.
0	Libraries	30	System upgrades have been postponed to allow work on the Community Hub review to be finalised. Funding allocated in 2016/17 to replace the IT systems will be carried forward to fund this cost in 2017/18.
0	Cremator Maintenance Fund	20	Under spends in year on maintenance costs will be transferred to an earmarked reserve to fund additional planned maintenance costs in future years.
0	Ward Member Budgets	7	Represents the balance of funding remaining in 2016/17 for Ward Member Funds. This balance will be carried forward into 2017/18 to fund commitments in the new year.
<b>0</b>	<b>Regeneration and Neighbourhoods Total</b>	<b>715</b>	

**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	Actual Usage 2016/2017 £'000	Variance Over/ (Under) £'000	Director's Explanation of Variance
<b>Finance &amp; Policy Committee</b>				
157	Reserves to fund shortfall in 2016/17 savings	157	0	
80	School Catering	80	0	
9	Building Cleaning	9	0	
17	Civic Lottery	17	0	
0	Community Safety	12	12	This variance relates to the profile of expenditure over years.
<b>Regeneration Committee</b>				
210	Adult Education	210	0	
163	Seaside Grant	163	0	
100	Economic Regeneration Schemes	129	29	This variance relates to the profile of expenditure over years.
108	Seaton Community Centre Management	108	0	
0	Archaeology Projects	4	4	This reserve is earmarked to fund Archaeology projects over years. The variance relates to the profile of expenditure over years.
<b>844</b>	<b>Total</b>	<b>889</b>	<b>45</b>	

**Summary of 2016/17 One Off Resources Carried Forward to fund Expenditure Commitments**

<b>Table 1 General Fund Reserves</b>	<b>£000</b>
Delay in expenditure on Business Object Reporting (Social Care & Early Help) Project resulting in underspend, reserve required from underspend to fund project in 2017/18.	13
Additional income generated at the Centre for Excellence and Teaching to be used to fund replacement windows and modernise facilities.	35
Youth Participation - Funding received to undertake a Project which has slipped into 2017/18.	7
Youth Offending Service - Partnership Budget; This is the balance of the underspend over and above that previously agreed would contribute towards the departmental overspend; This will be transferred to the existing reserve to provide a contingency against further YJB grant reductions and service development.	20
HR favourable variance owing to temporary staff vacancies to fund loss of income from School buybacks in 2017-18.	25
PR favourable variance owing to temporary staff savings to fund new Council signage and branding in 2017-18.	10
Contribution from removing empty properties from the Council Tax system. This money has been earmarked to fund future Collection Fund deficits.	199
Safety Net Grant received in 2016/17 to be used in 2017/18 to fund Collection Fund Deficit.	7
Proceeds of Crime - £0.136m of this reserve has been earmarked to support the Northern Light Academy as approved by joint Finance & Policy Committee and Children Services Committee on the 12th June 2017. The remaining balance of £0.03m has been earmarked to fund future prosecution costs.	166
Environmental Apprentices - to fund apprentices in 2017/18	60
MPS -created to fund future replacement of printer hardware	13
Crucial Crew - represents contributions received in year. This funding will be carried forward and earmarked to fund future costs associated with the Crucial Crew scheme.	15
Ward Member Funds - represents the balance of funding remaining in 2016/17 for Ward Member Funds. This balance will be carried forward into 2017/18 to fund commitments in the new year.	7
Libraries IT - system upgrades have been postponed to allow work on the Community Hub Review to be finalised. Funding allocated in 2016/17 to replace IT systems will be carried forward to fund this cost in 2017/18.	30
Adult Education IT - balance of funding from the Regional Response fund is earmarked to fund an IT system upgrade in 2017/18.	20
Cremators Maintenance Fund - underspends in year on maintenance costs will be transferred to an earmarked reserve to fund additional planned maintenance costs in future years.	20
Selective Licensing - represents income received in advance which will be carried forward and earmarked to fund the costs associated with running the scheme over the 5 year programme.	46
<b>Total General Fund Reserves</b>	<b>693</b>

<b>Table 2 Ring-fenced Grant Reserves</b>	<b>£000</b>
Education Psychology, Emotional Well being Funding received to deliver the Future Minds Project	58
BCF Projects - This reserve has been created to fund two BCF projects which will not commence until 2017/18.	133
Children's Hub - Jointly funded with Stockton BC this is the element of underspend retained to support the service in future years.	30
Benefit Grant Changes Grant to be retained towards Benefit Subsidy Grant in future years.	38
Individual Electoral Registration Grant	4
Football Foundation 3G Pitch - this represents income generated by the 3G pitch which; in accordance with the grant conditions, must be transferred to an earmarked reserve to provide a sinking fund to cover future maintenance costs associated with the scheme.	20
Adult Education Reserve - this represents the balance of ring fenced grant funding from the academic year 2015/16. This funding is earmarked to support expenditure on Adult Education in future years in accordance with the grant conditions.	246
YEI Match Funding Reserve - ring fenced grant funding earmarked to fund the match funding requirement on the European Youth Employment Initiative. This funding will be required to match fund expenditure over years in line with the funding agreement.	346
Public Health Grant Reserve - ring fenced grant funding which must be carried forward and earmarked to support Public Health initiatives in future years; in accordance with the grant conditions.	613
<b>Total Ring-fenced Grant Reserves</b>	<b>1,488</b>

**FINANCIAL OUTTURN REPORT FOR FINANCIAL YEAR 2016/17**

	Approved Budget 2016/17  £'000	Actual Expenditure at 31/3/17  £'000	Outturn Variance Adverse/ (Favourable)  £'000	Notes
<b>Income</b>				
Dwelling Rents	(981)	(1,007)	(26)	
Charges for services and facilities	(2)	(2)	0	
Other Income	(15)	(19)	(4)	
Income sub total	(998)	(1,028)	(30)	
<b>Expenditure</b>				
Repairs and maintenance	211	253	42	1
Supervision and management	243	267	24	
Rents, rates, taxes and other charges	0	22	22	
Increase in provision for bad or doubtful debts	26	8	(18)	
Depreciation of fixed assets (Major Repairs Allowance)	224	179	(45)	2
Debt Management	8	8	0	
Expenditure sub total	712	737	25	
<b>Net cost of services</b>	(286)	(291)	(5)	
Interest payable	292	292	0	
HRA investment income	(6)	(8)	(2)	
<b>HRA Operating (Surplus) / Deficit for the year</b>	<b>0</b>	<b>(7)</b>	<b>(7)</b>	
<b>Movement on the HRA Reserve</b>				
HRA Reserve Opening Balance	0	0	0	
(Surplus)/Deficit for the year	0	(7)	(7)	
Transfer of Major Repairs Reserve to HRA	(530)	(530)	0	
<b>HRA Reserve Closing Balance</b>	<b>(530)</b>	<b>(537)</b>	<b>(7)</b>	

**Notes**

- 1 This is the first year that social housing has been accounted for within the . The overall level of repairs was still higher than anticipated, mainly owing to high levels of void repairs.
- 2 Depreciation is lower than the major repairs allowance included in the original business model. In future years the amount set aside will be based on the asset management plan and stock condition survey.

**CHILD AND ADULT SERVICES**

**4.3 APPENDIX H**

**CAPITAL MONITORING REPORT PERIOD ENDING 31ST MARCH 2017**

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 31/3/17 £'000	D  Expenditure Rephased into 2017/18 £'000	E  (C+D) 2016/17 Total Expenditure £'000	F  (E-B) 2016/17 Variance from Budget £'000		
Adult Committee									
7234	Chronically Sick and Disabled Persons Adaptations	309	309	12	297	309	0	MIX	
8108	Centre for Independent Living - New Build	3,694	3,694	3,480	214	3,694	0	MIX	
	Adult Committee Sub Total	4,003	4,003	3,492	511	4,003	0		
Children's Committee									
7469	Children's Centre's Capital	41	41	41	0	41	0	RCCO	
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	
8282	Exmoor Grove Satellite Provision	25	25	25	0	25	0	RCCO	
8783	Barnard Grove Primary School - Section 278 Works	12	12	0	12	12	0	GRANT	
8587	Brougham Primary School - Air Handling Unit Replacement	40	40	4	36	40	0	GRANT	
8890	Clavering Primary - Class Room Extension	264	264	264	0	264	0	GRANT	Scheme Complete.
8907	Clavering Primary School - Roofing Block A (Phase 2 of 2)	55	55	60	0	60	5	GRANT	Scheme Complete. Overspend to be funded from unallocated.
8898	CETL - Cafe/Meeting Area	10	10	10	0	10	0	RCCO	
7384	Devolved Schools Capital	721	721	496	225	721	0	GRANT	
8948	Eldon Grove Primary School - Dining Room Extension	231	231	0	231	231	0	RCCO	
7425	Eldon Grove Primary School - Increase Fence Line	28	28	2	26	28	0		
8947	Fens Primary School - Heating Distribution (Phase 2 of 3)	40	40	31	9	40	0	GRANT	
7923	Golden Flatts Primary School - Electrical Rewire (Phase 2 of 3)	95	95	98	0	98	3	GRANT	Scheme complete. Overspend to be funded from unallocated.
8734	Golden Flatts Primary School - Condensation mitigation works	15	15	0	0	0	(15)	GRANT	Scheme complete. Underspend to be transferred to unallocated funding.
8874	Golden Flatts Primary School - Emergency Boiler Replacement	40	40	55	0	55	15	GRANT	Scheme complete. Overspend to be funded from unallocated.
8947	Golden Flatts Primary School - Heating Distribution	50	50	26	24	50	0	GRANT	
8907	Golden Flatts Primary School - Roofing Replacement	66	66	61	0	61	(5)	GRANT	Scheme complete. Underspend to be transferred to unallocated funding.
8906	Grange Primary School - Window Replacement	30	30	32	0	32	2	GRANT	Scheme Complete. Overspend to be funded from unallocated.
8395	Greatham - Hot Water Boiler	4	4	4	0	4	0	GRANT	
8891	Hart Primary School - Classroom Extension	66	66	66	0	66	0	MIX	Scheme Complete.
8718	High Tunstall School - Roofing - Area of Block A Phased	59	59	0	59	59	0		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	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.
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.



**CHILD AND ADULT SERVICES**

**4.3 APPENDIX H**

**CAPITAL MONITORING REPORT PERIOD ENDING 31ST MARCH 2017**

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 31/3/17 £'000	D Expenditure Rephased into 2017/18 £'000	E (C+D) 2016/17 Total Expenditure £'000	F (E-B) 2016/17 Variance from Budget £'000		
8716	High Tunstall School - Window Replacement - Block A	156	156	0	156	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	31	0	31	(19)	GRANT	Scheme complete. Underspend to be transferred to unallocated funding.
8906	Kingsley Primary School - Window Replacement	48	48	19	0	19	(29)	MIX	Scheme complete. Underspend to be transferred to unallocated funding.
8603	Pupil Referral Unit - Security Barrier Fencing	5	5	5	0	5	0	RCCO	
8604	Pupil Referral Unit - Replacement Door sets with Security Doors	12	12	22	0	22	10		
								MIX	Following feasibility and further design it has become apparent the replacement of the external door set and a more robust door set system with electronic access control is required. Building regulation approval is also needed. Consequently this scheme has now increased in costs to £0.029m. Capital sub group have endorsed this increase in costs. This can be funded by funding currently unallocated.
7586	Purchase of Computer Equipment - City Learning Centre	4	4	0	4	4	0	RCCO	
8947	Rift House Primary School - Heating Distribution (1 of 2)	55	55	0	55	55	0	GRANT	
8907	Rift House Primary School - Roofing Replacement	85	85	27	58	85	0	GRANT	
8891	Rift House Primary School - Classroom Extension	662	662	84	578	662	0	MIX	
8819	Rossmere Primary School - Lighting/Emergency Lighting	27	27	5	0	5	(22)	MIX	Scheme complete. Underspend to be transferred to unallocated funding.
8692	Rossmere Primary School - Forest School	37	37	29	0	29	(8)	RCCO	Scheme complete. Underspend to be transferred to unallocated funding.
8906	Rossmere Primary School - Window Replacement	50	50	30	0	30	(20)	GRANT	Scheme complete. Underspend to be transferred to unallocated funding.
7421	School Travel Plans	2	2	0	2	2	0	GRANT	
8138	Schools General - BSF - ICT	610	610	586	24	610	0	GRANT	
8139	Schools General - BSF - ICT Infrastructure Costs	29	29	0	29	29	0	GRANT	
9004	Schools General - Contingency	146	146	0	146	146	0		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	316	316	0	457	457	141	GRANT	
9004	Schools General - RCCO Earmarked for Asbestos Surveys	25	25	24	1	25	0	MIX	This reflects net underspend that will be transferred from completed schemes.
9004	Schools General - Suitability RCCO Unallocated	698	698	0	758	758	60	RCCO	
9009	Schools ICT Spend	162	162	162	0	162	0	RCCO	This reflects under spends at St Cuthbert's Outdoor Area and West View Access Road.
8788	Schools General - Universal Free School Meals	53	53	10	43	53	0	GRANT	
8903	Springwell Primary School - Toilet Replacement	33	33	33	0	33	0	GRANT	Scheme Complete
8590	Springwell Primary School - Electrical Distribution System	57	57	17	40	57	0		
								GRANT	
7419	Springwell Primary School - Conservatory Conversion	85	85	49	36	85	0	RCCO	
8865	St Cuthbert's Primary School - Outdoor Area	96	96	54	0	54	(42)	RCCO	Scheme complete. Underspend to be transferred to unallocated funding.

## CHILD AND ADULT SERVICES

## 4.3 APPENDIX H

### CAPITAL MONITORING REPORT PERIOD ENDING 31ST MARCH 2017

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 31/3/17 £'000	D Expenditure Rephased into 2017/18 £'000	E (C+D) 2016/17 Total Expenditure £'000	F (E-B) 2016/17 Variance from Budget £'000		
7422	St Cuthbert's Primary School - Mobile Unit Toilet Extension	88	88	0	88	88	0	RCCO	
8945	St Helen's Primary School - Roofing Replacement	95	95	45	0	45	(50)	GRANT	Scheme complete. Underspend to be transferred to unallocated funding.
8947	St Helen's Primary School - Heating Distribution Emitters	40	40	32	0	32	(8)	GRANT	Scheme complete. Underspend to be transferred to unallocated funding.
7106	St Hilda's School - Security Barrier Fencing	29	29	29	0	29	0	RCCO	
7423	Sacred Heart Primary School - Car Parking Extension	12	12	0	12	12	0	RCCO	
7420	Stranton Primary School - Access Road and Pathways	19	19	0	19	19	0	RCCO	
7423	Stranton Primary School - Car Parking Extension	112	112	4	108	112	0	RCCO	
7521	Two year old Free Nursery Entitlement Capacity Building	23	23	0	23	23	0	GRANT	
7385	Ward Jackson Primary School - Disabled Access to Classroom 5	5	5	5	0	5	0		Scheme complete
8455	West Park Primary School - Door Entry System	6	6	7	0	7	1	RCCO	Scheme Complete. Overspend to be funded from unallocated.
8950	West Park Primary School - Rectify Sound Issues to Extension	7	7	9	0	9	2	RCCO	Scheme Complete. Overspend to be funded from unallocated.
	West Park Early Years Grant	157	157	0	157	157	0	GRANT	
8653	West View Primary School - Early Years Foundation Stage Improvements	153	153	5	148	153	0	RCCO	
7105	West View Primary School - Access Road and Pathways	109	109	88	0	88	(21)	RCCO	Scheme complete. Underspend to be transferred to unallocated funding.
<b>Children's Committee Sub Total</b>		<b>6,408</b>	<b>6,408</b>	<b>2,686</b>	<b>3,722</b>	<b>6,408</b>	<b>0</b>		
<b>Child &amp; Adult Services Total</b>		<b>10,411</b>	<b>10,411</b>	<b>6,178</b>	<b>4,233</b>	<b>10,411</b>	<b>0</b>		

#### Key

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

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

## CAPITAL MONITORING REPORT PERIOD ENDING 31ST MARCH 2017

Project Code	A	BUDGET		EXPENDITURE IN CURRENT YEAR				Type of financing	2016/17 COMMENTS
	Scheme Title	A	B	C	D	E	F		
		2016/17 and Future Years Budget £'000	2016/17 Budget £'000	2016/17 Actual as at 31/3/17 £'000	Expenditure Rephased into 2017/18 £'000	(C+D) 2016/17 Total Expenditure £'000	(E-B) 2016/17 Variance from Budget £'000		
Finance & Policy Committee									
8710	Drug & Alcohol Recovery Centre	35	35	4	31	35	0	GRANT	There has been some delays in completing the renovation work as a result of changes in service provider using the building. The building returned to the Council in April and work is now being commissioned which will spend the remaining budget in 17/18.
8946	Stepping Stones Grant	311	311	168	143	311	0	GRANT	Relates to the purchase and renovation of 'Gladstone House' for use by 'Addaction'. Renovation work is expected to be completed in 17/18.
	Finance & Policy Committee Sub Total	346	346	172	174	346	0		
Regeneration Committee									
8103	Swimming Scheme	54	10	10	0	10	0	MIX	This is earmarked to fund future equipment replacement costs and major repairs.
7992	Junior Football Pitches	26	0	0	0	0	0	MIX	To be used for future match funding.
8408	Mill House - Equipment Purchase	5	0	0	0	0	0	MIX	Earmarked to fund future equipment replacement costs.
8000	Mill House - Pool Hall Seating	5	5	5	0	5	0	GRANT	Funded from Section 106
8963	Headland Sport Centre - Techno Gym	6	6	6	0	6	0	GRANT	Funded from Section 106
8964	Brierton Sport Hall - Techno Gym	6	6	6	0	6	0	GRANT	Funded from Section 106
8689	Brierton Sports Fields	135	87	87	0	87	0	MIX	Scheme is ongoing and expected to be completed within budget.
8634	Brierton 3G Pitch	6	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.
New	Brierton Tennis Court	30	0	0	0	0	0	MIX	An amount was included in the original scheme for Brierton to be used as a match funding scheme when additional external funding can be found.
8951	Summerhill/Forest School 'Bags of Help'	12	12	12	0	12	0	GRANT	Grant funding from TESCO via Groundwork UK for development of Dipping Pond.
8016	Summerhill Multi User Route	4	4	4	0	4	0	GRANT	Funded from Section 106
8900	Summerhill - Play Area and Fencing	28	28	28	0	28	0	RCCO	Funded from an RCCO of £0.018 from 'Physical Activity' reserve and insurance fund of £0.010k.
8904	Summerhill Cafe	16	16	16	0	16	0	MIX	Work completed within budget.
8409	Sport & Youth Improvements	24	12	12	0	12	0	MIX	Relates to expenditure on new IT system at Carlton centre.
Regeneration Committee Sub Total		357	186	186	0	186	0		
Public Health Services Total		703	532	358	174	532	0		

## Key

RCCO Revenue Contribution towards Capital  
MIX Combination of Funding Types  
UCPB Unsupported Corporate Prudential Borrowing

GRANT  
CAP REC  
UDPB

Grant Funded  
Capital Receipt  
Unsupported Departmental Prudential Borrowing

## CAPITAL MONITORING REPORT PERIOD ENDING 31ST MARCH 2017

Project Code	Scheme Title	BUDGET		EXPENDITURE IN CURRENT YEAR				Type of Financing	2016/17 COMMENTS
		A	B	C	D	E	F		
		2016/17 and Future Years Budget £'000	2016/17 Budget £'000	2016/17 Actual as at 31/3/17 £'000	Expenditure Rephased into 2017/18 £'000	(C+D) 2016/17 Total Expenditure £'000	(E-B) 2016/17 Variance from Budget £'000		
Finance & Policy Committee									
8306	School Catering Equipment	353	0	0	0	0	0	RCCO	Amounts set aside from the revenue budget to meet the capital cost of kitchen equipment replacement, Including an RCCO of £0.080m in 16/17.
8796	Depot Relocation/Church Street Regeneration	1,031	1,031	1,031	0	1,031	0	MIX	Includes an RCCO of £0.109m to fund the scheme as a result of additional works required for Health & Safety.
CAD	Loan to Cleveland College of Art & Design	1,500	1,500	1,500	0	1,500	0	UCPB	
8793	Brierton Site Development	31	31	11	20	31	0	MIX	
Finance & Policy Committee Sub Total		2,915	2,562	2,542	20	2,562	0		
Regeneration Committee									
7218	Housing - Disabled Facility Grants	1,409	1,409	1,079	330	1,409	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 allocated 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	67	67	36	31	67	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. Additional refunds received in year increased the available budget resulting in rephased funding to be used next year.
8155	Housing - Preventing Repossession	20	20	8	12	20	0	GRANT	This is a demand led budget.
8795	Housing - Empty Home Phase 2	3,014	1,535	1,535	0	1,535	0	MIX	The budget has been reprofiled following agreement with the Homes & Communities Agency (HCA) and includes £0.140m former Right to Buy receipts to cover the additional costs of acquiring 5 new builds. This budget also includes an RCCO of £0.014m from the grant funded Syrian Resettlement Programme.
8799	Housing - Major Repairs	32	32	32	0	32	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 plan to be reported later in the year.
8605	Housing - North Central Hartlepool Housing Regeneration	675	675	6	669	675	0	CAP REC	The remaining budget on this scheme has been earmarked to contribute towards the development undertaken by Place First.

## CAPITAL MONITORING REPORT PERIOD ENDING 31ST MARCH 2017

Project Code	Scheme Title	BUDGET		EXPENDITURE IN CURRENT YEAR				Type of Financing	2016/17 COMMENTS
		A	B	C	D	E	F		
		2016/17 and Future Years Budget £'000	2016/17 Budget £'000	2016/17 Actual as at 31/3/17 £'000	Expenditure Rephased into 2017/18 £'000	(C+D) 2016/17 Total Expenditure £'000	(B-F) 2016/17 Variance from Budget £'000		
8308	Morrison Hall Loan to NDC Trust	6	6	0	6	6	0	UDPB	
7530	Developers Contributions (Section 106)	848	848	0	848	848	0	GRANT	Relates to amounts received and earmarked for purposes specified in developer agreements.
8591	Coast Protection - Headland Town & Block Sands	5,234	5,234	4,228	1,006	5,234	0	MIX	Ongoing scheme to upgrade key coastal structures on the Headland Walls and Block Sands as per Council report 21st July 2014. Includes an RCCO of £0.1m to reduce the borrowing requirement.
8444	Coast Protection - Town Wall Strengthening	61	61	15	46	61	0	GRANT	Scheme now completed in quarter 1 of 2017/18
8578	Coast Protection - South Management Unit Study	30	30	0	30	30	0	GRANT	Study now reprogrammed for next year.
8908	Coast Protection - North Gare Resurfacing	30	30	30	0	30	0	RCCO	
9008	ISQ - Church Street Match Funding	328	328	2	326	328	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	50	0	50	0	MIX	Funding for the development stage of the above HLF Scheme.
8956	ISQ - Church Square	312	312	23	289	312	0	GRANT	Includes Single Pot grant funding and TESCO s106 funding to be used in conjunction with Single Pot funding to be confirmed in 17/18.
8901	ISQ Workspace - LGF	125	125	116	9	125	0	GRANT	Relates to costs associated with the acquisition of the former post office building. Additional Single Pot Funding to be confirmed in 17/18 after successful completion of due diligence.
7043	ISQ Church Street - Public Realm	72	72	52	20	72	0	GRANT	Funded from interim Single Pot Development grant. The full grant will become available after successful completion of due diligence in 17/18
8889	Seaton Masterplan	286	286	286	0	286	0	MIX	Relates to costs incurred to date and excludes amounts set aside for potential future purchase of the site. Also excludes 2017/18 budget in relation to the £1.3m Coastal Communities scheme.
7092	Jacksons Landing Demolition	42	42	42	0	42	0	RCCO	Funding approved by Council on 8th September, 2016.
7238	Museum Exhibition	6	6	6	0	6	0	GRANT	
8394	Central Library works	2	2	2	0	2	0	RCCO	Residual work from 15/16 scheme now complete.
8429	Adult Education - IT	27	7	1	6	7	0	RCCO	Costs associated with the required IT system upgrade.
8700	Waverley Terrace Allotments	30	30	30	0	30	0	GRANT	Relates to completion of scheme started in 15/16 using Lottery funding.
Regeneration Committee Sub Total		12,706	11,207	7,579	3,628	11,207	0		

## CAPITAL MONITORING REPORT PERIOD ENDING 31ST MARCH 2017

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 31/3/17 £'000	D Expenditure Rephased into 2017/18 £'000	E (C+D) 2016/17 Total Expenditure £'000	F (B-F) 2016/17 Variance from Budget £'000		
Neighbourhoods Committee									
7006	Seaton Carew Car Parking	75	75	62	13	75	0	RCCO	This scheme will be completed in the early part of 2017/18.
7243	Seaton Parking Pay & Display Machines	60	60	10	50	60	0	UDPB	Approved as part of the Car Parking charges strategy report presented to F&P in November, 2016.
7272	Wheelie Bin Purchases	83	83	83	0	83	0	MIX	The annual budget for new wheelie bins includes RCCO of £0.023m to meet the shortfall of expected demand led costs in year.
7466	DSO Vehicle Purchases	2,035	2,035	961	1,074	2,035	0	UDPB	The replacement of vehicles has been kept to the minimum possible while services are reviewed which has resulted in a rephased budget.
7508	Anhydrite Mine	193	193	193	0	193	0	MIX	Scheme now complete. Includes an RCCO of £0.088m from the coast protection revenue budget.
7878	Community Safety CCTV Upgrade/Relocation	419	419	86	333	419	0	MIX	The relocation of the monitoring centre will be complete by end of June 2017.
CR	Chapel refurbishment	348	75	28	47	75	0	RCCO	Essential works are required to the chapel. This includes funding transferred from the 16/17 Cemeteries and Crematorium revenue budget.
8829	Garden of Remembrance	12	12	12	0	12	0	RCCO	Completion of the scheme started in 15/16.
Allot	Allotments Improvements	338	338	101	237	338	0	UDPB	The Neighbourhoods Committee at its meeting on 27th July 2016 approved for £0.100m to be rephased to fund relocation costs as a result of the future expansion of Stranton Cemetery.
LTP	Local Transport Plan (LTP) Schemes	3,121	3,121	2,209	912	3,121	0	GRANT	Consists of various highways schemes. The rephased element reflects the need to carry forward funding as a result of unforeseen delays.
8954	LGF - A689 Cycleway Phase 1	127	127	89	38	127	0	GRANT	Scheme to be completed early 17/18.
8955	LGF - Access to Oaksway	80	80	36	44	80	0	GRANT	Scheme to be completed early 17/18.
8958	Elwick Bypass - Growing Places	600	600	3	597	600	0	GRANT	Grant received for feasibility surveys mainly occurring in 17/18.
7005	Waverley Terrace Road Safety Improvements	217	217	126	3	129	(88)	CAP REC	Original spec for this scheme has reduced resulting in favourable variance as shown. This reflects a transfer of funding of £0.013m to Victory Square scheme.
8905	Clavering Footpath	16	16	16	0	16	0	GRANT	Funded by Hartlepool Heritage & Green Spaces Group
7900	EA Marina - North Pier	30	30	0	30	30	0	GRANT	Local Levy Funding received in January to fund future study.
7903	EA - Various Drainage Scheme studies	60	60	0	60	60	0	GRANT	Grant received in March for 3 future studies.
PLAY	Parks & Playgrounds	152	152	56	96	152	0	GRANT	This budget is for ongoing major works to ensure the safety of parks and playgrounds. Includes some ongoing section 106 funded schemes.
8784	Street Lighting Replacement	339	339	339	0	339	0	MIX	Includes column replacement.
8895	Tees Valley Bus Network Improvement Schemes	139	139	139	0	139	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 to fund works on the Catcote/Oxford Road junction.
8897	Burn Road Recycling Centre Redevelopment	250	250	23	227	250	0	MIX	Improvements as detailed in the 16/17 MTFS. The budget also includes a RCCO of £0.160m to meet the actual cost of works.
Neighbourhoods Committee Sub Total		8,559	8,286	4,500	3,698	8,198	(88)		
Regeneration & Neighbourhoods Total		24,180	22,055	14,621	7,346	21,967	(88)		

## Key to Type of Financing

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 2017

Project Code	Scheme Title	BUDGET		EXPENDITURE IN CURRENT YEAR				Type of Financing	2016/17 COMMENTS
		A	B	C	D	E	F		
		2016/17 and Future Years Budget £'000	2016/17 Budget £'000	2016/17 Actual as at 31/3/17 £'000	Expenditure Rephased into 2017/18 £'000	(C+D) 2016/17 Total Expenditure £'000	(E-B) 2016/17 Variance from Budget £'000		
Finance & Policy Committee									
7091	City challenge Clawback	213	213	0	213	213	0	Grant	This funding has been allocated towards 2017/18 MTFS reserve as approved by council on the 23rd February 2017
7260	City Challenge Clawback - Burbank / Murray Street	83	83	0	83	83	0	RCCO	
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	37	37	26	11	37	0	MIX	
	Point to Point Encryption	20	20	0	20	20	0	MIX	
	Corporate Projects	79	79	0	79	79	0	MIX	
Chief Executives Total		466	466	26	440	466	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 2017

Project Code	Scheme Title	BUDGET		EXPENDITURE IN CURRENT YEAR				Type of Financing	2016/17 COMMENTS
		A	B	C	D	E	F		
		2016/17 and Future Years Budget £'000	2016/17 Budget £'000	2016/17 Actual as at 31/3/17 £'000	Expenditure Rephased into 2017/18 £'000	(C+D) 2016/17 Total Expenditure £'000	(E-B) 2016/17 Variance from Budget £'000		
Finance & Policy Committee									
7200	Civic Centre Refurbishment	89	89	10	79	89	0	MIX	Survey work complete. Progressing to design stage.
8959	Civic Centre Council Chamber Refurb	126	126	114	12	126	0	MIX	Scheme complete. Awaiting final account.
8142	School Kitchen Upgrades	49	49	0	49	49	0	RCCO	Scheme has been placed on hold.
8171	Corporate Planned Maintenance - Footpath Repair - Grayfields	16	16	1	15	16	0		Scheme has been placed on hold.
7036	Unallocated Council Capital Fund	136	136	0	136	136	0	MIX	
7036	CCF - Council Priorities	45	45	0	45	45	0	UCPB	
9007	Indoor Bowls Centre Refurbishment	190	190	0	190	190	0	CAP REC	
7041	Corporate Planned Maintenance Unallocated	141	141	0	141	141	0	RCCO	Scheme on hold.
8776	Town Hall Theatre Replace Stage Lighting Controls	50	50	0	50	50	0	MIX	
new	Borough Hall - Wet Rot	5	5	0	5	5	0	RCCO	Specification to be agreed with Client.
7634	Borough Hall - External Redecoration	5	5	0	5	5	0		The funding for this scheme is no longer required. The works were completed as part of another scheme. Funding can be returned to CCF Unallocated.
8798	Mill House Replace Chemical Dosing System	2	2	0	2	2	0	RCCO	This scheme is ongoing. The work should be completed by the end of June.
8894	Aneurin Bevan House Roof Replacement	33	33	19	14	33	0	RCCO	
7101	Aneurin Bevan House Accessibility Works	32	32	14	18	32	0	CORP	Scheme complete. Awaiting final account.
7617	Borough Hall Lighting and Wiring	40	40	0	40	40	0	CORP	Scheme is ongoing.
8867	Borough Hall Structural Works	27	27	0	27	27	0	CORP	Specification to be agreed with Client.
8967	Carlton Outdoor Centre Replace Hot Water System	13	13	0	13	13	0	CORP	Design work now complete. The scheme has now been submitted for pricing.
7589	CETL- Replace Heating Controls	45	45	0	45	45	0	CORP	Scheme has now started. An installation date is to be agreed.
7039	Hartlepool Art Gallery Accessibility Works	40	40	21	19	40	0	CORP	Scheme is currently at design stage.
7994	Mill House Electrical Distribution Board Replacement	25	25	0	25	25	0	CORP	Scheme to be complete June 2017.
7629	Mill House Replacement Pool Covers	20	20	0	20	20	0		First phase now complete. Second phase to start in September.
8866	Rossmere Youth Centre Roof Replacement	50	50	0	50	50	0	CORP	Initial investigation now complete. Awaiting confirmation from client that the works are still required.
8893	Town Hall Lighting and Distribution Board Replacement	18	18	0	18	18	0	CORP	Scheme has been reduced to the value of £17k. The remainder of funding will be returned to CCF Unallocated.
7472	Victory Square Improvements	66	66	53	13	66	0		Work to distribution board now complete. Awaiting instruction from client regarding lighting requirement.
7098	8/9 Church Street Emergency Exits	7	7	0	7	7	0	CORP	Scheme ongoing
7099	Mill House Replace Dry Side Flooring	19	19	0	19	19	0	CAP REC	Scheme to be agreed by Building Control.
7100	Mill House Gas Pipe Renewal	10	10	5	5	10	0	CAP REC	The funding for this scheme is no longer required. The works were completed as part of another scheme. Funding can be returned to CCF Unallocated.



## CAPITAL MONITORING REPORT PERIOD ENDING 31ST MARCH 2017

Project Code	Scheme Title	BUDGET		EXPENDITURE IN CURRENT YEAR				Type of Financing	2016/17 COMMENTS
		A	B	C	D	E	F		
		2016/17 and Future Years Budget £'000	2016/17 Budget £'000	2016/17 Actual as at 31/3/17 £'000	Expenditure Rephased into 2017/18 £'000	(C+D) 2016/17 Total Expenditure £'000	(E-B) 2016/17 Variance from Budget £'000		
Finance & Policy Committee									
7101	Newburn Bridge Pitched Roof Replacement	33	33	0	33	33	0	CAP REC	Scheme has been cancelled. An investigation by a specialist contractor resulted in no significant works being identified, therefore this budget can be transferred back to CCF Unallocated.
7102	Newburn Bridge Renew Boundary Wall	3	3	0	3	3	0	CAP REC	Phase one of the scheme is now complete. Awaiting delivery of materials to complete the final stage.
7103	Newburn Bridge Replace Steel Lintels	25	25	0	25	25	0	CAP REC	Scheme to be completed April 2017
8970	Hartlepool Historic Quay Capital Works	321	321	0	321	321	0	CAP REC	Boiler work now complete. Awating feedback from a specialist consultant regarding the dock gates.
7342	Carlton Outdoor Centre Fire Risk Assessment	14	14	14	0	14	0	RCCO	Scheme complete.
8968	Borough Hall Dance Floor	8	8	0	8	8	0	RCCO	Specification to be agreed with Client.
7087	Mill House Sports Hall Floor	13	13	0	13	13	0	RCCO	This scheme is due to start December 2017.
7082	Mill House Pool Filter	23	23	0	23	23	0	RCCO	This scheme is due to start December 2017.
9024	Asbestos Re-Surveys	40	40	0	40	40	0	RCCO	Surveys now complete. Remedial works still required.
8969	Town Hall Theatre Replace Curtains and Blinds	12	12	0	12	12	0	RCCO	Scheme to be started early 2017-2018.
8961	Civic Centre External Doors	12	12	10	2	12	0	CAP REC	Scheme now complete. Awaiting final account.
8051	Civic Centre Roof	54	54	0	54	54	0	CAP REC	Scheme ongoing. Works to the main plant room on level one roof will be completed June 2017. Minor works to level 5 ongoing, this will be subject to access (seagull nesting).
8055	Hartlepool Enterprise Centre Window Replacement	36	36	1	35	36	0	CAP REC	Tender for three quotes proved unsuccessful. An alternative procurement route has been agreed.
new	CCTV	83	83	0	83	83	0	CAP REC	Scheme ongoing.
Corporate Total		1,976	1,976	262	1,714	1,976	0		

**Key**  
 RCCO Revenue Contribution towards Capital  
 MIX Combination of Funding Types  
 CAP REC Capital Receipt  
 UCPB Unsupported Departmental Prudential Borrowing  
 CORP Corporate Resources

# FINANCE AND POLICY COMMITTEE

10th July 2017



**Report of:** Director of Finance and Policy

**Subject:** Local Business Rates Relief Scheme

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## 1. TYPE OF DECISION/APPLICABLE CATEGORY

Key Decision. Tests (i) and (ii) apply.

## 2. PURPOSE OF REPORT

- 2.1 To seek Members approval to a Local Business Rates Relief Scheme utilising national funding announced by the Chancellor in the Spring 2017 Budget.

## 3. BACKGROUND

- 3.1 In the Spring 2017 Budget, the Chancellor announced the establishment of a national £300m discretionary fund over four years from 2017/18 to help support those businesses facing the steepest increases in their business rates bills as a result of the 2017 national Rateable Value Revaluation exercise.
- 3.2. The Government expects that Business Rates billing councils will use their share of the national funding to develop their own local relief schemes to deliver targeted support to the most hard pressed business ratepayers. The £300m will cover the four years from 2017/18:
- £175m in 2017/18
  - £85m in 2018/19
  - £35m in 2019/20
  - £5m in 2020/21
- 3.3. The Government expects that billing councils will deliver the scheme through the use of discretionary relief powers under section 47 of the Local Government Finance Act 1988. Billing councils will be compensated for the support provided by a Section 31 Grant. The Government on 28th April 2017 confirmed the final funding allocations to individual councils in a grant determination letter. The funding

allocations are skewed towards London and the South East as the greatest proportion of 2017 revaluation rateable value increases were in these parts of the country:

**Regional Distribution of £300m Discretionary Relief Funding**

Region	17/18 (£m)	18/19 (£m)	19/20 (£m)	20/21 (£m)	Total (£m)
North East	4.6	2.2	0.9	0.1	7.8
Yorks and Humber	10.8	5.2	2.2	0.3	18.5
East Midlands	11.2	5.4	2.2	0.3	19.1
West Midlands	11.9	5.8	2.4	0.3	20.4
South West	12.6	6.1	2.5	0.4	21.6
North West	13.0	6.3	2.6	0.4	22.3
East of England	13.0	6.3	2.6	0.4	22.3
South East	25.7	12.5	5.1	0.7	44.0
London	72.5	35.2	14.5	2.1	124.3

3.4. Hartlepool BC's funding allocation is:

- 2017/18 - £127,000
- 2018/19 - £61,000
- 2019/20 - £25,000
- 2020/21 - £4,000

3.5. A number of Councils have proposed to the Department for Communities and Local Government (DCLG) that they should have the ability to flex their funding allocations between financial years to maximise value for money. DCLG have indicated they will clarify their position on this aspect in due course.

3.6. Furthermore, under the New Burdens doctrine, DCLG have indicated that in principle they will allocate funding to Councils to cover the additional cost of administering the new local relief schemes. Actual allocations have at this stage not been confirmed.

#### 4. PROPOSALS

##### **Proposed Hartlepool Scheme Principles**

- 4.1 Government funding allocations to Councils have been based on those businesses with a rateable value of less than £200,000 which have seen their gross rates bill rise by more than 12.5% in 2017/18 compared to 2016/17. However DCLG have stated that they do not expect Councils to allocate local relief support on this basis but that Councils should define their own local scheme principles. It is proposed that the Hartlepool Local Business Rate Relief scheme should be based on the following principles:

(a) **Local Relief Support should be based on Net Business Rates bill values**

- 4.2. Business Rates regulations provide for a range of national reliefs that (subject to satisfying qualifying criteria) reduce the gross rates due to a smaller net amount for a financial year. It is this net amount that represents the actual rates liability. It is proposed that in determining Local Relief Support that such should be based on the net rates due after other reliefs have been awarded.

(b) **Local Relief Support should be restricted to those businesses with an April 2017 rateable value of less than £200,000.**

- 4.3. This principle will ensure the award of Local Relief Support is targeted towards smaller businesses and preserves a broad linkage to the national funding allocations bases.

(c) **Local Relief Support should exclude public sector bodies eg. The National Health Service, and also those national companies operating from multiple premises nationally.**

- 4.4. This principle will ensure that Local Relief Support is directed towards smaller local private sector companies and sole traders.

(d) **Local Relief Support should be deliverable within the national 2017/18 funding envelope**

- 4.5. By applying principles a), b), and c), the forecast cost in 2017/18 of the proposed Hartlepool Local Rates Relief scheme is estimated to be about £94,600. This scheme will ensure that all businesses with a rateable value of less than £200,000 who's rateable value has increased in 2017/18 over 2016/17 will have no increase in their Net Rates bill for 2017/18 compared to 2016/17.

- 4.6. This proposed local policy will ensure that the levels of support will be within the Government's 2017/18 funding envelope. Further details of proposed support to individual businesses are provided in Appendix A.

**(e) Local Relief Support should be given to those Community / Voluntary Sector Organisations which have seen a rates increase in 2017/18 to top up their existing 80% Mandatory Relief and 10% Discretionary Relief so that they have a zero Business Rates liability.**

- 4.7. The Community and Voluntary Sector have suffered significant funding cuts and operational challenges during the period of economic austerity. Furthermore, the Council for the financial year 2012/13, as part of the need to make budget financial savings agreed to reduce discretionary relief to the Community / Voluntary Sector from 20% to 10% (with the exception of Hartlepool Hospice). By awarding Local Relief Support equivalent to 10% of the rates liability, the Council would thereby re-instate the former full 20% discretionary top up. This proposal would take 9 community / voluntary businesses whose rates bill has increased for 2017/18 out of business rates liability at a cost of about £10,197 in 2017/18 as shown in Appendix B.
- 4.8. The 2017/18 consolidated cost of the recommended Local Rates Relief scheme including support to a number of community / voluntary organisations is £104,797. However, it will not be possible to fully sustain the local scheme on this basis and it is therefore proposed that support in 2018/19 onwards is tapered down to 60% in 2018/19 and to 30% in 2019/20 and 17% in 2020/21.

## **5. RISK IMPLICATIONS**

- 5.1. DCLG have stated that in those geographical areas where there is a Combined Authority that a council must consult the Combined Authority on the proposed Local Rates Relief scheme. Other Tees Valley Councils are developing Local Rates Relief schemes similar to that of Hartlepool's proposals. It is anticipated that this consistent approach should minimise the risk of not securing Combined Authority endorsement.
- 5.2. The Hartlepool Local Rates Relief scheme proposals assume that Councils will be permitted to flex the available national funding between years. This local flexibility is currently under consideration by DCLG. The recommended proposals involve awarding local relief totalling £104,797 in 2017/18 against a 2017/18 allocation of £127,000. If DCLG should determine not to allow local flexibility it is proposed that delegated authority be provided to Chair of Finance and Policy Committee in consultation with the Director of Finance and Policy ensure that the full 2017/18 national funding allocation is awarded.

## 6. FINANCIAL CONSIDERATIONS

- 6.1. The proposed Hartlepool Local Rates Relief Scheme provides for a balanced and a fair distribution of available national funding totalling £217,000 across financial years 2017/18 to 2020/21, to small businesses / sole traders and community / voluntary sector organisations.
- 6.2. The proposals also provide for a tapering of support from 100% in 2017/18 to 60% in 2018/19 to 30% in 2019/20 and 17% in 2020/21 to ensure that the Council's scheme will be within the overall funding allocation and thereby avoid any unfunded budget pressure.
- 6.3. The table below shows details of the national funding allocations by year and the proposed Hartlepool profiling of awards:

National Funding Allocations vis a vis Hartlepool proposed profiling of awards  
2017/18 to 2020/21

Financial Year	National Funding Allocation £	HBC Proposed Funding Awards £
2017/18	127,000	104,797
2018/19	61,000	62,878
2019/20	25,000	31,439
2020/21	4,000	17,886
Total	217,000	217,000

## 7. LEGAL CONSIDERATIONS

- 7.1. There are no legal considerations.

## 8. CHILD/ FAMILY POVERTY CONSIDERATIONS

- 8.1. There are no child/ family poverty considerations.

## 9. EQUALITY AND DIVERSITY CONSIDERATIONS

- 9.1. There are no equality and diversity considerations.

## 10. STAFF CONSIDERATIONS

- 10.1. There are no staff considerations.

## **11. ASSET MANAGEMENT CONSIDERATIONS**

- 11.1. There are no asset management considerations.

## **12. APPENDICES**

Appendix A – Local Relief Support for Businesses in 2017/18.  
Appendix B – Local Relief Support for Community / Voluntary Organisations in 2017/18

## **13. RECOMMENDATIONS**

- 13.1. That Members approve:
- (a) a 2017/18 Local Rates Relief Scheme using available national funding in line with the principles set out in Section 4.
  - (b) Local Rates Relief Support to businesses in 2017/18 as set out in Appendix A totalling £94,600.
  - (c) Local Rates Relief Support to Community / Voluntary organisations in 2017/18 as set out in Appendix B totalling £10,197.
  - (d) The tapering of Local Relief Support to 60% in 2018/19, 30% in 2019/20 and 17% in 2020/21.
  - (e) That should the Department for Communities and Local Government decide not to allow Councils to carry forward any underspend on the 2017/18 funding allocation to future years, delegated authority be given to the Chair of Finance and Policy Committee in consultation with the Director of Finance and Policy to ensure that the full 2017/18 allocation is awarded.

## **14. REASONS FOR RECOMMENDATION**

- 14.1 To ensure the Council operates a balanced and fair system of support to business ratepayers using national government funding.

## **15. BACKGROUND PAPERS**

- 15.1 No background papers.

## **16. CONTACT OFFICER**

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Contact: 01429 523093

**Local Business Rates Relief Scheme**  
**Proposed Support 2017/18**

**5.1**  
**Appendix A**

<b>Account Ref</b>	<b>Account Name</b>	<b>£</b>
905035565	1st Leisure Ltd	498.28
905000285	Able Environmental Services Ltd	160.00
905035185	Able Uk Ltd	204.50
905015807	Adcas (1997) Ltd	1518.14
905027015	Aldersyde Day Nursery Ltd	498.28
905035631	Amacus Ltd	171.82
905035323	Andon Ltd	369.41
905010938	Anduff Car Wash Ltd.	9.00
905025685	Atkinson Printers Ltd	438.14
905022466	Big Interiors Ltd	50.69
905034908	Brenda Road Properties Ltd	215.51
905026582	Buildroute Ltd.	140.89
905021462	Clevestone Transport Ltd	576.00
900930001	Dignity Caring Funeral Services Ltd	1213.63
905036821	East Durham Manufacturing & Engineering Company Ltd	59.28
905016812	East Durham Manufacturing & Engineering Company Ltd	1070.85
905033826	East Durham Manufacturing & Engineering Company Ltd	34.36
905002399	Electrical Productions Ltd	1283.00
900469001	Fleming & Holloway & Partners	223.37
900469003	Fleming & Holloway & Partners	87.63
905026962	Fleuriris Ltd	600.00
905036869	Floyd Taylor Motors Ltd	567.01
905030944	G & E Murgatroyd Ltd	1401.36
905036616	Gentoo Homes Ltd	155.50
905035864	Gfd Trading Ltd	128.87
905035865	Gfd Trading Ltd	233.68
905034092	Good Inns Ltd	600.00
900527001	Gus Robinson Developments Ltd	549.82
905026533	H Tones & Sons Ltd	546.75
905033858	Hart Biological Ltd	31.00
905036787	Hartlepool 2 Dp Ltd	214.67
905028619	Hartlepool Fishco Ltd	123.71
901915001	Hartlepool Golf Club Ltd	810.75
905029799	Hartlepool Vets4pets Ltd	778.00
905036861	Hindles 24/7 Ltd	121.99
905032321	Hunter Douglas Ltd	3642.71
905026335	Isocom Components 2004 Ltd	584.19
905035528	Jbc Accountants Ltd	25.80
905033927	Jo Lee Crossfit Ltd	455.32
905036629	Jomast Developments Ltd	271.48
905033414	Jupiter Property Management Ltd	5.70
905034667	K & K Nurseries Ltd	918.25
905036246	Kfk Ltd - Gateshead & Kfky Ltd T/A Flannagans Chartered Certified Accounts	149.48
905036236	Kfky Ltd T/A Flannagans Chartered Certified Accounts	118.56
905036237	Kfky Ltd T/A Flannagans Chartered Certified Accounts	118.56
905035604	Kingfisher Consortium	40.38
905032395	Light Pear Ltd	600.00
905033796	Linden Hose & Adaptors Ltd	57.00
905035932	Linden Hose & Adaptors Ltd	51.60



905025724 M & G Solid Fuels Llp	575.60
905029703 Mains Electrical Distribution Ltd	463.91
905036873 Millfield Enterprises Ltd	178.69
905027296 Miss C Turner	34.36
905036322 Miss Joice Hepzi Selvaraj & Mr Jerome Franklin Selvaraj	146.05
900615001 Miss June Mathieson	981.61
900822001 Morgans Tyres Ltd	386.60
905004458 Mr A Bouabda	403.78
905029524 Mr A Karstad	600.00
905032787 Mr A Puventhian	600.00
905030918 Mr Brian Archbold	498.28
905002758 Mr C Grant	600.00
905033773 Mr Colin Caster	65.29
905000342 Mr David Atkinson	24.50
905036699 Mr David Moses	558.42
905027642 Mr Eric Vincent Crawford	560.75
905036617 Mr Finton Tharmaraththinam	142.61
905036862 Mr Francis Hindle	115.12
905032299 Mr Graeme Trevor Carlton	67.87
905034727 Mr Gunathas Gunaratnam	1231.48
902083001 Mr Harry Tones	11.34
905034077 Mr Henry Tones	1488.95
905034081 Mr IA Kareem	600.00
905016813 Mr Ian Fraser	420.96
905025449 Mr Joel Kerr	19.20
905023874 Mr L Randall	600.00
905031012 Mr Lee Douglas	3.88
905035926 Mr Matthew Wilson	55.20
901225001 Mr Michael Brabiner	8.70
905027103 Mr Michael Brabiner	202.75
905032275 Mr MJ Charnley	600.00
905026745 Mr ND Smith	600.00
905032979 Mr P Kandasamythurai	600.00
905031846 Mr Peter Clifford & Mrs Rosalie Reeder	68.73
905029313 Mr R Hanlon	600.00
905031662 Mr RD Drummond	600.00
904000154 Mr S H Lee	600.00
902729001 Mr S Herbert	575.60
905036062 Mr Sellaiah Ananthasekaram	30.93
905035974 Mr Stephen Hall & Mrs Julie Hall	218.75
905032785 Mrs EM Kinnersley	600.00
905036156 Mrs Fiona Boston	46.26
905032013 Mrs Helen Hogg & Mr Stephen David Wallace	420.96
905035466 Mrs Jean Blyth & Mr Roy Alexander Blyth	333.33
905029402 Mrs M Smith & Mr G Smith	600.00
905033349 Mrs Subashini Tharmarajah	87.63
905035884 Ms C Stephenson & Mr P Smith	600.00
905025351 Ms Pauline Mccarthy & Ms Helen Elliott	412.37
904001360 Ms S C Macnee	600.00
905028099 North East Convenience Stores Ltd	326.46
905032183 North East Convenience Stores Ltd	200.20
905032184 North East Convenience Stores Ltd	352.23
905032535 North East Convenience Stores Ltd	963.77

905036338 North East Play Ltd (Mr Twisters)	1357.57
905036386 Northern General Properties Limited	110.00
905027782 Obtain Rare Ltd	506.87
905030166 P D Port Services Limited	18707.00
905032638 P D Teesport Ltd	76.46
905034459 Partners In Specialist Care	120.27
905034882 Portals Place Ltd	1229.00
905029277 Prima Windows Hartlepool Ltd	1561.93
905036543 Pro Active Safety Ltd	1299.18
905033763 Prw Interiors Ltd	498.28
905034783 Prw Interiors Ltd	101.37
905029493 Ron Perry & Sons Ltd	3836.00
905031637 Rubicon Pastimes Ltd	11486.21
904001382 S & J Sturrock	398.25
905027411 Scallywags Child Play Ltd	918.25
901373001 Seaton Carew Golf Club	694.00
905034399 Srb Services Uk Ltd	52.50
905031623 Tangent Construction Ltd	50.69
905031332 Technical Ex Services Ltd	84.19
905006138 Tees & H'Pool Yacht Club Ltd	600.00
904000896 Tees Insulation Ltd	52.50
904000897 Tees Insulation Ltd	6.00
905032272 The Douglas Hotel (Hartlepool) Ltd	600.00
904001107 The Park And Marine Hotels Ltd	3285.00
905036815 The Wallpaper Warehouse Ltd	147.00
905033832 Top Brass Contract Furniture Ltd	277.00
905034331 Turner Hire Drive Ltd	299.00
905033221 Uk Carbon Reclamation Ltd	600.00
902858001 Victoria Pharmacy Ltd	1177.94
905023241 Zigi Enterprises Ltd	49.60
905023255 Zigi Enterprises Ltd	10.20
<b>Total</b>	<b>94600.30</b>

**Local Business Rates Relief Scheme**  
**Community and Voluntary Organisations**

5.1  
Appendix B

<b><u>Account Ref</u></b>	<b><u>Account Name</u></b>	<b>Support £</b>
900261001	Belle Vue Community, Sports & Youth Centre Ltd	7232.90
905026851	Hartlepool Art Studio Ltd	364.04
905027262	Owton Rossmere Comm Ent Ltd	922.08
905032426	West View Advice & Resource Centre Ltd	514.20
905032988	Hartlepool P.R.O.P	227.53
905033156	Trussell Trust Foodbank (Hartlepool)	282.66
905034013	Trussell Trust Foodbank (Hartlepool)	269.32
905034856	Owton Fens Community Association	143.99
905035083	West View Advice & Resource Centre Ltd	240.67
<b>Total</b>		<b>£10,197.39</b>

# FINANCE AND POLICY COMMITTEE

10 July 2017



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

**Subject:** **COMMUNITY SAFETY – INTEGRATED WORKING**

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## 1. TYPE OF DECISION/APPLICABLE CATEGORY

1.1 Non-key decision.

## 2. PURPOSE OF REPORT

2.1 To update the Finance and Policy Committee on the development of Integrated Working in Hartlepool between local Community Safety services.

## 3. BACKGROUND:

3.1 Approved by Council in February 2017, the Council Plan identifies as a key deliverable the launch of integrated working between the Police and Council Community Safety Services.

3.2 In line with this commitment, senior representatives from the Police, Council, and Fire Service have met on a number of occasions in recent months to examine existing collaborative working arrangements and to explore how these could be enhanced in the future.

3.3 For information the attached Project Initiation Document (**Appendix A**) outlines an agreement between Hartlepool Borough Council, the Cleveland Police and Crime Commissioner and Cleveland Police, in relation to how they will work together to create a 'place based' integrated service delivery model over the next year. Anticipated timescales in relation to key deliverables associated with the implementation of the delivery model is also attached (**Appendix B**).

## 4. OPERATIONAL DELIVERY MODEL

4.1 Whilst further consideration is being given to the involvement of a broader range of community safety partners in the future, as outlined in **Appendix A** the development of a 'place based' integrated service delivery model in the

first instance will bring together Council Community Safety and Enforcement services with the local Neighbourhood Policing service.

- 4.2 The model was prioritised by the Safer Hartlepool Partnership at their development day held on 8 May as a key activity to be implemented during 2017/18, it being anticipated that it will contribute to delivering the following outcomes:

- Improved safety in relation to the local environment
- Improved public confidence and cohesion

- 4.3 Within the context of reduced resource, and increasing demand on services the model aims to take a targeted approach focused on the following:

- Communities of disadvantage (vulnerable localities)
- High Impact households ( Families / individuals with complex needs)
- Those at risk of social isolation (the elderly; single parents; minority communities)

- 4.4 Underpinned by a community engagement approach that remains flexible to the needs of communities, the model encompasses the following 3 key elements:

- (a) The creation of Single 'Community Protection Team'
- (b) The development of a 'Team Around' approach for the top 10 individuals with complex needs, similar to the approach taken in Troubled Families
- (c) Community Capacity Building - including support to the emerging Community Hub model.

## **5. RISK IMPLICATIONS**

- 5.1 There are a number of risks highlighted in the attached Project Initiation Document that could result in delays regarding implementation of the operational model. However any risks associated with delivery will be closely managed by the project steering group that will ensure any barriers to progress are effectively managed and minimised.

## **6. ASSET MANAGEMENT CONSIDERATIONS**

- 6.1 As the Community Protection Team will need to be co-located, accommodation options for the team are currently being investigated. This investigation includes consideration of buildings currently owned by Hartlepool Borough Council, Cleveland Police and Cleveland Fire Service.

## **7. FINANCIAL CONSIDERATIONS**

- 7.1 Although unclear at this stage it is likely that some costs will be incurred in relation to re-locating staff such as IT infrastructure requirements; office furniture; possible small building modifications; removals; and communications. However there is currently no funding identified to meet

any potential costs of relocation, or contributions towards future running costs associated with utilities should the Community Protection Team be co-located at a building that is not run by the Council.

## **8. LEGAL CONSIDERATIONS**

- 8.1 There are no legal implications relating directly to this report.

## **9. STAFF CONSIDERATIONS**

- 9.1 The model could result in changes to current working arrangements for some Council staff such as place/location of work.
- 9.2 Where proposed changes do emerge relevant staff and Trade Unions will be consulted at the earliest opportunity.

## **10. CHILD AND FAMILY POVERTY**

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

## **11. EQUALITY AND DIVERSITY CONSIDERATIONS**

- 11.1 There are no equality and diversity implications relating directly to this report.

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

- 12.1 The integrated model will bring services together to improve community safety across the neighbourhoods of Hartlepool and will therefore assist the Council in discharging its section 17 obligations to reduce crime and disorder and improve public safety within the local area.

## **13. RECOMMENDATIONS**

- 13.1 It is recommended that the Finance and Policy Committee:-
- (i) notes progress to date on integrated working in relation to local community safety services.
  - (ii) authorises the Director of Regeneration and Neighbourhoods in conjunction with the Chair of Finance and Policy Committee to enter into negotiations to progress the development of this model and to consult with partners and key stakeholders via the SHP.
  - (iii) receives a further progress update on integrated service delivery in the autumn of 2017.

**14. REASONS FOR RECOMMENDATIONS**

- 14.1 Approved by Council in February 2017, the Council Plan identifies as a key deliverable the launch of integrated working between the Police and Council Community Safety Services.

**15. BACKGROUND PAPERS**

- 15.1 Council meeting February 2017.

**16. CONTACT OFFICERS**

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***SAFER, STRONGER, NEIGHBOURHOODS***

***PROJECT INITIATION DOCUMENT***





<b>Project Initiation Document</b>	
<b>Project name</b>	Safer, Stronger Neighbourhoods in Hartlepool
<b>Project start date</b>	May 2017
<b>Project description</b>	
Background	This project has been initiated by Hartlepool Borough Council and Cleveland Police to improve develop and implement integrated service delivery between key community safety and policing services directed at creating safer, stronger neighbourhoods in Hartlepool.
Objectives	<ul style="list-style-type: none"> <li>• To develop and implement a single integrated co-located 'Community Protection Team' that will be fully functional during 2018</li> <li>• To develop and implement a multi-agency 'Team Around Approach' for individuals with complex needs living in vulnerable localities by November 2017</li> <li>• To develop and implement a capacity building programme that will be rolled out across vulnerable localities and linked to Community Hubs by February 2018.</li> </ul>
Scope	<p>Discussions with partners over the last year have highlighted the rich collaborative networks in place between community safety partners through a number of interlinking preventative programmes such as the Troubled Families Programme, Operation Encompass / Hartlepool Multi-Agency Childrens Hub; Integrated Offender Management and Operation Stay Safe.</p> <p>In the face of ongoing challenges these discussions have resulted in a further proposal to develop a 'place based integrated service delivery model that is fundamentally aimed at securing safer, stronger neighbourhoods across the town. Whilst there is potential for this model to include a number of partners, the proposed shared service model will in the first instance bring together Council community safety and enforcement services with the local Neighbourhood Policing Service. This model will contribute towards delivering the following outcomes:</p> <ul style="list-style-type: none"> <li>• Improved safety in relation to the local environment (measures to include levels of crime and asb)</li> <li>• Improved confidence and cohesion (measures to include confidence indicators)</li> </ul> <p>Within the context of reduced resource and increasing demand on services the Safer, Stronger Neighbourhoods Model will take a targeted approach focusing on the following:</p> <ul style="list-style-type: none"> <li>• Communities of disadvantage (vulnerable localities)</li> <li>• High impact households (families/individuals with complex needs)</li> <li>• Those at risk of social isolation (the elderly; single parents; minority communities)</li> </ul> <p>The model will be underpinned by a community engagement approach that remains flexible to the needs of communities, building active citizenship linked to the Council's Community Hub Programme to ensure a more engaged, connected, and resilient community that know how to access and are supportive of services.</p> <p>The model will involve a joint operational delivery model which will see the development of a Community Protection Team that will be co-located. The</p>

	model will address some of the findings from recent serious case reviews in relation to information sharing between community safety services, adult services and childrens services.
Business case	<p>Hartlepool is a small town on the North East coast of England with a rich industrial heritage. The town has a population of just over 94,000 with little inward and outward migration – and in recent years the Council and its partners have developed a vision for improving the town and stimulating economic growth and investment.</p> <p>The town however continues to experience significant challenges. The index of multiple deprivation ranks Hartlepool as the 18<sup>th</sup> most deprived local authority area out of 326 local authorities nationally. One quarter of the towns population live in income deprived households, health inequalities are evident, and levels of crime and anti-social behaviour have increased significantly over the three year strategic period and are above national and Cleveland Force averages.</p> <p>With the town there are also a number of localities experiencing complex entrenched social, economic, and environmental problems. Cuts to public services, pressures to make savings through successive CSRs, and at the same time provide better value for money, has resulted in the need to explore new models of delivery that will facilitate the ability to intervene early, prevent problems from escalating, help to reduce demand on services, and at the same time improve outcomes for the towns population. Recent Serious Case Reviews have also highlighted the need to improve information sharing between Community Safety Services, Adult and Childrens Services.</p> <p>As part of the Safer Hartlepool Partnership face the public consultation in 2016 when asked how the Partnership could improve safety in Hartlepool responses overwhelmingly included more police/police presence on the streets, more council enforcement officers, the need for the police and council to work together and the need to take a proactive rather than responsive approach to community safety issues.</p> <p>The move towards a joint operational delivery model for police and community safety in Hartlepool provides an opportunity to improve the timely exchange of information sharing, joint taskings and co-ordination; create greater resilience and ensure that resources are maximised enabling officers to be in the right place at the right time, avoiding duplication of effort and building local confidence.</p>
Assumptions	<ol style="list-style-type: none"> <li>1. That the direction of government policy does not change significantly.</li> <li>2. That the direction of SHP, the Council and Cleveland Police priorities does not change significantly.</li> <li>3. That all SHP partners will engage with the project.</li> <li>4. That the involvement of other SHP Partners in the shared operational delivery model remains in scope.</li> </ol>
Constraints	<p>The project is running at a time when organisations across the public sector are affected by spending cuts. Local authorities, local partnerships, and commissioners are making difficult decisions about where to target their resources. These constraints need to be taken into account when developing and implementing the model along with any further recommendations arising from the project.</p> <p>Existing contracts, partnerships, and duties within both parties will be honoured and respected.</p>
Links and dependencies	<p>There are a number of national legislative and policy drivers that will be relevant to the project and will affect how the project will be delivered locally in the future.</p> <p>It is the responsibility of the steering group to keep the project team informed of</p>

	any local developments which may affect the project.
<b>Organisation and governance</b>	
Project director / sponsor	Denise Ogden
Project manager	Clare Clark /Lynn Beeston
Additional project support	Estates; Information Technology; Information Governance; Human Resources; Facilities Management from each of the respective organisations
Governance	<p>The Safer Hartlepool Partnership provides the local strategic context along with political governance arrangements and will embed an intelligence led business process.</p> <p>A sub group of the partnership - a 'Stronger Neighbourhoods Steering Group' will be established that will act as the project group. The Councils Director of Regeneration and Neighbourhoods will Chair this group.</p> <p>The project will be discussed with other partners at the Safer Hartlepool Partnership Development Day on 8 May, and thereafter a Terms of Reference for the group will be established.</p>
<b>Reporting and controls</b>	
Reporting	The steering group will receive a traffic light report, interim report and final report.
Project tolerances	Changes to the project will be agreed with the project director. Significant and critical changes affecting the scope, end date or outputs of the project, will be referred to the steering group.
Issues	A log will be kept of emerging issues and any issues will be reported to the steering group.
Risk	<p>Initial key risks identified are as follows:</p> <ul style="list-style-type: none"> <li>• Changes in staff which could have a significant impact on the successful delivery of the project</li> <li>• Accommodation requirements which cannot be met and may be too costly</li> <li>• Senior buy in to the model will need to be cascaded down to staff with consistent messages from lead officers to front line staff</li> </ul> <p>Any further risks identified will be reported to the steering group.</p>
<b>Project delivery plan</b>	
Product plan	<p>The plan will include the following workstreams:</p> <ul style="list-style-type: none"> <li>• Composition of the Community Protection Team</li> <li>• Accommodation /IT infrastructure</li> <li>• Workforce Plan</li> <li>• Communications Plan</li> <li>• Multi-agency process for working with individuals with complex needs</li> <li>• Community development model linked to Community Hubs</li> <li>• A final report outlining further opportunities for joint working between community safety partners</li> </ul>
Quality plan / acceptance criteria	<p>The steering group will oversee and agree the above.</p> <p>Subsequent actions will require agreement of the the steering group who may wish to refer the interim and final reports to the Safer Hartlepool Partnership</p>
Project timetable and	A detailed project timetable and milestones will be developed and agreed by the

milestones	Stronger Neighbourhoods Steering Group.
<b>Communications and engagement</b>	
Stakeholder analysis	<p>Public consultation undertaken during 2016 has been taken into account in developing the model. Other key stakeholders will be consulted at the Safer Hartlepool Partnership Development Day in May. Alongside Cleveland Police and the Councils Regeneration and Neighbourhoods department this will include:</p> <ul style="list-style-type: none"> <li>• Hartlepool and Stockton North Tees CCG</li> <li>• Durham Tees Valley CRC</li> <li>• National Probation Service</li> <li>• Fire Service</li> <li>• HBC Adult/Childrens Services</li> <li>• HBC Public Health</li> <li>• Thirteen</li> <li>• Safe In Tees Valley</li> <li>• Chair of the LSCB</li> <li>• Chair of the TASB</li> <li>• Chair of Health and Well Being Board</li> <li>• Council Policy Committee Chairs</li> </ul>
Communications plan	A communications plan will be developed as a key element of the project and will be agreed by the steering group.
<b>Resource management</b>	
Resource plan	Any resource implications arising from the project will be reported immediately to the project director and considered as appropriate.
Project budget	The project will be completed by the Councils Head of Community Safety and Engagement and the Local Policing Area Chief Inspector with funding for these posts being provided by each of the respective organisations. It needs to be acknowledged however that these officers have other duties, and it is imperative that other specialist staff within the respective organisations provide their co-operation to ensure the successful and timely delivery of the project.
<b>Project approval</b>	
Response	<p>From a Cleveland Force Perspective the project has been approved by the Force Board.</p> <p>Hartlepool Borough Councils Corporate Management Team is supportive of the project.</p> <p>The project will be discussed at the Safer Hartlepool Partnership development day on 8 May 2018</p> <p>A report outlining the project will be presented to the Councils Finance and Policy Committee for approval in June 2017</p>
Comments	

## INTEGRATED WORKING PROJECT TIMELINE

Activity	Jun 2017	July 2017	Aug 2017	Sept 2017	Oct 2017	Nov 2017	Dec 2017	Jan 2018	Feb 2018
Composition / Members of community Protection Team (phase 1) agreed									
Accommodation options developed/infrastructure in place and community protection team co-located									
Workforce plan developed and delivered									
Communications strategy develop and delivered									
Multi-agency process for working with individuals with complex needs developed and implemented									
Community Protection Team links to community hubs and locality teams established									

# **FINANCE AND POLICY COMMITTEE**

**10<sup>th</sup> July 2017**



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

**Subject: LEASED ESTATE - SALES AND LETTINGS AT LESS THAN MARKET VALUE**

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

1.1. Non Key decision.

## **2. PURPOSE OF REPORT**

2.1. To seek approval to the implementation of a simplified process to assess applications for concessionary rents within the leased estate.

## **3. BACKGROUND**

- 3.1 The Council owns a portfolio of properties that are either used for operational purposes i.e. for the direct delivery of services or non operational properties which are held to generate income to support the Councils corporate budget.
- 3.2 The non operational leased estate properties are generally let at commercial rents. However where tenants of buildings support social economic or wellbeing benefits promoted by the Council there is the opportunity for the Council to let properties at less than market value.
- 3.3 S123 Local Government Act 1972 provides flexibility for Councils to dispose of land in any manner they wish, including sale of their freehold interest, granting a lease or assigning any unexpired term on a lease, and the granting of easements. The only constraint is that a disposal must be for the best consideration reasonably obtainable (except in the case of short tenancies of 7 years or less) without the Secretary of State consenting to the disposal.
- 3.4 The Consent has been issued to give Local Authorities autonomy to carry out their statutory duties and functions, and to fulfill such other objectives as they consider necessary or desirable. However, when disposing of land at

an under value, Local Authorities must remain aware of the need to fulfill their fiduciary duty in a way which is accountable to local people.

- 3.5 In most cases the Council leases land at market value however there are occasions where social value benefits are recognised and the Council requires the flexibility to reflect the benefits in the form of a less than best consideration rent.
- 3.6 The Council considered a report to Finance and Policy Committee on the 23<sup>rd</sup> March 2010 in relation to a Community Asset Transfer policy to enable Assets to be transferred to the Community on a range of lease terms - when it was identified that this would allow for a more sustainable future for the asset and that this would improve community cohesion and enable the delivery of improved services at reduced cost to the Council.
- 3.7 The Policy was formally adopted at the meeting and to date two assets have transferred, West View Community Centre and a hybrid sale at Throston Community Centre.
- 3.8 The current process required to facilitate the transfer of assets is comprehensive and robust however this may be considered too restrictive and detailed for a number of community organisations that are well intentioned but may not have the capacity to undertake the current process as set out.
- 3.9 There is an opportunity for a more simplified process to enable support to be granted to organisations that wish to lease and in some cases purchase properties from the Council.

#### 4 PROPOSALS

- 4.1 It is proposed that a simplified process based on the forms and guidance notes in **APPENDICES 1 and 2** are adopted. These documents set out the key criteria that will be considered when evaluating concessionary rate applications which depending on the service provided could see rental discounts up to a total of 75%.
- 4.2 The key criteria relate to the ability to demonstrate that the organisations will;
- Improve Health and Wellbeing - up to 25% discount
  - Address Family Poverty – up to 25% discount
  - Improve Community Safety – up to 25% discount.
- 4.3 In order to ensure that the simplified policy can be applied as widely as possible it is proposed that reference to the policy will be included within the letting particulars of the Council's leased estate.

It is proposed this revised policy should be applied where leases are due for renewal or rent reviews are due.

- 4.4 In order to provide full transparency, market rents for all lettings/rent reviews will be assessed by the Estates team. Any applications for subsidy together with the fully completed application forms (**Appendix 2**) setting out the justification will be considered initially by an officer working group and a recommendation then provided to CMT for consideration and decision, and then if relevant to Finance and Policy Committee.

## 5 RISK IMPLICATIONS

- 5.1 The key risk is challenge in relation to state aid and hence the need for the application of the Policy.

## 6 FINANCIAL CONSIDERATIONS

- 6.1 The MTFS approved by Council on 23<sup>rd</sup> February 2017 increased the Capital Receipts Target by between £1.5m and £3.5m for 2017/18 and 2018/19. This takes the revised target to between £8.88m and £10.88m. However it was noted that these additional forecast resources could not be committed until land sales were certain as the previous target of £7.38m had not yet been achieved. As at 31<sup>st</sup> March 2017 a total of £2.9m remains to be achieved against the previous £7.38m target. Any discounts applied to sales will impact on the achievement of the capital receipts target and discounts on lettings will impact on the leased estate income but this will have to be balanced against the social, economic and wellbeing benefits that the policy provides.
- 6.2 For sales and leases in excess of 7 years an approval will need to be the subject to a report to Committee under S123 Local Government Act which provides for disposals at less than best consideration up to a figure of £2M provided adequate justification can be provided.
- 6.3 Members are reminded that significant additional Government Grant cuts will be made over the period 2017/18 to 2019/20. By 2019/20 this means Government funding will have been cut for 9 years. In addition, the Government's current policy in relation to Council Tax, including the Social Care precept, is increasing the proportion of the overall budget funded from Council Tax. An update of the Medium Term Financial Strategy was submitted to the Finance and Policy Committee on 9<sup>th</sup> January 2017 and informed Members that the Council faces a gross budget deficit over the next three year of £20.8m. The implementation of corporate savings, forecast Council Tax increases, housing growth and increased Better Care Funding reduces this to £8.8 million over the next three years, which equates to 10% of the 2016/17 budget. Detailed savings proposals totaling approximately £6.6m were approved by Finance and Policy Committee on 9<sup>th</sup> January 2017, which means the Council still needs to make further savings of £2.2m over the next three years. This figure may increase if



existing budget pressures cannot be managed by reducing demand for demand led services. Any additional budget pressures that are created 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 Chief Solicitor will be instructed to conclude the legal agreement to reflect the terms agreed and consider the implications of state aid taking account of the circumstances of each application

## **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 It is appropriate for the Council to consider opportunities to support organisations that benefit the Community through the delivery of services that provide social economic or wellbeing benefits. It is important this is undertaken in a transparent way and the proposed policy provides for this and identifies the financial implication in terms of the impact on rental income.

## **13 RECOMMENDATIONS**

- 13.1 It is recommended that the revised policy, set out in Section 4.2 be considered and approved.
- 13.2 It is further recommended that all rents are initially assessed at Market Value. Tenants will be notified of the scheme as part of the letting process

and when rent review notices or lease renewals are sent out. Tenants can make applications for consideration should they so wish and these will be assessed in accordance with the protocol set out in paragraph 4.4 of this report.

## **14 REASONS FOR RECOMMENDATIONS**

- 14.1 Transparency and equity are key to ensuring that the leased estate is managed correctly and that an application for concessionary rents are assessed in accordance with a defined policy.

## **15 BACKGROUND PAPERS**

- 15.1 Finance and Policy Committee 23<sup>rd</sup> March 2010, Community Asset Transfer Policy

## **16 CONTACT OFFICER**

Denise Ogden  
Director of Regeneration and Neighbourhoods  
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TS24 8AY  
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Tel: 01429 523301

## Community Value Assessment of Sales & Lettings at less than Market Value

**Sales & Lettings at less than Market Value are subject to applicants being eligible. Please complete the questions below to allow the Council to assess your eligibility:**

1	Name & Address of Property	<div style="border: 1px solid black; height: 40px;"></div>
	Postcode	<div style="border: 1px solid black; height: 20px;"></div>
	Organisation Name	
	Address	
	Postcode	
	Your Name	
	Position in organisation	
	Email address	
	Phone Number	
3	What does your organisation do?	<div style="border: 1px solid black; height: 40px;"></div>
4	Organisation type	<div style="border: 1px solid black; height: 40px;"></div>
5	What is your intended use of the asset	<div style="border: 1px solid black; height: 100px;"></div>

**Community Value Assessment of  
Sales & Lettings at less than Market Value**

6 What is the nature of the social wellbeing and social interest which the asset particularly supports and how will this;

1. Improve Health & Wellbeing

2. Address family poverty

3. Improve community safety

(please provide sufficient detail to enable an evaluation to be undertaken)

7 Does the local community feel strongly that the asset should be used for the proposed use?

8 What is your proposed annual rent?

9 Why do you feel that you should be considered to lease the asset for less than its full market value?

**Community Value Assessment of  
Sales & Lettings at less than Market Value**

- 10 Please provide evidence that your organisation will be able to operate the asset and generate sufficient funds to maintain and manage the organisation

Signature \_\_\_\_\_

Date \_\_\_\_\_

Name \_\_\_\_\_

Please send you completed form to:

**Estates & Regeneration Manager  
Civic Centre  
Victoria Road  
Hartlepool  
TS24 8AY**

### Help sheet for Community Value Assessment of Sales & Lettings at less than Market Value

NO#	Question	Further Info	Criteria/ Evidence Required
1	<b>Applicants Name &amp; Address</b>		
2	<b>Name of organisation Organisation's Address/ Postcode Your Name Position in organisation Email address Phone Number</b>		
3	<b>What does your organisation do?</b>	<p>Is the applying organisation eligible i.e. the application must be received from a qualifying community organisation e.g.</p> <ul style="list-style-type: none"> <li>• Parish council, including neighbouring parish council</li> <li>• Unincorporated groups</li> <li>• Community interest groups with a local connection (charity, Community interest company, company limited by guarantee or voluntary group that is non-profit making</li> <li>• Voluntary Group</li> <li>• Local Community Group</li> </ul>	In the case of community interest groups, the constitution, memorandum and articles of association or governing document
4	<b>Organisation type</b>	<ul style="list-style-type: none"> <li>• Parish Council</li> <li>• Neighbourhood Forum</li> <li>• Voluntary organisation</li> <li>• Charity</li> <li>• Unincorporated Community Group</li> <li>• Community Interest Company</li> <li>• Company limited by guarantee</li> <li>• Local Community Group</li> <li>• Other</li> </ul>	
5	<b>What is your intended use of the asset</b>	<p>Can the applicants demonstrate a local connection to the asset Specific details are required for the specific uses/numbers of participants and hours of use. The organisation must also demonstrate that its activities are concerned with the local authority area where the asset is located and that there is both demand and support of the local community for the activities proposed.</p>	Any evidence demonstrating local connection for example websites, publications, reports, maps, events and meetings

### Help sheet for Community Value Assessment of Sales & Lettings at less than Market Value

NO#	Question	Further Info	Criteria/ Evidence Required
6	<b>What is the nature of the social wellbeing and social interest which the asset particularly support?</b>	<ul style="list-style-type: none"> <li>• Reduce social isolation</li> <li>• Address the needs of disadvantaged members of the community</li> <li>• Reach vulnerable people</li> <li>• Support community cohesion or community involvement</li> <li>• Enable communities to be self supporting</li> <li>• Increase access to positive activities</li> <li>• Provide opportunities for volunteering</li> <li>• Improve health &amp; wellbeing</li> <li>• Address family poverty</li> <li>• Improve community safety.</li> </ul>	Evidence of the organisations previous track record in relation to this criteria e.g. Statements from current or proposed users of the groups assets
7	<b>Does the local community feel strongly that the asset should be used for the proposed use?</b>	Is there evidence of demand for the uses being described in the application	Any evidence of surveys, petitions, awareness raising, publicity, evidence from parish plans, neighbourhood plan or other local document to support the case
8	<b>What is your proposed purchase price/ annual rent</b>	How much money you would be able to pay to purchase or lease the land	
9	<b>Why do you feel that you should be considered to take ownership/ lease the asset for less than its full market value</b>		
10	<b>Please provide evidence that your organisation will be able to operate the asset and generate sufficient funds to maintain and manage the organisation</b>		Provision of business plans, previous trading information and references from previous landlords/financial institutions.

#### ASSESSMENT CRITERIA

<p>The Council will consider subsidising appropriate organisations up to a maximum of 75% of the market value for sales and lettings subject to key criteria being achieved.</p>	<p>The key criteria for assessment relates to contributions to 4 key priority themes within the Councils Plan being;</p> <ol style="list-style-type: none"> <li>1. Health &amp; Wellbeing – 25%</li> <li>2. Family poverty - 25%</li> <li>3. Community Safety – 25%</li> </ol> <p>The level of discount to be applied is dependent on the extent of compliance with the assessment criteria.</p>	<p>Further information in relation to the detail of the key criteria is contained in the Councils Plan which is available on the Councils website at  <a href="https://www.hartlepool.gov.uk/info/20004/council_and_democracy/432/council_performance/2">https://www.hartlepool.gov.uk/info/20004/council_and_democracy/432/council_performance/2</a></p>
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# FINANCE AND POLICY COMMITTEE

10<sup>th</sup> July 2017



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

**Subject:** REVIEW OF OPTIONS FOR DELIVERING DEVELOPMENT IN HARTLEPOOL

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## 1. TYPE OF DECISION/APPLICABLE CATEGORY

1.1 Non Key Decision.

## 2. PURPOSE OF REPORT

2.1 The purpose of this report is to provide an update on the Council's plans for supporting property and housing development in the Borough and unlocking value from Council-owned sites. The report seeks committee approval to explore potential joint venture partnership arrangements building upon the success of HMR in Hartlepool.

## 3. BACKGROUND

- 3.1 In autumn 2016 CMT considered a report prepared by the interim Head of Regeneration into the feasibility of setting up an arms-length development company to progress housing and other development opportunities on Council-owned land. The report concluded that due to the limited stock of currently surplus Council-owned sites (amounting to just over 15 acres); the low profit margins that were available to developers in some segments of the local housing market (notably the over-supply locally of two bedroom flats); and the staffing and other financial implications of setting up a dedicated, arms-length development company it would not be a sensible use of Council resources to establish such a company at the present time.
- 3.2 It was agreed instead that the Council's estates team should begin to operate more like a development company by proactively taking forward surplus sites for early development and adding value to such sites by securing planning consents where appropriate.
- 3.3 Progress on the first two sites to be taken forward in this way: Land at Hart and Tanfield Road Nursery sites were reported to CMT on 19<sup>th</sup> June 2017.



- 3.4 In addition to the aforementioned sites work is in progress to unlock the following additional opportunities:
- Briarfields
  - Brierton
  - Land at Seaton Lane
  - Spencer / Dickens Grove
- 3.5 The Council is committed to accelerating housing delivery and contributing towards the Council's capital receipts targets.
- 3.6 In the course of recent discussions with developers regarding bids for specific sites it has become known that another Tees Valley Authority has recently set up a joint venture company with a local developer. Under the terms of the arrangement a Special Purpose Vehicle Limited Company has been created and each party has invested capital to fund the development of a Council owned site for housing development. The site has been sold to the company at market value with overage provisions to safeguard the capital receipts.
- 3.7 Development costs and profits are divided on a 50/50 basis and there is a Board set up with equal representation from both parties to make decisions on investment cost. The developer provides all the construction and marketing expertise for which they receive a fee but the project is undertaken on an 'Open Book' basis.
- 3.8 The JV has the advantage of reducing the financial exposure of the developer to provide additional capital for them to expand whilst providing the Council with a controlled risk environment in which to invest in a site in the Borough to generate additional income with the added benefits of new homes bonus and Council tax.

#### **4. PROPOSALS**

- 4.1 In terms of all future sales it is proposed that sites be tendered with bids sought on both a direct sale and JV basis in order that an assessment can be taken in relation to risk and reward together with timescales for the payment of monies. As such this provides the flexibility for the Council to consider the range of options.
- 4.2 This advocated approach can be first tested on the sites identified in paragraph 3.4 going forward over the next 12 months and then on all future sites.
- 4.3 As the model has been tested with a neighbouring Authority this would be an ideal opportunity to benefit from work undertaken in developing contract documentation with the necessary controls and balances to mitigate risks to the Council. Prior to entering in to any contractual arrangement it will be necessary to consider development appraisals submitted by developers on an ongoing basis and to test these with external and internal advisors to

determine viability and the potential amount and proportion of additional income that it might be possible to generate through a joint approach to development.

- 4.4 Although there is an option to go to the market for a single JV partner for a number of sites in the Borough it is considered that disposal on a site by site basis increases competition and provides a range of developers in the town providing differing ranges of properties which adds to the overall offer.

## **5. RISK IMPLICATIONS**

- 5.1 As with all development there are risks that market changes or the discovery of unforeseen costs can significantly affect the viability appraisals and the final projected returns that can be achieved.

## **6. FINANCIAL CONSIDERATIONS**

- 6.1 The land sites identified in section 3 for either a traditional sale, or a JV sale, need to be earmarked to achieve the outstanding balance of the existing capital receipts target, which was £2.891m at 31<sup>st</sup> March 2017, after reflecting the achievement of capital receipts of £4.489m. These resources are needed to fund existing capital expenditure commitment. In the event that a JV sale increases the value of the capital receipt the Council can achieve, but this is phased over a number of years, a strategy for managing any resulting temporary shortfall in the existing capital receipts target will need to be developed. In line with the Medium Term Financial Strategy once the existing capital receipts target has been achieved a strategy for using any additional capital receipts achieved by the Council will be developed in line with the Council's priorities.
- 6.2 Joint development agreements will require substantial investment input by the Council this can be land and cash or cash with the sites being sold to the company to generate a receipt. It also must be considered that JV income is unlikely to be generated upfront (as in a straight land sale arrangement) and will be shared over the lifetime of the development sale; so capital receipt income (although potentially of a greater sum) would be delayed, which in turn could impact on the MTFS projections.
- 6.3 The JV contract will specify the level of authority that the partner can spend without reference back to the Board to ensure financial control and probity.

## **7 LEGAL CONSIDERATIONS**

- 7.1 The detail of the partnership contract and compliance with procurement regulations are paramount to any proposal. However the fact that these elements have already been tested by a Neighbouring Authorities legal

and procurement teams is advantageous. However the Chief Solicitor will review all the contract documentation to ensure that the Council's position is safeguarded.

**8. CHILD AND FAMILY POVERTY**

- 8.1 There are no child and family poverty implications relating directly 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 new staffing considerations relating to this report.

**12. ASSET MANAGEMENT CONSIDERATIONS**

- 12.1 Agreeing suitable JV arrangements can potentially offer a vehicle that would enable the Council to capture value additional to the sale price of the land.

**13. RECOMMENDATIONS**

- 13.1 Agree that the creation of a wholly owned HBC development company is not considered appropriate taking account of the costs this would involve relative to the quantity and quality/value of the Council's surplus land holding.
- 13.2 Agree that in terms of all future sales it is proposed that sites be tendered with bids sought on both a direct sale and JV basis in order that an assessment can be taken in relation to risk and reward together with timescales for the payment of monies. As such this provides the flexibility for the Council to consider the range of options.

## **14. REASONS FOR RECOMMENDATIONS**

- 14.1 A variety of options have been considered to add value to the sale of Council land and delivery of housing in the Borough. Joint Venture opportunities would enable the Council to partner with an established developer with the necessary construction and market knowledge which combined with the financial and land resources of the Council could unlock development that might not be possible by either partner operating on its own. Such an approach therefore has the potential to create benefit for both parties.
- 14.2 A JV model will incur increased risks over and above a normal sale of land but it should be possible to manage such risks through the contractual documentation and to benefit from the experience at a local level of the model established.

## **15. BACKGROUND PAPERS**

- 15.1 The following background papers relate to this report.

## **16. CONTACT OFFICER**

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# FINANCE AND POLICY COMMITTEE

10<sup>th</sup> July 2017



**Report of:** Assistant Director, Corporate Services

**Subject:** EMPLOYEE SICKNESS ABSENCE  
ANNUAL REPORT 2016/17

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## 1. TYPE OF DECISION/APPLICABLE CATEGORY

Non Key Decision.

## 2. PURPOSE OF REPORT

- 2.1 To update the Committee on the Council's performance in 2016/17 in relation to employee sickness absence and seek approval for the sickness absence targets (paragraph 4.6) and key focus areas (paragraph 4.7) for 2017/18.

## 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. Improving the robust management of attendance and reducing time lost to sickness absence continues to be a high priority for the Council. As such, sickness absence has been included within the group of Corporate Health Performance Indicators for monitoring and performance management purposes.

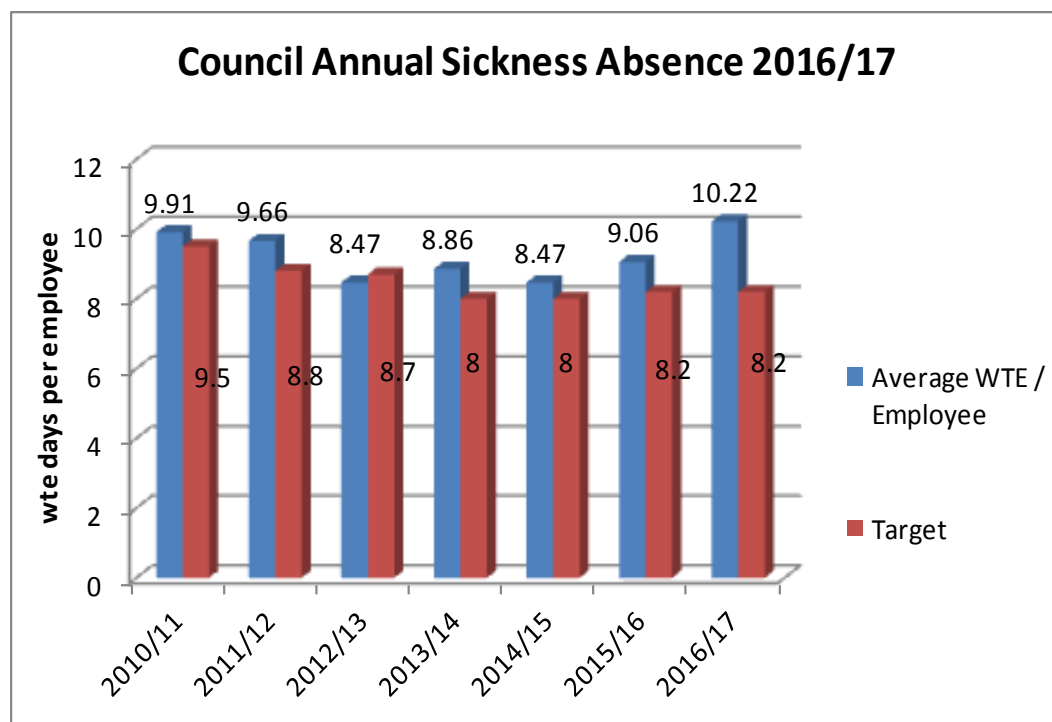
## 4. SICKNESS ABSENCE PERFORMANCE INFORMATION 2016/17

- 4.1 The target figure for 2016/17 for the Council was 8.20 average wte days absence per wte employee (whole time equivalent). The end of year figure was over target at 10.22 wte and demonstrates an increase in sickness absence rates from 2015/16 of 1.16 wte days.

Figure 1 overleaf illustrates that sickness absence rates have been rising over the proceeding 3 years, from 8.47 wte days absence per wte employee to 10.22 wte days in 2016/17. The rate in 2016/17 is also the highest it has been since at least 2010.

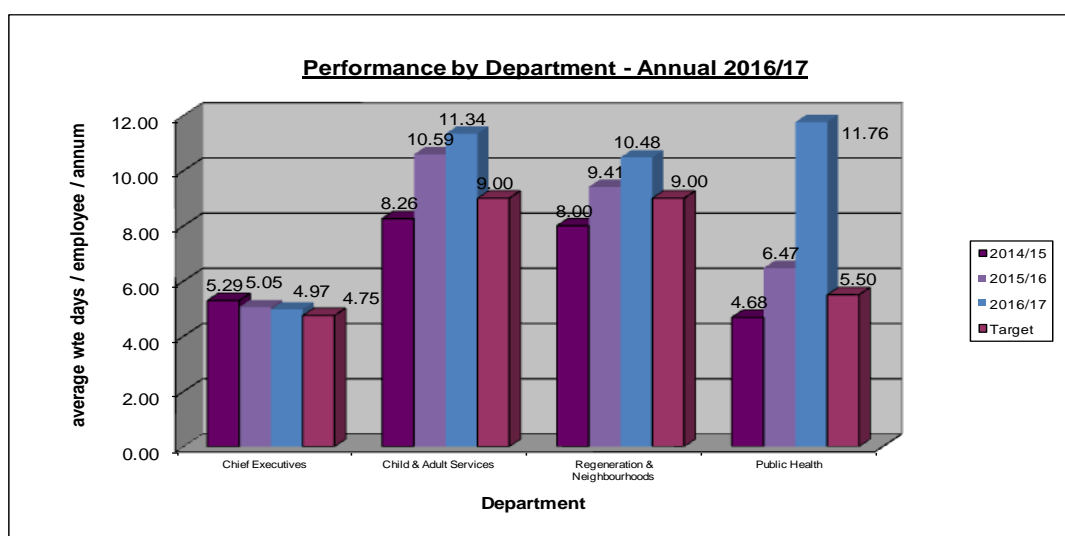
The Chartered Institute of Personnel and Development (CIPD) in their Annual Survey Report for 2016 confirm the average sickness rate at 6.3 days per employee across all sectors. The public sector sickness averages have remained relatively static with a small reduction in 2016 average to 8.5 days per employee / annum.

Figure 1



- 4.2 Figure 2 below illustrates the actual performance for each Department as at 31<sup>st</sup> March 2017, and the trend over the previous two years. The final column shows the 2016/17 annual target set by each Department.

The figures identify a downward trend in sickness absence rates in the Chief Executive's Department. However, there has been an increase over the three years in all other Departments. It should be noted that the Public Health Department is smaller than the Regeneration and Neighbourhoods and Child and Adult Departments, therefore sickness absence will have a greater impact on the rates.

**Figure 2**

#### 4.3 Long, Medium and Short Term Sickness Absence

The following timescales are used to define sickness absence:

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

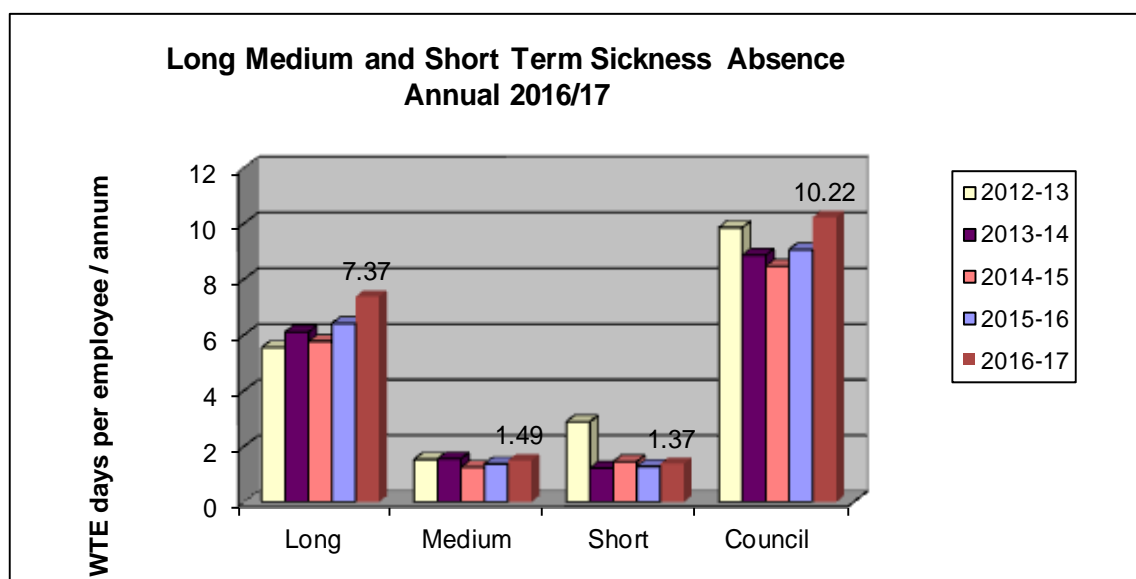
Figure 3 below shows a breakdown of long, medium or short term sickness absence for the past five years up to March 2017. The final column shows the impact this had on the overall Council sickness absence figure.

The number of individual cases triggering 3 occasions of sickness in the 12 month period is 156. This includes short, medium and long term sickness.

In 2017/18, the short and medium term sickness rates have remained relatively stable with marginal increases although a continued focus on these areas is essential to monitor any further shift in this trend. The most significant increase and the reason for the overall increase in rates is long term sickness which increased from last year by 0.96 wte, which accounts for the majority of the overall sickness absence increase of 1.16 wte. There is no identifiable trend as to the reason for the increase as there are peaks and troughs across all of the main reasons for sickness absence. Minor illness and mental ill health have replaced recurring conditions and domestic stress in the top five reasons for long term sickness absence.

Further investigation is needed but it would appear mental ill health in Child and Adult Services accounts for the majority of the increase in Child and Adult Services and is their top reason for long term sickness. Musculo-skeletal sickness has a decreased trend in the majority of departments except Regeneration and Neighbourhoods where it is their top reason for sickness absence.

Figure 3



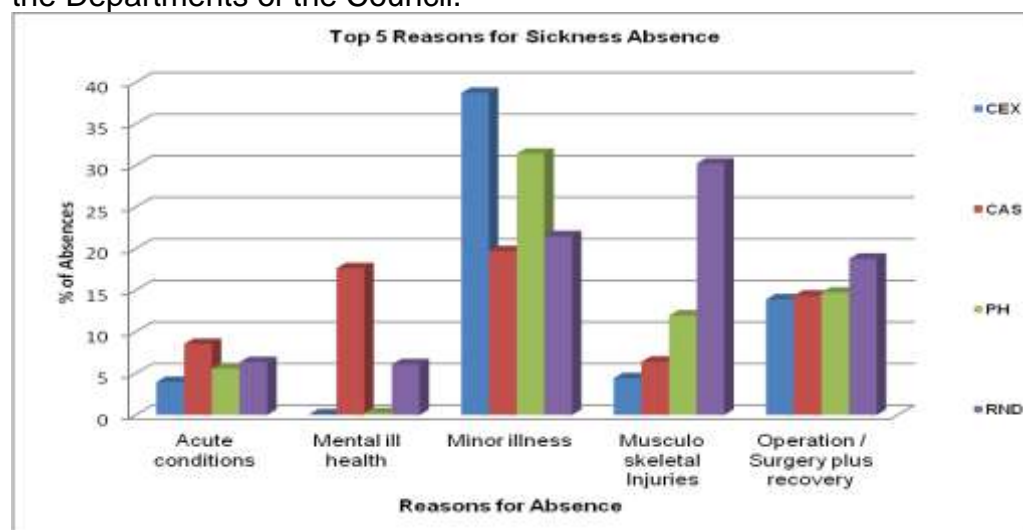
#### 4.4 Tees Valley Annual Sickness Absence Rates 2016/17

Tees Valley Local Authorities have all identified increases in sickness absence rates. The sickness absence rates are listed below for each Local Authority:

Redcar and Cleveland	6.9 wte average days / employee / annum
Stockton	8.8
Middlesbrough	9.24 (* subject to final confirmation)
Darlington	9.7
Hartlepool	10.22

#### 4.5 Reasons for Sickness Absence

Figure 4 below identifies the top five reasons for sickness absence across the Departments of the Council.





According to the CIPD annual survey report 2016, overall two-fifths of organisations claim an increase in reported mental health problems, such as anxiety and depression, among employees in the past 12 months. The Council has mental ill health as one of its top five reasons for sickness absence in the past 12 months which is in line with the national statistics.

The Council has a number of proactive strategies to deal with mental ill health. This includes referrals to Hartlepool MIND to assist employees in managing their mental well being. It is important that the Council continues to consider those preventative measures which may be implemented to support employees, as part of an overall consideration of workforce development arrangements within the Council. The number of individual work related stress cases across the Council in 2016/17 was 21. The number of domestic related stress cases over the same period was 57.

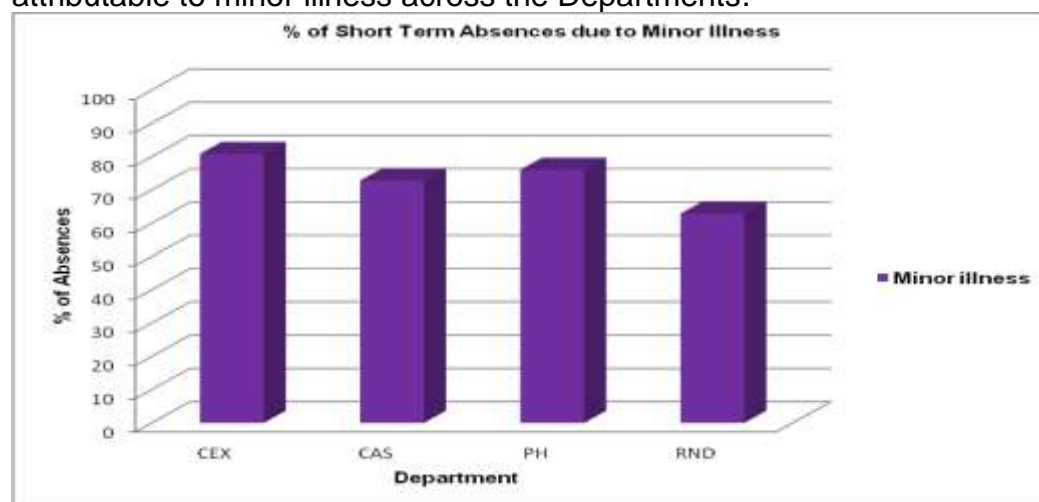
Musculo-skeletal problems are cited as another of the top five reasons for sickness absence across the Council. The Council adopts a number of proactive strategies aimed at reducing the number of staff absent from work due to musculo-skeletal injuries. These include regular refresher training on manual handling, which wherever possible is targeted to specific groups of employees. For example in 2016/17 the Health Safety and Wellbeing Team developed and delivered specific manual handling training courses to high risk employees working within the Building, Design and Construction team, and to the environmental operatives working within refuse collection services. In addition managers provide hand arm vibration awareness, use of personal protective equipment and have the ability to refer individual employees to the HBC physiotherapy services provided by K2 Physio Care who are chartered physiotherapists registered with the Health Professionals Council. During quarter 4 of 2016/17 managers made 38 new referrals to the physiotherapy service, the majority of referrals relating to back, neck and shoulders. Hartlepool Borough Council's Health and Safety Policy requires managers to undertake and review risk assessments, including Manual Handling risk assessments. The aim of the manual handling risk assessments is to avoid the need for hazardous manual handling activities, and where this cannot be achieved, reduce the risk from manual handling by for example providing suitable lifting aids.

In addition to physiotherapy services, the Council also have a significant health screening programme in place. During 2016/17 there were a total of 602 different health screening/health surveillance programmes undertaken. Screening undertaken includes driver, audiometry, hand arm vibration, skin surveillance, construction plant operators and passenger transport drivers. This health screening was instrumental during quarter 4 when one employee was identified as being unfit for work with vibrating tools. In turn this led to a full review of the management of hand transmitted vibration being undertaken throughout relevant departments.

#### 4.5.1 Short Term Sickness Absence

The CIPD Annual Survey Report 2016 identifies that for public sector manual workers short term sickness absence is the main cause of absence linked to minor illnesses (for example, colds, flu, stomach upsets, headaches and migraines) at 90%. This is also mirrored across all sectors with 95% of absences being attributable to minor illness. The main reason for short term sickness within the Council is minor illness which is mirrored across all four departments.

Figure 5 below identifies the percentage of short term sickness absence attributable to minor illness across the Departments.

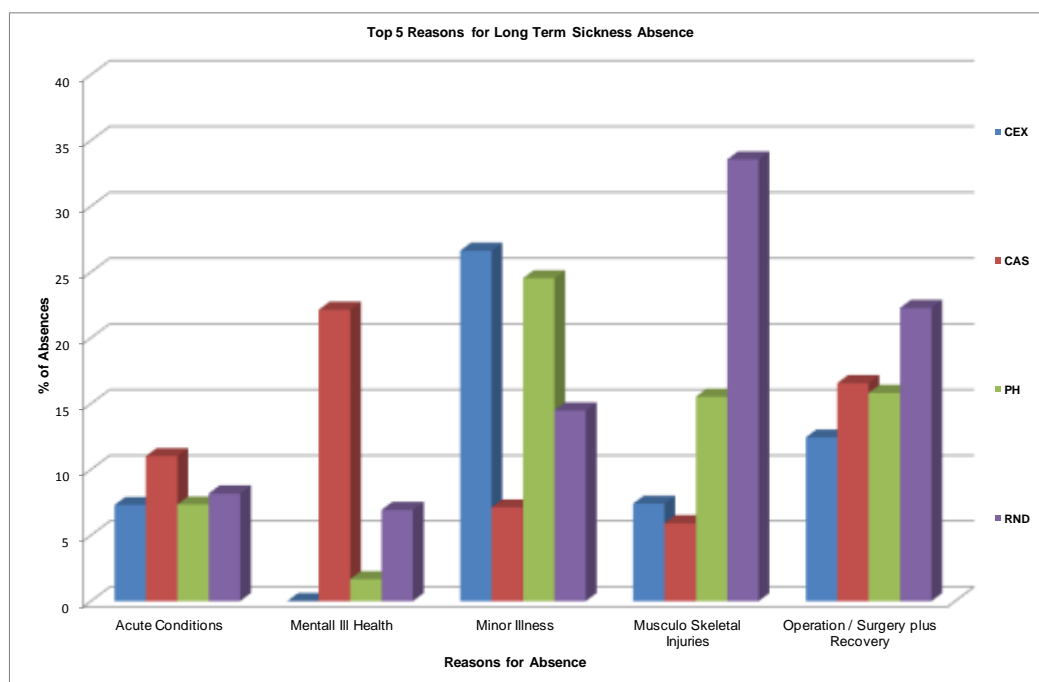


#### 4.5.2 Long Term Sickness Absence

The CIPD Annual Survey Report 2016 reports that the top most common cause of long term absence for manual workers in the public sector is musculoskeletal injuries at 51%.

For non manual workers, the most common cause for long term sickness absence is acute medical conditions (for example stroke, heart attack and cancer) at 50% of absences. The second highest reason for long term sickness absence is stress at 47% of absences attributable to this.

Figure 6 below identifies the rates for the top five reasons for long term sickness absence across the Council split by Department



Within the Council the top five reasons for long term sickness absence are acute conditions, mental ill health, minor illness, musculo skeletal Injuries, operation/surgery plus recovery. The Council has a number of proactive strategies to manage long term sickness absence, such as home visits, referrals to occupational health services, counselling, physiotherapy, phased returns to work, amended hours, altered duties which all support the employee in returning to work.

#### 4.6 Sickness Absence Targets

Each Department has set their average sickness absence targets for 2017/18 as detailed in Table 1 below. The first two columns show the target and actual sickness for 2016/17 and the final column shows the proposed targets for 2017/18.

Table 1

Department	2016/17 Actual	2016/17 Target	2017/18 Proposed Target
Chief Executive's	4.97	4.75	4.5
Child and Adult Services	11.34	9.00	9.00
Regeneration and Neighbourhoods	10.48	9.00	9.00
Public Health	11.76	5.5	9.00
Council	10.22	8.2	8.4

The Council target agreed by CMT for 2017/18 is based upon individual targets set by departments. The target represents a realistic sickness absence performance for a 12 month period and shows the commitment to a continued focus on sickness absence management.

#### 4.7 Sickness Absence Management Key Performance Aims 2017/18

The following are key issues for effective sickness absence management and are supported by the Council within their working practices:

- Early intervention is key and the sooner support is provided the quicker the employee is able to return to their job. The Council support this by monitoring absence at an early stage. We do this through automatic alerts to managers when employees have hit the triggers of 3 occasions of absence or over 10 days in the previous 12 months. HR support managers further in the management of short and long term sickness. This is followed up by HR to support the manager with a focus on long term sickness cases. Early intervention is promoted on the sickness absence management training that runs as a corporate programme throughout the year. The Health, Safety and Wellbeing Service and HR promoted to managers across the Council an update providing information relating to the effective management of health conditions and disabilities in the workplace. The developments in the ResourceLink system and HR Insight will provide managers with up to date information on sickness absence within teams which will enable them to take early action to support employees and manage absence. There are also plans to strengthen reporting arrangements to Departmental and Corporate Management Teams.
- Work in a well managed workplace is shown to aid recovery and an early return aids both physical and mental health. The Council is investing in strengthening its management development programmes which will embed best management practice to promote workplaces that reflect the culture and values of the Council and enable employee engagement.
- Discussions can lead to simple adjustments that enable an early return before 100% fitness. The Council promotes sickness absence reviews and return to work meetings ongoing to support employees who are off work on long term sickness absence. This enables the manager and employee to keep in touch and focus on adjustments that can support the employee to return to work. This is achieved through policy direction, key messages from the sickness absence management training and HR support on individual sickness cases.
- Encouraging health and wellbeing and supporting employee participation in health initiatives can have a positive effect. The Council has an excellent wellbeing support for employees through its Occupational Health, Physiotherapy and Counselling Services. In addition, Council

has been awarded the 'Continued Excellence Award' from the North East Better Health at Work partnership through the work of Public Health.

There is a commitment to explore the following areas which will assist in driving performance. However it should be noted that this work is ongoing subject to resources.

- In the current climate of a reduced workforce and increased workloads then the Council need to continue to monitor and reduce workloads to reduce stress related absences. The Council has participated in a Tees-wide HR review of sickness management practices in Local Authorities. We are awaiting a final report to review its findings and support our sickness absence management arrangements and inform the policy review. The Council is considering developing its sickness absence management programme in relation to managing mental health in the workplace through a 'Mental Health Light' initiative being implemented in other Tees Valley Local Authorities, that equips managers to understand and identify mental health issues in the workplace, to support them in managing difficult conversations and explore ways to support the employee at work.
- Celebrating a culture of wellbeing such as the recognition for employees with 5 years of no sickness absence.
- Review of the Council's sickness absence policy and management arrangements over the next 12 months.
- Continue to promote flexible working measures, including home working through the HR advice to managers for individual cases and reinforcement of this message in the Council's sickness absence management training programme.
- Work together with trade unions to support employees and assist in the management of sickness absence in the Council.

#### 4.8 Current Sickness Absence Rates 2017/18

The sickness absence rates as at the end of May 2017 are identified in Table 2 below. The sickness absence rates historically show a decline from April which then increase over the 12 months. However the sickness rates are high for this time of the year in both Child and Adult Services and Regeneration and Neighbourhoods which reflects a continuation of long term sickness commencing in 2016/17. The rates for Public Health and Chief Executives are comparable with 2016/17 rates during the same period.

Table 2

	Average wte per employee / annum
<b>Child and Adult Services</b>	11.27
<b>Regeneration and Neighbourhoods</b>	10.66
<b>Public Health</b>	7.95
<b>Chief Executives</b>	4.41
<b>Council</b>	9.86

#### 4.9 Conclusion

The sickness levels have been increasing over the last 3 years across all departments except for Chief Executives. It is clear that the main reason for the high levels of sickness is due to the number of employees on long term sickness absence. The main reason for long term absence across the Council vary for each department but are significant in the areas of musculo-skeletal injuries, operations/surgery and minor illness, followed to a lesser extent by acute conditions and mental ill health (this is reported separately to work related or domestic stress).

There are a number of actions identified to support sickness absence management including improvements in the reporting arrangements to enable better early intervention strategies to be implemented for individual cases, review of policies and practices supporting sickness absence management, strengthening the corporate sickness absence management development programmes and the promotion of flexible working practices.

The report identifies ambitious sickness absence targets for 2017/18.

## 5. **RISK IMPLICATIONS**

There are no specific risk implications from this report.

## 6. **FINANCIAL CONSIDERATIONS**

There are no direct specific financial considerations from this report and the costs arising from sickness are managed from within the overall budget.

## 7. **LEGAL CONSIDERATIONS**

There are no specific legal considerations from this report.

**8. CHILD/FAMILY POVERTY CONSIDERATIONS**

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

**9. EQUALITY AND DIVERSITY CONSIDERATIONS**

There are no specific equality / diversity considerations from this report.

**10. STAFF CONSIDERATIONS**

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

**11. ASSET MANAGEMENT CONSIDERATIONS**

There are no specific asset management considerations from this report.

**12. RECOMMENDATIONS**

- 12.1 It is recommended that the Committee notes the information in relation to employee absence in 2016/17 and approves the sickness absence targets (paragraph 4.6) and key focus areas (paragraph 4.7) for 2017/18.

**13. REASONS FOR RECOMMENDATIONS**

- 13.1 To advise the Committee of the current performance in respect of sickness levels and set the sickness targets for 2017/18 for the Council and Departments.

**14. BACKGROUND PAPERS**

- 14.1 None.

**15. CONTACT OFFICERS**

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