

FINANCE AND POLICY COMMITTEE

MINUTES AND DECISION RECORD

10 JULY 2017

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

Present:

Councillor Christopher Akers Belcher (In the Chair)

Councillors: Alan Clark, Kevin Cranney, Tim Fleming, Dave Hunter, Jim Lindridge, Shane Moore and Stephen Thomas.

Also Present: Councillor Carl Richardson as substitute for Councillor Marjorie James in accordance with Council Procedure Rule 5.2.

Officers: Gill Alexander, Chief Executive
Peter Devlin, Chief Solicitor
John Morton, Assistant Director, Finance and Customer Services
Claire McLaren, Assistant Director, Corporate Services
Denise Ogden, Director of Regeneration and Neighbourhoods
Alastair Rae, Public Relations Manager
David Cosgrove, Democratic Services Team

12. Apologies for Absence

Councillors Marjorie James and Brenda Loynes.

13. Declarations of Interest

None declared at the commencement of the meeting.

During the discussions on Minute No. 22 “Local Business Rates Relief Scheme”, Councillors Clark and Cranney declared personal interests.

14. Minutes of the meeting held on 12 June, 2017

Confirmed.

15. Minutes of the Joint Meeting of the Finance and Policy Committee and Children’s Services Committee held on 12 June, 2017

Confirmed.

16. Minutes of the meeting of the Health and Wellbeing Board held on 13 March, 2017

Received.

17. Minutes of the meeting of the Safer Hartlepool Partnership held on 10 March, 2017

Received.

18. Minutes of the meeting of the Tees Valley Combined Authority held on 31 May, 2017

Noted.

19. Draft Community Safety Plan 2017-20 (*Director of Regeneration and Neighbourhoods*)

Type of decision

Budget and Policy Framework.

Purpose of report

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

Issue(s) for consideration

The Director of Regeneration and Neighbourhood Services reported that the Crime and Disorder Act 1998 introduced a requirement for Community Safety Partnerships (CSPs) which had a statutory responsibility to develop and implement a three year Community Safety Strategy (now known as the Community Safety Plan) setting out how it intended to address crime and disorder, substance misuse, and re-offending issues in Hartlepool.

Based upon the Safer Hartlepool Partnership Strategic Assessment 2016, the draft Community Safety Strategy (submitted as an appendix to the report) had been considered by the Safer Hartlepool Partnership at their meeting on 16 June 2017. The strategy had 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 and November 2016, and discussions with partners at the Safer Hartlepool Partnership development day had also been used to inform the development of the three year strategic objectives and year one priorities.

Following Safer Hartlepool Partnership approval on 16 June 2017, the draft

Community Safety Plan was now 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.

It was anticipated that the final document would be presented to the Safer Hartlepool Partnership in September 2017, and subject to the approval by the Partnership would be considered by Finance and Policy Committee prior to final submission for adoption by full Council in October 2017.

A Member commented on 'Strategic Objective 2: Reduce the harm caused by drugs and alcohol' and the cost of alcohol misuse of £343 per head of population in Hartlepool. That figure equated to over £30m of total expenditure when based on the population of the town; how was that figure calculated. The Director indicated that the figure included not just Council expenditure, but health, Police and other agencies expenditure. The Chair commented that the global figure had been included in the past and should be in the new plan.

Members referred to the use of percentages in the statistics quoted and asked that actual figures relating to crime and anti-social behaviour, for example, be included so Members had a better grasp of the real situation. The Director indicated the figures would be included in the next draft of the plan. The figures were, however, monitored regularly by the Safer Hartlepool Partnership. The Chair commented that defining the trends with some the statistical information may also be useful.

A Member commented on the relatively low response to the public survey and was concerned at basing the plan's priorities on the views of only 250 people. The Director indicated that the public survey was not the only factor that influenced the strategic objectives; there was also the face the public event, a detailed evidence base and wider ongoing consultation.

The Chair of the Children's Services Committee commented on the numbers of young people known to the substance misuse services and considered that further work was required on this as he did not feel the true extent of the problem was known. The Chair suggested that a referral to either the Children's Services Committee of the Children's Strategic

Partnership on this matter would be appropriate and that the Interim Director of Public Health be requested to submit an appropriate report investigating the issue in some detail.

A Member referred to the issues around formerly legal highs and other legal prescription drugs, the use of which seemed to be widely accepted and questioned if the use of these was monitored by the various agencies. The Chair commented that with some of the services around substance misuse being brought in-house, it may be possible to monitor the use of such drugs in the future.

Decision

1. That the report and the draft Community Safety Plan 2017-2020 be noted.
2. That the comments of Members be noted for inclusion in the consultation and next draft of the plan.

20. Community Engagement and Cohesion Strategy (*Director of Regeneration and Neighbourhoods and Director of Finance and Policy*)

Type of decision

Budget and Policy Framework.

Purpose of report

The purpose of the report was 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.

Issue(s) for consideration

The Director of Regeneration and Neighbourhoods reported that the Community Engagement and Cohesion Strategy was a new strategy to be developed by the Council during 2017/18. The purpose and remit of the Community Engagement and Cohesion Strategy was 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.

The Director indicated that within the Strategy the Council would provide a definition and a set of principles for our work on community engagement. It was also proposed that the strategy would set out details of how our work in

this area would be developed and improved across the Council and what our priorities for the future would be. This would reflect our activities around Community Hubs, the Community Protection Service and Prevent. Ultimately, the strategy would clearly set out our principles and approach to working with our local communities.

It was proposed within the report that the timetable for the development of the strategy would lead to a finalised document being submitted to Council in March 2018 for adoption. The first draft of the strategy would be reported to the Committee in September.

Members welcomed the development of the strategy as a positive step forward for the council in defining its relationship with the local community. The Chair indicated that the roundtable events in the consultation process should be held on different days, times and venues to get the widest possible public involvement.

Decision

That the proposed purpose and scope of the Community Engagement and Cohesion Strategy and the proposed timetable for its development be approved.

21. Final Outturn 2016/17 (*Corporate Management Team*)

Type of decision

Budget and Policy Framework.

Purpose of report

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.

Issue(s) for consideration

The Assistant Director, Finance and Customer Services reported that previous reports to Committee had indicated that the outturn position for 2016/17 was unclear with the potential for an overspend and hence the need for a strategy to deal with such an overspend if it occurred. The actual outturn was a net overall overspend of £0.262m driven mainly by an overspend in Child and Adult Services 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 were not unique to Hartlepool and had been identified as a national issue, although no additional Government funding had been provided.

The Assistant Director stated that the General Fund overspend could be

partly addressed by applying one off resources not previously identified when the outturn forecasts were prepared. These resources provided £0.126m and related to one off funding allocated to fund potential protection costs. However, as previously reported to Committee, following the outcome of the Trade Union ballot these resources could now be released as they would no longer be needed for potential protection

The remaining overspend of £0.136m would be funded from the Unearmarked General Fund Reserve. This reserve was held to manage unforeseen events. The balance of this reserve at 31st March 2017, after reflecting the use of £0.136m, was £4.526m, which equated to 6% of the budget which was the recommended level for this reserve.

In relation to the Capital Budget Outturn, the Assistant Director reported that it was currently anticipated that the capital programme would be within budget. The favourable variance of £0.088m related to the Waverley Safety Improvement Scheme, after a revised specification, resulting in an underspend to be transferred back to the unallocated Capital Fund.

The Assistant Director also highlighted that the project to deliver the works funded by the Coastal Communities Fund (CCF) in Seaton involved match funding provided by the Council for the scheme and also included a Landfill Tax Grant and a future Capital Receipt from the sale of Land at Coronation Drive. The Landfill Tax grant secured was less than originally anticipated by £0.1m, and the achievement of the Capital Receipt had been delayed. In order to achieve the expenditure profile approved as part of the CCF funding agreement, temporary funding would need to be identified to cover the full cost of the works until the Capital Receipt was received. It was proposed to use £0.4m of the Regeneration Schemes Capital Budget to provide the temporary funding necessary for the scheme to progress within the necessary timescales.

The Chair of the Children's Services Committee commented that the budget overspend on Children's Services was a national issue that needed to receive the same kind of publicity that the issues in Adult Social Care had received over recent years. This was an issue affecting all councils that needed to be on the national agenda and the Member suggested that a letter be sent to Robert Goodwill MP, Minister for Children, seeking that the crisis on children's services funding be addressed as a matter of national urgency. This was supported by Members. The Chair of the Adult Services Committee commented that the recent Unison Labour Link National Policy Forum, a motion on the crisis in children's services funding was agreed.

A Member suggested that if the Children's Services budget was under such pressure, was it set at a realistic level. The Chair commented that much of the budget pressure had been met through departmental reserves and the forthcoming budget process would look at the funding of specific areas and how service delivery could be restructured.

The Chair of the Children's Services Committee indicated that despite the

work undertaken on early intervention demand for services was up as much as 50%. Delivering services in a different way through partnership approaches, early intervention and the team around the family approach could address some of the issues but there was still a need for more resources. The Chair suggested that the Public Relations Manager liaise with the Chairs of the Adults Services and Children's Services Committees and the Assistant Director of Children's Services on publicity around this issue. This was supported by the Committee.

A member questioned if there could be any financial impact on the authority relating to building cladding concerns following the Grenfell Tower tragedy. The Director of Regeneration and Neighbourhoods reported that the Thirteen Group had confirmed that the only high rise building in Hartlepool, Titan House, did not have any issues with regards to cladding. The Director commented that other buildings within the borough with cladding were being examined but any additional costs falling to the Council were not anticipated.

Decision

1. The Committee noted the 2016/17 General Fund overspend of £0.262m, which although lower than the worst case forecast of £0.479m, reflected continued pressure on services and the Council's overall financial position.
2. The Committee noted that the 2016/17 General Fund overspend had been funded from a combination of using part of the uncommitted Protection Costs Reserve (£0.126m) and the Un-earmarked General Fund Reserve (£0.136m).
3. That the proposal that a strategy for using the residual uncommitted balance of the Protection Costs Reserve of £0.067m (i.e. balance at 1 April 2016 of £0.193m less allocated recommendation 2. £126,000) be developed as part of the 2018/19 budget process to reflect the overall financial position of the Council prevailing at the time.
4. The Committee noted that at 31 March 2017 capital receipts of £4.489m had been achieved leaving £2.891m of the existing target to be achieved from future planned land sales.
5. That in accordance with the authority delegated by Council within the approved MTFS for 2017/18 the Committee approved the proposals detailed in paragraphs 7.8 of the report 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,
6. That in accordance with the authority delegated by Council within the approved MTFS for 2017/18 the Committee noted that 5. above would mean that commitments against the £2.862m funding would total

£2.017m leaving a balance of £0.845m available to support future Regeneration Schemes.

7. That in accordance with the authority delegated by Council within the approved MTFS for 2017/18 Committee agreed that when the Capital Receipt was achieved the value of the amount secured, which may be more or less than the £0.300m, would be transferred back into the Regeneration Fund to support future regeneration schemes.
8. That the Public Relations Manager, in consultation with the Chair of the Children's Services Committee, the Chair of the Adult Services Committee and the Assistant Director, Children's Services issue a press release supporting the call for additional funding to be allocated nationally to support the crisis on Children's Services funding.

During consideration of the following item, Councillors Clark and Cranney declared personal interests as trustees of Belle Vue Community, Sports and Youth Centre. Councillor Cranney declared a personal interest in relation to Owton Rossmere Community Enterprise Limited and Owton fens Community Association.

22. Local Business Rates Relief Scheme *(Director of Finance and Policy)*

Type of decision

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

Purpose of report

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

Issue(s) for consideration

The Assistant Director, Finance and Customer Services reported that 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.

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

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.

Hartlepool BC's funding allocation is:

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

Government funding allocations to Councils had been based on those businesses with a rateable value of less than £200,000 which had seen their gross rates bill rise by more than 12.5% in 2017/18 compared to 2016/17. However DCLG have stated that they did not expect Councils to allocate local relief support on this basis but that Councils should define their own local scheme principles. It was 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
- (b) Local Relief Support should be restricted to those businesses with an April 2017 rateable value of less than £200,000.
- (c) Local Relief Support should exclude public sector bodies eg. The National Health Service, and also those national companies operating from multiple premises nationally.
- (d) Local Relief Support should be deliverable within the national 2017/18 funding envelope
- (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.

The Community and Voluntary Sector had suffered significant funding cuts and operational challenges during the period of economic austerity. Furthermore, the Council had since the 2012/13 financial year, 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 had increased for 2017/18 out of

business rates liability at a cost of about £10,197 in 2017/18 as shown in Appendix B to the report.

The 2017/18 consolidated cost of the recommended Local Rates Relief scheme including support to a number of community / voluntary organisations was £104,797. However, it would not be possible to fully sustain the local scheme on this basis and it was, 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.

Members questioned how this scheme would affect the proposed 100% retention of business rates previously proposed by government. The Assistant Director commented that the proposal for the full transfer of business rates to local authorities was not included in the recent Queen's speech. At this time, it was not known if the transition to full retention would proceed.

Decision

1. That a 2017/18 Local Rates Relief Scheme be implemented using available national funding in line with the principles as set out in Section 4 of the report.
2. That Local Rates Relief Support to businesses in 2017/18 as set out in Appendix A to the report, totalling £94,600 was approved.
3. That Local Rates Relief Support to Community / Voluntary organisations in 2017/18 as set out in Appendix B to the report, totalling £10,197, was approved.
4. That the tapering of Local Relief Support to 60% in 2018/19, 30% in 2019/20 and 17% in 2020/21 was approved.
5. 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 was approved for the Director of Finance and Policy in consultation with the Chair of Finance and Policy Committee to ensure that the full 2017/18 allocation is awarded.

23. Community Safety – Integrated Working *(Director of Regeneration and Neighbourhoods)*

Type of decision

Non-key decision.

Purpose of report

To update the Finance and Policy Committee on the development of

Integrated Working in Hartlepool between local Community Safety Services.

Issue(s) for consideration

The Director of Regeneration and Neighbourhoods reported that the Council Plan identified as a key deliverable the launch of integrated working between the Police and Council Community Safety Services. In line with this commitment, senior representatives from the Police, Council, and Fire Service had 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.

A Project Initiation Document (Appendix A to the report) outlined an agreement between Hartlepool Borough Council, the Cleveland Police and Crime Commissioner and Cleveland Police, in relation to how they would 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 as Appendix B to the report.

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 would bring together Council Community Safety and Enforcement services with the local Neighbourhood Policing service.

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 would contribute to delivering improved safety in relation to the local environment and improved public confidence and cohesion.

Within the context of reduced resources, and increasing demand on services the model aimed 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).

Underpinned by a community engagement approach that remained flexible to the needs of communities, the model encompassed the following three 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.

The Chair acknowledged the difficulties in bringing the services together but stressed that the driver behind the new approach was not saving money but meeting the needs of communities that were losing community policing.

A Member referred to the past comments in relation to the 'top ten individuals' responsible for a significant proportion of the crime in Hartlepool and questioned what level of resources from all agencies were going into these people. The Director commented that the issue of prolific offenders was being monitored by the Safer Hartlepool Partnership. It had to be acknowledged that many of these prolific offenders were themselves victims and all had multi-agency involvement, not just Council services.

Members welcomed the report on the work towards integrating these services and commented that a multi-agency approach was essential when anti-social behaviour incidents among young people were increasing and there was the concern that this could lead through to criminal activity in later years. It was also highlighted that including the voluntary agencies in this work could have great merit as many were already working with some of the troubled families that were a cause for concern.

The Director indicated that this was still very much the beginning of the process and some of the joint working issues would take some time to resolve. The Chief Executive added that this was an extremely important piece of work and, as Members questions and concerns showed, this was an important issue for local communities. There were already some good systems in place within children's services and there would be lots of opportunities for joint learning through these processes which would be invaluable in the future; workforce development was a key element to the future success of this approach.

The Chair requested that when the next report was submitted to Members the report should set out how the integrated services would look in the community and how they could lead to a greater sense of safety. The new Community Hubs would provide physical evidence of the services in the community.

Decision

1. That the progress to date on integrated working in relation to local community safety services be noted.
2. That the Director of Regeneration and Neighbourhoods be authorised, in consultation 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 Safer Hartlepool Partnership.
3. That a further progress update on integrated service delivery in the

autumn of 2017 be submitted to the Committee in due course.

24. Leased Estate - Sales and Lettings at less than Market Value *(Director of Regeneration and Neighbourhoods)*

Type of decision

Non-key decision.

Purpose of report

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

Issue(s) for consideration

The Director of Regeneration and Neighbourhoods reported on the current basis on which Council property was let or sold, usually on a market value but occasionally, where there were social, economic or wellbeing benefits, at less than market value. The report also set out the legal context and the previous policy decisions made by Members.

The Director proposed that a simplified process for such lettings be adopted and draft forms and guidance was appended to the report. This included key criteria that would be considered when evaluating concessionary rate applications which, depending on the service provided, could see rental discounts up to a total of 75%.

The key criteria related to the ability to demonstrate that the organisations would;

- Improve Health and Wellbeing - up to 25% discount
- Address Family Poverty – up to 25% discount
- Improve Community Safety – up to 25% discount.

In order to ensure that the simplified policy could be applied as widely as possible it was proposed that reference to the policy will be included within the letting particulars of the Council's leased estate. The report set out the key financial issues and highlighted that any discounts to sales would impact on leased estate income but that this would need to be balanced against any potential social, economic and wellbeing benefits.

Members broadly welcomed the proposal but were concerned that some groups may initially be awarded one or more discounts when applying to lease a particular property but within a year or two the ethos of that organisation may change and it may not be delivering the 'services' that had originally qualified for a discount. The Director acknowledged the concern and indicated that such situations would need to be monitored closely.

A Member highlighted that there was a private nursery within the town that was having to look for new premises and questioned if they could be assisted through this process. The Director indicated that some assistance was being given in looking at Council owned property. The Chair commented that the Chair of the Children's Services Committee would be meeting with the organisation.

Decision

1. That the revised policy to assess applications for concessionary rents within the leased estate, as reported, be approved.
2. That all rents are initially assessed at Market Value; tenants would be notified of the scheme as part of the letting process and when rent review notices or lease renewals were sent out. Tenants could then make applications for consideration should they so wish and these would be assessed in accordance with the protocol set out in the report.

25. Review of Options for Delivering Development in Hartlepool *(Director of Regeneration and Neighbourhoods)*

Type of decision

Non-key decision.

Purpose of report

The purpose of the report was 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 sought committee approval to explore potential joint venture partnership arrangements building upon the success of HMR in Hartlepool.

Issue(s) for consideration

The Director of Regeneration and Neighbourhoods reported that in autumn 2016 the Corporate Management Team (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.

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. 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 19th June 2017.

In terms of all future sales the Director 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. This approach could be first tested with the Hart and Tanfield Road Nursery sites going forward over the next 12 months and then on all future sites.

As the model had 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.

Members welcomed the proposals as reported.

Decision

1. 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.
2. That in terms of all future sales it was agreed that sites be tendered with bids sought on both a direct sale and joint venture 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 provided the flexibility for the Council to consider the range of options.

26. Employee Sickness Absence Annual Report 2016/17 (Assistant Director, Corporate Services)

Type of decision

For information only.

Purpose of report

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 and key focus areas for 2017/18.

Issue(s) for consideration

The Assistant Director, Corporate Services reported that 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 demonstrated an increase in sickness absence rates from 2015/16 of 1.16 wte days. The report showed that sickness absence rates had been rising over the preceding 3 years, from 8.47 wte days absence per wte employee to 10.22 wte days in 2016/17. The rate in 2016/17 was also the highest it has been since 2010.

The figures reported identified a downward trend in sickness absence rates in the Chief Executive's Department. However, there had been an increase over the three years in all other Departments. It was highlighted that the Public Health Department was smaller than the Regeneration and Neighbourhoods and Child and Adult Departments, therefore, sickness absence would have a greater impact on the rates.

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

The Council target agreed by CMT for 2017/18 (8.4 days wte) was based upon individual targets set by departments. The target represented a realistic sickness absence performance for a 12 month period and showed the commitment to a continued focus on sickness absence management. There were 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 Vice-Chair referred to previous discussions on this issue when it had been proposed that a series of 'wellness officers' would be appointed within departments. The Assistant Director indicated that this was being examined with Trade Unions and Public Health. Members also commented that there was an elected member champion for mental health; was there such a position for staff. The Assistant Director indicated that there were proposals to strengthen the training for Managers.

The Chief Executive commented that this was a difficult area and a need to invest in management development had been identified together with a wider workforce development programme. It was intended this would look to encouraging staff to be aware of their mental health as much as their

physical health. Better management and supervision training on the awareness and identification of mental health issues would lead, it was hoped, to being able to tackle problems much earlier and thus avoiding sickness absences.

A Member questioned what signposting there was for staff to mental health support services. The Assistant Director reported that the Council had a contract with MIND for mental health support services and staff members could self refer to this support. Another Member questioned if other approaches were available and if the work 'environmental' impact on staff was monitored. Staff dealing with difficult issues all day may need somewhere/someone to go to, to deal with the impact of that. The Assistant Director took the comments on board.

Members referred to the comparator sickness statistics for other Tees Valley Authorities and asked if any approach had been made to them to see what approach they had to similar problems and if there was any good practice that could be adopted here. The Assistant Director indicated that no approaches had been made, however, supported the suggestion and would ensure this would be taken forward. The Chief Executive commented that other authorities had taken the approach Hartlepool was to adopt in linking mental health with physical health and wellbeing.

During the discussions the Assistant Director referred to the length of time some of the current policies and procedures had been in place and Members considered that it was appropriate that reviews and updating were required. The Chair commented that the Council may simply need to be realistic on its targets and proposed that the target for the authority as a whole should be the regional average of 8.5 days wte. The Chair also proposed that the Chief Executive's department target remain the same as last year at 4.75 days wte. The Chair suggested that those members of staff that had used the support services should be asked for their feedback so an assessment could be made as to whether the right support was in place. Benchmarking against other authorities was also required to give a reflection of where our services stood.

The Chair also requested a report on staff wellness and the measures that could be put in place to support staff and suggested that this be submitted alongside the next quarterly monitoring report.

Decision

1. That the information in relation to employee absence in 2016/17 be noted.
2. That the sickness absence targets for 2017/18 be set at 8.5 wte and that the key focus areas reported be approved. The individual departmental targets to be as reported except for the Chief Executive's Department which would remain at 4.75 days wte.

3. That in conjunction with the next quarterly update report, a report setting out the following be submitted to Members:
 - Benchmarking of the measures employed by the other Tees Valley authorities with details of any best practice that could be adopted in Hartlepool.
 - Feedback from those staff that had utilised the Council's mental health support service and an assessment of those services.
 - An assessment of staff wellness and any proposals that could be adopted to support staff develop their own wellbeing.
 - An update on the review of current HR policies and procedures.

27. Any Other Items which the Chairman Considers are Urgent

None.

The meeting concluded at 11.15 am.

P J DEVLIN

CHIEF SOLICITOR

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